



## Mongolia Export Development Project (P147438)

EAST ASIA AND PACIFIC | Mongolia | Finance, Competitiveness and Innovation Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2017 | Seq No: 11 | ARCHIVED on 24-Feb-2022 | ISR49451 |

Implementing Agencies: Mongolia, Agricultural Reinsurance Company, now MongolianRe, Ministry of Food, Agriculture and Light Industry, Ministry of Labor and Social Protection

**Key Dates****Key Project Dates**

Bank Approval Date: 07-Jul-2016

Effectiveness Date: 22-Dec-2016

Planned Mid Term Review Date: 30-Sep-2018

Actual Mid-Term Review Date: 28-Sep-2018

Original Closing Date: 30-Jun-2021

Revised Closing Date: 31-Dec-2023

**Project Development Objectives**

Project Development Objective (from Project Appraisal Document)

The development objective of the project is to support Mongolian Small and Medium size firms (SMEs) in the non-mining sectors to strengthen their export capabilities and expand access to export markets.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

Yes

Board Approved Revised Project Development Objective (If project is formally restructured)

The revised PDO is to support Mongolian Small and Medium size firms (SMEs) in the non-mining sector to strengthen their expert capabilities, expand access to export markets and to provide relief support for the COVID-19 recovery.

**Components** Table

Name

Component 1: Development of a new line of export finance products:(Cost \$1.50 M)

Component 2: Export competitiveness enhancement.:(Cost \$12.00 M)

Component 3: Strengthening Certification Services and Quality Management:(Cost \$4.00 M)

Component 4: Project Implementation Support:(Cost \$2.50 M)

**Overall Ratings**

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Unsatisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Unsatisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

**Implementation Status and Key Decisions**

The Export Development Project (EDP) is a US\$20 million credit approved by the World Bank (WB) Board on July 7, 2016. EDP became effective on December 22, 2016 and will be closing on December 31, 2023 -- seven years later. The revised Project Development Objective (PDO) is to support 'Mongolian Small and Medium size firms (SMEs) in the non-mining sector to strengthen their export capabilities, expand access to export markets and to provide relief support for the COVID-19 recovery'. EDP is designed around four mutually reinforcing components: Component 1:



Development of Export Finance Products (US\$1.5 million), Component 2: Export Competitiveness and Market Access Enhancement (US\$12 million), Component 3: Strengthening Certification Services and Quality Management (US\$4 million), and Component 4: Project Implementation Support (US\$2.5 million)

There is a need to strengthen the strong 2022 work program and identify opportunities for speeding-up implementation across the board to improve the likelihood of Government of Mongolia (GOM) utilizing 100 percent of the project budget by end-December 2023 when the project closes, safeguard implementation slippages, and ensure adequate emphasis on policy development, institutional strengthening, and sustainability to enhance overall development impact of project operations.

**Component 1: Development of Export Finance Products**

This component aims at providing financial, technical, and institutional development support to Mongolian Re in building a new line of export finance products. Specifically, the Sub-component is supporting the launch of one export credit insurance (ECI) product (post-shipment product) by Mongolian Re that is accessible to all non-mining exporters and attracts commercial interest from international reinsurers.

**Component 2: Export Competitiveness and Market Access Enhancement**

This component focuses on supporting GOM develop a comprehensive trade policy framework and undertake policy-level interventions to tackle systemic and binding export related bottlenecks and challenges key to enabling economic opportunities for businesses, as well as to support the GOM's COVID-19 response measures supporting recovery of export-oriented SMEs. This is a reform area requiring progress across multiple ministries, departments, and agencies (MDAs) in several areas through strengthening governance, institutional effectiveness, efficiency, and sustainability.

**Sub-component 2.1: Trade and Export Policy and Capacity Enhancement**

This Sub-component aims to contribute to GOM objectives under the Mongol Export Program for 2018-22 (MEP) "to create a favorable tax, financing and legal environment for the production of export products and investments in trade". Specifically, the Sub-component is supporting GOM de-fragment Mongolia's landscape of trade and development policy instruments by developing an umbrella policy unifying the fragmented policies into a single tool, and to increase the overall awareness and capacity to better utilize the existing trade agreements. In this regard, the Sub-component is supporting GOM in developing a comprehensive and coherent export and trade policy, and drafting the required legislation, and provide the related capacity building on understanding the opportunities of the trade agreements and to disseminate such information to the SMEs.

**Sub-component 2.2: International Market Competitiveness Enhancement**

This Sub-component aims to support implementation of MEP activities, such as developing and implementing the international marketing strategy; supporting e-commerce development and SMEs coordinated participation in expos and trade forums; and promoting the Mongolian national brand products.

**Sub-component 2.3: Productive Partnership Scheme (PPS)**

This Sub-component aims to help export-oriented SMEs and clusters from non-mining sectors to improve their competitiveness with a view to create opportunities for new exports and export markets. The PPS provides technical assistance and financial support to eligible SMEs and clusters to enhance overall competitiveness of participating enterprises by boosting productivity growth and improving quality of products, thereby creating more job opportunities for Mongolians, especially females.

**Sub-component 2.4. COVID-19 Response Measure**

This Sub-component was aimed to support the GOM's COVID-19 relief measures providing temporary unemployment insurance contribution payment relief for eligible employers and their workers up to US\$1.5 million.

**Component 3: Strengthening Certification Services and Quality Management**

This component mainly focuses on enhancing capacity of services related to international certification of non-food laboratories in Mongolia with a view to ensuring that SMEs benefit from product testing at accredited labs. Specifically, this component will support two non-food laboratories become internationally accredited.

**Component 4: Component 4. Project Implementation Support**

The objective of this component is to support coordination, implementation, and monitoring of project activities by the Ministry of Food, Agriculture and Light Industry (MOFALI).

**Risks**

**Systematic Operations Risk-rating Tool**

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	High	Moderate	Moderate
Macroeconomic	High	Substantial	Substantial
Sector Strategies and Policies	Moderate	Moderate	Moderate



Technical Design of Project or Program	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Institutional Capacity for Implementation and Sustainability	<input type="checkbox"/> Moderate	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Fiduciary	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Environment and Social	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Stakeholders	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Other	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Overall	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

## Results

### PDO Indicators by Objectives / Outcomes

Strengthen SMEs export capabilities and expand access to export markets				
▶ Increase in export volume (by price) by the Project beneficiaries (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	18.30	18.30	25.00
Date	22-Dec-2016	11-Jun-2021	31-Oct-2021	31-Dec-2023
▶ Number of firms that obtain internationally-recognized quality certification following support from the Project(cumulative, disaggregated by the number of firms owned by women) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	12.00	12.00	25.00
Date	22-Dec-2016	11-Jun-2021	31-Oct-2021	31-Dec-2023
▶ Number of firms that start exporting following participation in project activities (cumulative, disaggregated by the number of firms owned by women) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	9.00	9.00	30.00
Date	22-Dec-2016	11-Jun-2021	31-Oct-2021	31-Dec-2023
▶ Number of Export Credit Insurance Products developed by Mongolian Re (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	22-Dec-2016	11-Jun-2021	31-Oct-2021	31-Dec-2023



▶ Number of new export destinations for the project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.00
Date	10-Jul-2020	11-Jun-2021	31-Oct-2021	31-Dec-2023
▶ Total unemployment insurance contribution payments made to non-mining SMEs (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,500,000.00	1,500,000.00	1,500,000.00
Date	24-Aug-2020	11-Jun-2021	31-Oct-2021	31-Dec-2020

### Intermediate Results Indicators by Components

Component 1: Development of a new line of export finance products				
▶ Number of firms benefiting from export insurance products (cumulative) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.00
Date	22-Dec-2016	11-Jun-2021	31-Oct-2021	31-Dec-2023

Component 2: Export competitiveness enhancement.				
▶ Increase in export revenues for Productive Partnership Scheme beneficiaries (average) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	20.40	20.40	25.00
Date	22-Dec-2016	11-Jun-2021	31-Oct-2021	31-Dec-2023
▶ Number of SMEs supported by the COVID-19 measure (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	332.00	332.00	300.00
Date	10-Jul-2020	11-Jun-2021	31-Oct-2021	31-Dec-2023
▶ Number of clusters supported by the Productive Partnership Scheme (Number, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.00
Date	10-Jul-2020	11-Jun-2021	31-Oct-2021	31-Dec-2023

#### Component 4: Project Implementation Support

##### ► Beneficiaries that feel project investments reflected their needs (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	98.00	98.00	95.00
Date	22-Dec-2016	11-Jun-2021	31-Oct-2021	31-Dec-2023

#### Component 3: Strengthening Certification Services and Quality Management

##### ► Number of SMEs benefiting from accredited reference laboratories supported by the Project (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	50.00
Date	10-Jul-2020	11-Jun-2021	31-Oct-2021	31-Dec-2023

### Performance-Based Conditions

#### Data on Financial Performance

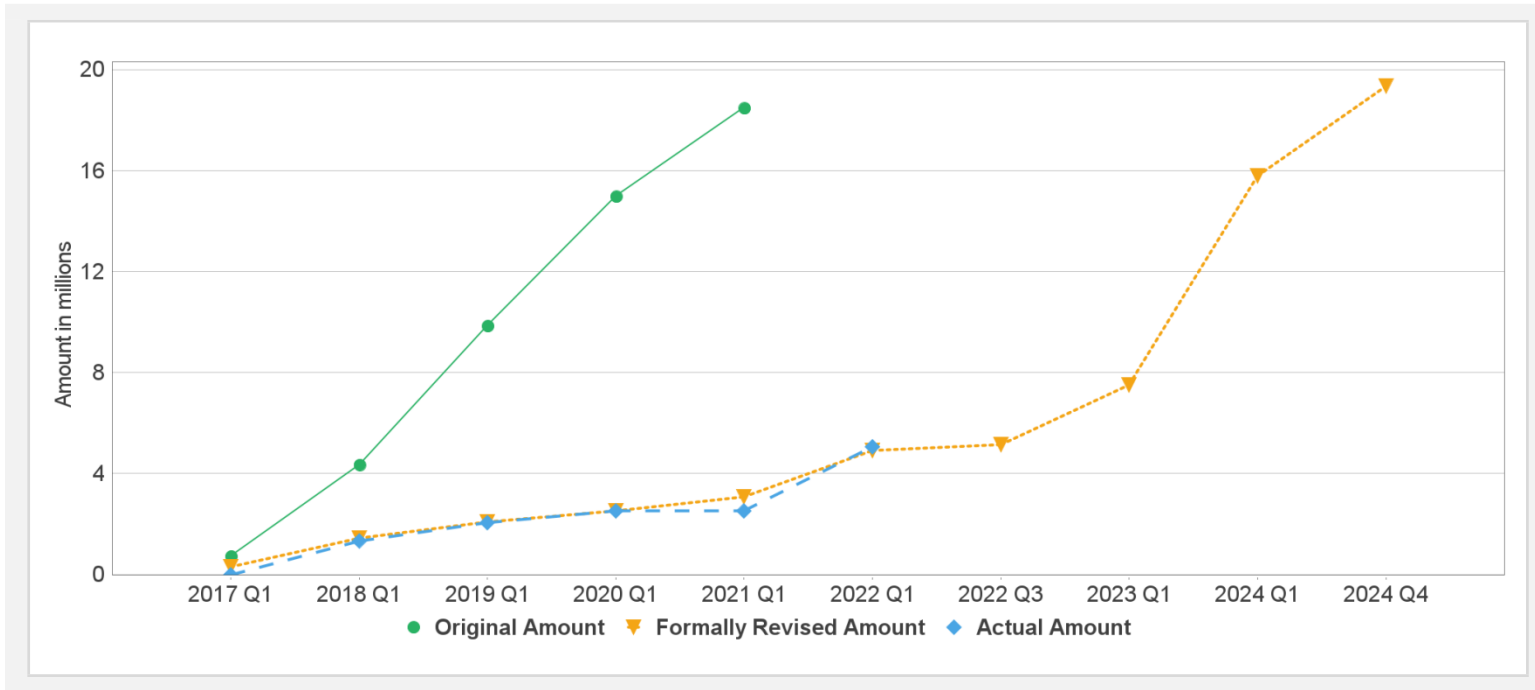
##### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P147438	IDA-58790	Effective	USD	20.00	20.00	0.00	5.27	14.75	26%

##### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P147438	IDA-58790	Effective	07-Jul-2016	26-Aug-2016	22-Dec-2016	30-Jun-2021	31-Dec-2023

### Cumulative Disbursements



**PBC Disbursement**

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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**Restructuring History**

Level 2 Approved on 19-Dec-2019 ,Level 2 Approved on 28-Aug-2020

**Related Project(s)**

There are no related projects.