

MANAGEMENT RESPONSE TO THE SECTOR ASSISTANCE PROGRAM EVALUATION FOR THE TRANSPORT AND TRADE FACILITATION— POTENTIAL FOR BETTER SYNERGIES IN MONGOLIA

On 14 August 2008, the Director General, Operations Evaluation Department, received the following response from the Managing Director General on behalf of Management:

I. General Comments

1. We appreciate OED's Sector Assistance Program Evaluation (SAPE) for the Transport and Trade Facilitation in Mongolia. We find it comprehensive and well-analyzed. The SAPE will provide valuable insights for the new Country Partnership Strategy for Mongolia, which is currently under preparation.
2. We note that the SAPE rated both transport sector and trade facilitation sector assistances to Mongolia as successful overall. The SAPE also assessed the overall impact of ADB's transport sector assistance as substantial in comparison to the overall needs of the country. We agree in general with the SAPE assessment.
3. ADB's performance is rated as satisfactory. On the impact of ADB's assistance, given the early stage of development the country is in, and the scale of the country's developmental needs and undertakings, it is important that ADB's contribution to the country's developmental process is maintained at a high level. ADB will ensure that its current satisfactory performance rating will be maintained in its future work.

II. Comments on Specific Recommendations and Follow-Up Action

4. **Provide Advice on Policy Development.** We agree with the SAPE suggestion that the formulation and timely adoption of a national transport policy is a necessity. To this effect, ADB has been providing necessary technical and policy support to the transport sector in Mongolia by co-chairing the transport sector working group. Assistance has already been provided to formulate a transport sector strategy. ADB will continue to support the transport sector through the sector working group and assist Mongolia in developing its transport sector policies by extending its assistance by way of necessary advisory technical assistance (TA).
5. **Assist in Strengthening of Road Maintenance Regime.** We agree with the SAPE suggestion that the Government needs to develop its road maintenance regime. There is a need to address this issue both at the project and the national levels. The Government and ADB have already taken action to address this issue at the project level and included establishment of maintenance centers along the recently approved Western Regional Road Corridor Development Project—Phase I. ADB will continue to work in this direction in its future road projects and will support the Government to adopt a suitable national policy on road maintenance when implementing the proposed TA on policy development referred to in para. 4.