

KEY FINDINGS OF PCR AND MAJOR POINTS RAISED DURING LOAN PROCESSING OF LOAN 1364-MON(SF): ROADS DEVELOPMENT PROJECT

1. The project completion report (PCR) rated the Project as highly successful. The Project was physically completed by the end of June 2000. Despite a 9-month implementation delay, the Project was completed successfully within the appraisal budget. The performance of consultants and contractors was generally satisfactory. Despite its lack of experience in implementing foreign-assisted projects, the Department of Roads (DOR) was able to deliver most of the envisaged project benefits and its performance was satisfactory. The Borrower's performance was also generally satisfactory, except for late provision of counterpart funds and inadequate budget provision for road maintenance.
2. Most project objectives were attained. Road conditions had improved significantly and more efficient market-oriented road transport services have been established through sector reform and particularly, privatization. While the volume of international trade on the project road was lower than anticipated at completion due to the prolonged recession in the Russian Federation, the Project contributed significantly to the development of domestic trade in the project area, which accounted for one third of the country's population and two thirds of Mongolia's gross domestic product. The new policy and regulatory framework, sector reform, institutional strengthening, and capacity building of the DOR and affiliated road sector companies enhanced the capacity of the road sector to plan, administer, and implement road policies, programs, and projects.
3. The remaining section of this appendix has been deleted in order to protect confidential information.