



# Mongolia: Improving Access to Health Services for Disadvantaged Groups Investment Program - Tranche 1

Project Name	Improving Access to Health Services for Disadvantaged Groups Investment Program - Tranche 1											
Project Number	49173-004											
Country	Mongolia											
Project Status	Proposed											
Project Type / Modality of Assistance	Grant Loan											
Source of Funding / Amount	<table border="1"> <tr> <td>Grant: Improving Access to Health Services for Disadvantaged Groups Investment Program - Tranche 1</td> <td></td> </tr> <tr> <td>Japan Fund for the Joint Crediting Mechanism</td> <td>US\$ 3.48 million</td> </tr> <tr> <td>Loan: Improving Access to Health Services for Disadvantaged Groups Investment Program - Tranche 1</td> <td></td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 66.14 million</td> </tr> <tr> <td>concessional ordinary capital resources lending / Asian Development Fund</td> <td>US\$ 10.00 million</td> </tr> </table>		Grant: Improving Access to Health Services for Disadvantaged Groups Investment Program - Tranche 1		Japan Fund for the Joint Crediting Mechanism	US\$ 3.48 million	Loan: Improving Access to Health Services for Disadvantaged Groups Investment Program - Tranche 1		Ordinary capital resources	US\$ 66.14 million	concessional ordinary capital resources lending / Asian Development Fund	US\$ 10.00 million
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Strategic Agendas	Inclusive economic growth Regional integration											
Drivers of Change	Governance and capacity development Partnerships											
Sector / Subsector	Information and communication technology - ICT industries and ICT-enabled services											
Gender Equity and Mainstreaming	Effective gender mainstreaming											
Description	<p>Tranche 1 proposed for financing under the requested periodic financing request (PFR) aims to contribute to the investment program's impact of improving the health status of Mongolians.</p> <p>The investment project comprises the following outputs:</p> <ul style="list-style-type: none"> <li>(i) urban and rural primary health care strengthened,</li> <li>(ii) district and aimag hospital services improved,</li> <li>(iii) health financing system strengthened, and</li> <li>(iv) capacity in procurement and financial management of relevant government entities for health strengthened.</li> </ul>											
Project Rationale and Linkage to Country/Regional Strategy	<p>Sector background. Rapid urbanization in Mongolia over recent decades has increased the burden on the provision of health and social services in Ulaanbaatar and aimag centers. This has led to a shortage of human resources, funding, and equipment; and obsolete and poorly functioning health facilities that weaken the accessibility, quality, and equity of health care services. Poor urban infrastructure and weakened government capacity to provide basic social services have exacerbated the situation. Ulaanbaatar has been the main destination for migrants from Mongolia's rural areas, and now hosts more than 50% of the country's population. About 60% of Ulaanbaatar's population lives in ger areas, with limited access to running water, sanitation, and social services, including primary health care (PHC). Access to health care is challenging, especially for the poor. Out-of-pocket health expenses are high and account for 41% of total health expenditure; one-third of household out-of-pocket health expenses are for medicines because of high prices and the inappropriate use of drugs. Over 90% of the population has health insurance coverage, but the benefit package is limited to hospital services, with the result that the poor use health services 2.5 times less than the nonpoor. In 2015, government expenditure on health accounted for just 2.4% of gross domestic product, well below the 5% target of the World Health Organization. Addressing behavioral risk factors, particularly among men including obesity, alcohol and tobacco abuse, and gender-based violence and their associated health impacts remains a key challenge.</p> <p>The Asian Development Bank (ADB) has been Mongolia's key health sector development partner since 1993, providing five loans totaling \$84.90 million, seven grants totaling \$37.00 million, and 15 technical assistance (TA) projects totaling \$10.65 million. The projects achieved significant results through comprehensive health system support and strengthening, including for PHC reform and investments, information and communications technology, medicine and pharmaceutical procurement reforms, establishment of health insurance, health infrastructure, human resources for health, and sector governance. ADB has also strategically supported the drafting and enactment of key health policies and laws, including the Health Law (2016) and laws related to health insurance, medicines and medical devices, and medical care and services. With support from ADB, Mongolia was able to achieve its Millennium Development Goal targets of reducing under-5 child mortality and preventing the spread of HIV/AIDS. It also made significant progress toward the Millennium Development Goal targets of reducing poverty and malnutrition, and improving maternal health.</p> <p>Despite these achievements, Mongolia faces a continuing burden from both communicable and noncommunicable diseases, resulting in premature mortality and high levels of disability, which prevent the nation from fulfilling its economic potential. Economic growth since 2001 has been strong, but one in five Mongolians still live below the national poverty line and face significant health care challenges that need to be addressed.</p>											
Impact	Health status of Mongolians improved											
Outcome	Access to affordable quality primary and secondary health services in Khovd and Uvs aimags, Ulaanbaatar ger areas, and other selected soums improved											
Outputs	<ul style="list-style-type: none"> <li>Urban and rural primary health care strengthened</li> <li>District and aimag hospital services improved</li> <li>Health financing system strengthened</li> </ul>											
Geographical Location												
Safeguard Categories												

Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	

Business Opportunities	
Consulting Services	The MOH is responsible for selecting, engaging, and supervising consultants. Eight packages for consulting services will be tendered and Consulting firms will be recruited following a quality and cost-based selection (QCBS) procedure with a quality / cost ratio of 90:10. International and national individual consultants (excluding PIU staff) will be engaged using individual consultant's selection procedure.
Procurement	All procurement of goods and works will be undertaken in accordance with ADB Procurement Policy (2017, as amended from time to time) and established commercial practice to obtain optimal results (quality / price ratio). The implementing agencies will also ensure that goods and services to be financed by project funds are procured from ADB member countries. Relevant sections of the ADB Anticorruption Policy (1998, as amended to date) will be included in all procurement documents and contracts. A 10-year MFF procurement plan indicating thresholds and review procedures, describing contract packages for goods, works, and consulting services as well as national competitive bidding guidelines is presented in Section C. Prior review and approval by ADB of the OCB and RFQ procurement documents (advertisements and invitations, bidding documents, draft contract) are required for the first three procurements, while for the remainder a post review will be used.

Responsible ADB Officer	Najibullah Habib
Responsible ADB Department	East Asia Department
Responsible ADB Division	Urban and Social Sectors Division, EARD
Executing Agencies	Ministry of Health (formerly Ministry of Health and Sports) 1st Floor, Government Building VIII Olympic Street 2, Ulaanbaatar Mongolia

Timetable	
Concept Clearance	-
Fact Finding	-
MRM	18 Dec 2018
Approval	-
Last Review Mission	-
Last PDS Update	30 Sep 2019

Project Page	<a href="https://www.adb.org/projects/49173-004/main">https://www.adb.org/projects/49173-004/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=49173-004">http://www.adb.org/forms/request-information-form?subject=49173-004</a>
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