Completion Report

Mongolia: Ulaanbaatar Urban Transport Capacity Development

Asian Development Bank

TA Number, Country, and Name:			Amount Approved: $1,000,000	
TA 8212-MON: Ulaanbaatar Urban Transport Capacity Development			Revised Amount: Not Applicable	
Executing Agency: Municipal Government of Ulaanbaatar (MGU)		Source of Funding: Japan Fund for Poverty Reduction	Amount Undisbursed: $202,381.22	Amount Utilized: $797,618.78
TA Approval Date: 8 Nov 2012	TA Signing Date: 19 Dec 2012	Fielding of First Consultant: 9 October 2015	TA Completion Date Original: 30 Nov 2014	Actual: 30 Jun 2017
			Account Closing Date Original: 28 February 2016	Actual: 22 September 2017

Description
The need for sustainable urban transport in Ulaanbaatar is one of the most important development issues facing the capital of Mongolia. The Municipal Government of Ulaanbaatar (MGU) prepared a city master plan for developing the city's infrastructure, including urban roads, public transport, transport services, and traffic management. MGU established a road fund and bus improvement fund to finance road network construction, maintenance works, and bus replacement. However, MGU lacked capacity to prepare long-term policy directions and to generate integrated urban transport solutions in a sustainable and efficient way. Asian Development Bank (ADB) approved a multi-tranche financing facility (MFF) for the Urban Transport Development Investment Program[a] to support upgrading of Ulaanbaatar's public transport system, including the introduction of a city-wide bus rapid transit network and traffic management system. The capacity development technical assistance (TA) was developed to support associated capacity development for planning, implementing, and managing the program and related investment activities and is in line with the ADB country operations business plan 2012–2014 for Mongolia.

Expected Impact, Outcome, and Outputs
The expected impact was improved capacity of Ulaanbaatar urban transport agencies to plan and manage urban transport in an integrated and sustainable manner. The expected outcome was enhanced awareness and knowledge of sustainable urban transport planning and management among Ulaanbaatar urban transport agencies. The TA aimed to improve coordination between urban transport related agencies for six TA components (i) sustainable urban transport, (ii) transport planning and management, (iii) traffic safety and enforcement, (iv) public transport planning and management, (v) intelligent transport systems, and (vi) financial management and procurement. The TA had three outputs, namely (i) a diagnostic report on the Ulaanbaatar urban transport situation, problems, issues, constraints and policy directions; (ii) training materials and guidelines produced for the six components with associated training provided; and (iii) improvement measures proposed for the six components.

Delivery of Inputs and Conduct of Activities
The planned inputs were 49 person-months of consulting services (17 person-months international and 32 person-months national) from October 2015 to June 2017. The consultants were engaged in October 2015 through individual consultant selection (ICS). ADB engaged four international consultants, and seven national consultants. The consultants were experts in parking policy, public transport, transport demand forecasting, urban transport, and project management and procurement. Several national consultants were employed to supplement the TA activities including one travel demand model expert, one information technology expert, and road engineers.

TA implementation was delayed for almost three years and the TA had to be extended twice because of delay in loan signing and on-lending agreement for the MFF Tranche 1 which the TA supported.

An inception mission was held from 24 February to 3 March 2016 and concluded that the institutional traffic planning in Ulaanbaatar was not conducive to effective transport planning or management. The report included a parking situation assessment and highlighted that the initiatives led by the government were not sufficiently comprehensive to tackle parking congestion. Moreover, the basis for the bus rapid transport (BRT) corridor selection was explained, and, the travel demand forecast survey methodology was presented. Three review missions were conducted on 5–15 April, 26–30 September, and 24–28 October 2016.

Three workshops were organized during TA implementation including a 5-day training course on the use of a software program for public transport analysis and travel demand forecasting. A second workshop on transport policy and BRT development focused on (i) strengths and weaknesses of Ulaanbaatar's transport policy; (ii) parking system, policy, and implementation; and (iii) Ulaanbaatar BRT proposals. A third workshop presented the BRT conceptual design and travel demand model development. All workshops were attended by representatives from the MGU Urban Transport and Urban Road Departments, the Ministry of Road and Transport Development, the Traffic Control Center, and the Mongolian University of Science and Technology's School of Transport. The final report was submitted in May 2017.

The consultants performed satisfactorily. The TA produced work on (i) sustainable urban transport, (ii) transport planning and management including an Ulaanbaatar transport demand model, (iii) traffic safety and enforcement

partially reflected in the BRT design, (iv) public transport planning and management, (v) intelligent transport systems reflected in the BRT design, and (vi) financial management and procurement. The consultants identified problems and issues of urban transport in Ulaanbaatar and formulated policy directions and submitted them to ADB and the Government. The consultants' final report included (i) sustainable urban transport policy development, (ii) parking issues and policy directions, (iii) travel demand model, and (iv) public transport and BRT solutions.

MUB's performance as the executing agency was satisfactory. It facilitated the participation of transport stakeholders, and government agencies, and provided the necessary government counterpart support in terms of office space for use of the TA personnel.

ADB performance was satisfactory. It closely monitored the work progress of the consultants through inception and review missions. Resulting from ADB's assessment of the MUB's capacity in developing BRT design, a travel demand forecasting model was created. ADB also organized training on the use of the software for the transport related staff.

Evaluation of Outputs and Achievement of Outcome
The three TA outputs stated in the TA DMF were accomplished. The TA produced a diagnostic report on the Ulaanbaatar urban transport situation and developed training materials for the workshops. In addition, the improvement measures for the six components under output 3 were achieved through case studies and guidelines produced good practices for MGU and other urban transport agencies.

Eleven issues in the transport strategy were reviewed and policy directions and strategies recommended. One recommendation was to create a unified city transport agency, including a new transport planning and monitoring unit, to centralize transport planning and policy tasks. Through the consultations and workshops conducted, awareness and knowledge of sustainable urban transport planning and management among transport agencies in Ulaanbaatar was enhanced. Training on travel demand forecasting and the use of the software helped to develop the Ulaanbaatar urban transport model for transport planning and simulating scenarios. The response from the transport agencies to the travel demand model was overwhelming and a working group has been set up to oversee further development and management of the model including representatives from the national TA team, the city authorities and the academic community. The quality of TA outputs was satisfactory and so was client satisfaction with the outcome.

The TA achieved its outcome through the diagnostic report and the workshops and trainings provided. It contributed to the MGU's ability to optimize public transport options, BRT development priorities, and the right BRT vehicle type. Some national TA consultants were subsequently recruited to the MGU Road Department and Urban Transport Department and the MFF project implementation unit, ensuring that capacity built under the TA will continue to benefit the MGU and the MFF project. The TA was efficient in producing outputs and effective in achievement of the outcome.

Overall Assessment and Rating
The TA is rated as highly satisfactory. The TA produced the intended outputs that benefit the MGU, transport planners, and policy makers by developing a traffic model and by providing training to key officials. Capacity of the transport agencies staff was improved in developing transport plans and strategies based on transport and traffic modelling data. The TA outputs are reflected in the updated MFF project components and are expected to contribute to the successful implementation of the MFF program.

Major Lessons
The TA provided the opportunity to engage with government counterparts in the urban transport sector at a time when the MFF loan approval and implementation was delayed due to government change. One lesson is that continuous engagement with the government through a TA helps both ADB and the government to enhance the readiness of project implementation and will be beneficial for the design and implementation of subsequent MFF Tranches. Another lesson is that the TA helps to bring all government officers related to the MFF together to share issues and reach decisions collectively.

Recommendations and Follow-Up Actions
It is recommended to attach a TA to loan projects in DMCs with low capacity since a TA can maintain dialogue with government counterparts even when a project is delayed for unexpected reasons.

Some TA outputs have been reflected in the terms of reference for the BRT detailed design MFF Tranche 1 while some policy actions such as parking policy are yet to be implemented. It is recommended to monitor those policy measures during the MFF implementation and prepare additional TA to support the design of subsequent tranches.

a   http://www.adb.org/projects/documents/urban-transport-development-investment-program-rrp. Tranche 1 of the MFF became effective on 9 June 2015 and will close on 28 February 2020.

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