Early Warning System

ADB-48467-001

Concessions for Ulaanbaatar's Municipal Services

Early Warning System

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Quick Facts

Countries	Mongolia
Financial Institutions	Asian Development Bank (ADB)
Status	Active
Bank Risk Rating	B
Voting Date	2015-08-11
Borrower	Government of Mongolia
Sectors	Infrastructure, Water and Sanitation
Investment Type(s)	Grant
Investment Amount (USD)	$ 0.70 million
Project Cost (USD)	$ 0.75 million

Project Description

The TA assisted the Economic Development Agency screen proposed public-private partnerships over September-October 2015. This led to a short list of priority PPPs, and the commencement of project preparation. The TA supported the launch of Ulaanbaatar Development Corporation (UBDC) on 1 December 2015 at an event led by the Mayor of Ulaanbaatar. The corporation will facilitate the city's engagement in commercially oriented activities including PPPs. The event was attended by around 200 representatives of the city, the business community (e.g., construction firms, banks, industry associations), development partners, civil society, and the media, and was covered on the evening TV news. Strong interest was evident from the private sector in UB's PPP program.

The TA supported a PPP Consultative Meeting led by the Mayor of Ulaanbaatar on 15 January 2016 and a follow-up post-workshop. The event presented pilot PPPs being prepared by the UBDC and introduced a proposed PDF for UB City's PPPs. The event was attended by representatives of the, the central government, the business community, development partners, civil society, and the media.

The pilot PPPs are for low carbon schools and kindergartens, energy efficient street lighting, and roads and bridges. The low carbon school and kindergarten PPP, which will raise the energy efficiency of buildings to 50% and fix cold classrooms, was rated as UB City's most important investment project in a recent Deliberative Polling event supported by Stanford University. The street lighting PPP follows similar PPPs in Europe and the UK, and will use the savings from improved energy efficiency to fund better quality lighting and an extension of street lights into ger areas.

The pilots are intended to both deliver better public services and provide a learning-by-doing experience. They showcase how the private sector can be engaged to introduce smart, high technology solutions to reduce air and other forms of pollution in UB. The pilots were presented at a workshop to UB City and central government agencies on 27 September 2016.
The workshop also considered a a draft PPP roadmap for UB City. This is designed to achieve a transition to PPPs that help UB become a smart, sustainable and green city. The roadmap also sets out how UB city can ensure its PPPs are fiscally affordable and provide value- for-money.

A range of PPP tools (e.g., PPP Prioritization and Suitability Tool and User Guide, a Business Case Development Toolkit, an Interactive Risk Assessment and Allocation Tool, and Standardized key performance indicators, standard bidding documents) tailored to UB City's circumstances are under development. The TA is approaching its final stage. The government is requesting for additional capacity development before the TA completion date. Preparation is underway.

Investment Description

- Asian Development Bank (ADB)

Government US$ 0.05 million

Contact Information

Municipal Government of Ulaanbaatar
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ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main

Bank Documents

- Concessions for Ulaanbaatar's Municipal Services: Inception Report [Original Source]
- Concessions for Ulaanbaatar's Municipal Services: Technical Assistance Report [Original Source]
- Project Disclosure PDF