

DESIGN AND MONITORING FRAMEWORK FOR TRANCHE 3

Impact the Project is Aligned with Improved living conditions in Ulaanbaatar (Ulaanbaatar City Master Plan [2030]) ^a			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
Outcome A network of livable, competitive, and inclusive subcenters in Ulaanbaatar's <i>ger</i> areas	By 2025 a. % of population (at least 51.7% women) in Sharkhad and Tolgoit subcenters with improved access to water, heating, and sanitation increased by 15% (2019 baseline: 0% for water, 0% for heating, and 0% for sanitation) ^b (RFI A) b. Average density increased in Sharkhad to 100 persons per ha and in Tolgoit to 63 persons per ha (2019 average baseline: 70 [Sharkhad] and 45 [Tolgoit] persons per ha) (RFI B) c. Number of business establishments in Sharkhad and Tolgoit increased by 10%, of which 35% will be women-led (2019 baseline: 370 business establishments; 110 women-led) (RFI C)	a–c. MUB report on urban construction, Ulaanbaatar City statistics office, and district and <i>khoroо</i> records	Policy reforms are delayed or prevented by political interference
Outputs 1. Roads and urban services expanded within the targeted subcenters and connectivity between subcenters improved	By 2023 1a. 16.62 km paved roads constructed (2019 baseline: 6.25 km) (RFI D) 1b. 17.26 km water supply pipeline and 2 pumping stations with capacity of 6,000 m ³ /d in Sharkhad and 4,600 m ³ /d in Tolgoit; and 6.8 km sewerage pipeline constructed (2019 baseline: 9.42 km of water supply main and 1.3 km of sewerage main) (RFI D) 1c. 8.02 km of heating pipeline with 7 substations and secondary connections constructed (2019 baseline: 451 m of heating pipeline) (RFI D) 1d. 10.88 km of flood protection channels and 2 sediment retention ponds constructed (2019 baseline: 0) (RFI D) 1e. 40 km of 10-kilovolt power cable and 9.6 km fiber-optic cables with auxiliary facilities (2019 baseline: 8 km of 10-kilovolt overhead lines; 7.15 km underground telecommunication cables with auxiliary facilities) (RFI D)	1a–f. PMO quarterly progress and completion reports	Delay in preparation and approval of detailed designs due to parliamentary and local elections in 2020 Insufficient resources allocated to the operation and maintenance of socioeconomic facilities

	1f. 10 closed-circuit television cameras installed and operating along the planned roads to ensure safety and security for women and girls in public spaces (2019 baseline: 0) (RFI D)		
2. Economic and public services in targeted subcenters improved	<p>By 2023</p> <p>2a. Two kindergartens with additional capacity for 480 students constructed in Sharkhad and Tolgoit subcenters (2019 baseline: 3 kindergartens with capacity for 350 students) (RFI D; RFI E)</p> <p>2b. Two community development and service centers constructed in Tolgoit and Sharkhad (2019 baseline: 0) (RFI D)</p> <p>2c. Five green public spaces constructed in Tolgoit and Sharkhad (2019 baseline: 0) (RFI D; RFI E)</p> <p>2d. One sports complex constructed in Sharkhad (2019 baseline: 0) (RFI D)</p> <p>2e. One primary health care center constructed in Tolgoit (2019 baseline: 0) (RFI D; RFI F)</p> <p>2f. Two training centers constructed in Tolgoit and Sharkhad (2019 baseline: 0) (RFI D)</p> <p>2g. 50 social housing units constructed in Sharkhad (2019 baseline: 0)</p> <p>2h. 205 jobs will be created for operating the social facilities, of which 78% will be women (2019 baseline: 74%) (RFI C)</p>	2a–h. PMO quarterly progress and completion reports and district records	
3. Institutional capacity for program management and urban development strengthened	<p>By 2021</p> <p>3a. People-centered subcenter redevelopment mechanism and platform established and endorsed by all stakeholders through community consultation with at least 50% women participation (2019 baseline: 0) (RFI B; RFI G)</p> <p>By 2023</p> <p>3b. 60 primary community groups, 14 CDCs, and 10 business councils in Sharkhad and Tolgoit fully functioning, with at least 60% women participation (2019 baseline: 0)</p>	3a–b. PMO quarterly progress and completion reports	

Key Activities with Milestones**1. Roads and urban services expanded within the targeted subcenters and connectivity between subcenters improved**

- 1.1 Detailed design of roads and associated infrastructure completed by March 2021
- 1.2 Detailed design of water supply, sewerage, and heating secondary connections completed by March 2021
- 1.3 Detailed design of electricity and telecommunications completed by March 2021
- 1.4 Urban infrastructure constructed, commissioned, and made operational in phases between September 2021 and June 2023
- 1.5 Payment of compensation and LARP entitlements (except livelihood restoration support activities) completed prior to initiation of construction activities
- 1.6 EMP, GAP, and SDAP implemented

2. Economic and public services in targeted subcenters improved

- 2.1 Detailed design of social facilities completed by Q3 2020
- 2.2 Social facilities constructed, commissioned, and made operational in phases between April 2021 and June 2023
- 2.3 Payment of compensation and LARP entitlements (except livelihood restoration support activities) completed prior to initiation of construction activities
- 2.4 EMP, GAP, and SDAP implemented

3. Institutional capacity for program management and urban development strengthened

- 3.1 People-centered subcenter redevelopment mechanism and platform established and endorsed by June 2021
- 3.2 Primary community groups, CDCs, and business councils established in target areas by December 2022
- 3.3 Support to financial strengthening provided, and regulatory and institutional framework improved by December 2020

Inputs for Tranche 3

ADB: \$43.65 million (loan) [\$25.05 million OCR regular loan and \$18.60 million OCR concessional loan]
 Government: \$51.90 million

Assumptions for Partner Financing

European Investment Bank: \$18.65 million (loan)

ADB = Asian Development Bank, CDC = community development council, EMP = environmental management plan, GAP = gender action plan, ha = hectare, km = kilometer, LARP = land acquisition and resettlement plan, m = meter, m³/d = cubic meter per day, MUB = Municipality of Ulaanbaatar, OCR = ordinary capital resources, PMO = program management office, SDAP = social development action plan.

Contribution to the ADB Results Framework:

- RFI A: People benefiting from improved services in urban areas. Expected: 2,370 people.
- RFI B: Entities with improved urban planning and financial sustainability. Expected: 2 subcenters.
- RFI C: Jobs generated. Expected: 382 jobs during operations stage.
- RFI D: Urban infrastructure assets established or improved. Expected: to be determined (TBD).
- RFI E: New and existing infrastructure assets made climate and disaster resilient. Expected: TBD.
- RFI F: Health services established or improved. Expected: TBD.
- RFI G: Measures to improve regulatory, legal, and institutional environment for better planning supported in implementation. Expected: 3.

^a State Great Khural (Parliament) of Mongolia. 2013. *Adjustments to the Ulaanbaatar City Urban Development Master Plan 2020 and Development Directions 2030*. Ulaanbaatar.

^b The 15% improved access in the subcenter project areas will be mostly achieved through the synergy with the on-going ADB-financed Ulaanbaatar Green Affordable Housing and Resilient Urban Renewal Sector Project. At least one of the 20 eco-districts planned under the sector project will be implemented in each subcenter, corresponding to 1,000 housing units in each subcenter. Access will also be promoted by the secondary connections cofinanced by EIB under this project, organic development due to the attraction of the subcenters, and other redevelopment schemes in line with the local development plans are currently being developed by the program management office.

Source: ADB.