



Environmental Monitoring Report

Project Number: 50013-002
Semestral Report (July–December 2020)
March 2021

Mongolia: Sustainable Tourism Development Project

Prepared by Sustainable Tourism Development Project Implementation Unit for Mongolian Ministry of Environment and Tourism and Asian Development Bank.

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CURRENCY EQUIVALENTS

(as of 1 January 2021)

Currency unit	–	tugrik (MNT)
MNT1.00	=	\$0.00035
\$1.00	=	MNT2849.89

ABBREVIATIONS

ADB	–	Asian Development Bank
GoM	–	Government of Mongolia
MET	–	Ministry of Environment and Tourism
GASI	–	General Agency for Specialized Inspection
KhAG	–	Khuvsgul Aimag Government
AKSPA	–	Administration of Khuvsgul Special Protected Areas
PIU	–	Project Implementation Unit
EIA	–	Environmental Impact Assessment
GEIA	–	General Environmental Impact Assessment
DEIA	–	Detailed Environmental Impact Assessment
EMP	–	Environmental Management Plan
EMP	–	Environmental Monitoring Program
EMR	–	Environmental Monitoring Report
CW	–	Construction Work
IEE	–	Initial Environmental Examination
IA	–	Implementing Agency
EA	–	Executing agency

WEIGHTS AND MEASURES

ha	–	hectare
kg/d	–	kilogram per day
km	–	Kilometer
km ²	–	square kilometer
m	–	meter
m ²	–	square meter
m ³	–	cubic meter
m ³ /d	–	cubic meters per day
m ³ /s	–	meters per second
mg/m ³	–	milligrams per cubic meter
Mg/L	–	Milligrams per Liter
mm	–	millimeter
mu	–	unit of land area equal to 1/15 ha or 667 m ²

NOTE

In the report, "\$" refers to United States dollars

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SUMMARY PROJECT INFORMATION

GENERAL INFORMATION	
Project title:	Sustainable Tourism Development Project
Date of project effectiveness:	6 August 2019
Executing agency:	Ministry of Environment and Tourism (MET)
Implementing agency:	Department of Protected Area Management and Department of Tourism Policy Coordination of MET
PIU (name of agency):	
PIU Environment Officer (name, email):	Mr. Purevjamts Bayarmandal, purevjamts.ba@gmail.com
Loan implementation consultant/firm:	Not applicable
Construction supervision company(ies):	See Table 1.
Contractor(s):	None yet
ADB web link to EMP:	https://www.adb.org/projects/documents/mon-50013-002-iee-0
Domestic web link to EMP:	https://eic.mn/eia/generalreport.php?menuitem=1&count=10&page=4&general_evaluation=3&project_aimag=67&action=more&generalreport_id=6113
ENVIRONMENTAL SAFEGUARD MONITORING	
ADB environment safeguard category:	B
Environmental report prepared as per ADB requirements for this category:	Initial Environmental Examination
Domestic safeguard report:	EBA Report
Quarterly period covered by this report:	1 July to 31 December, 2020
# EMRs to date including this report:	1
Agency/person responsible for environmental impact monitoring:	None yet (to be filled when contractors for the consulting services have been mobilized)
Agency/person responsible for EMP performance monitoring:	Mr. Purevjamts Bayarmandal, PIU Environment Officer
Agency/person responsible for independent compliance monitoring:	None required for this project
Overall status of environmental safeguards:	On track

ADB = Asian Development Bank, EBA = Environmental Baseline Assessment, EMP = environmental management plan, EMR = environment monitoring report, PIU = project management office.

A. EXECUTIVE SUMMARY

A. Overview

1. This semi-annual report presents the status of compliance with the environment management plan (EMP) during the project implementation from July 1 to December 31, 2020. The key environment issues caused by project construction have been discussed, and corresponding improvement measures and follow up actions have been suggested according to the issues found.

B. Progress in implementing the EMP.

2. In general, the project has been implemented mostly in accordance with EMP requirements.
3. **Contractual arrangement.** Relevant environmental requirements have been included in the bidding document. PIU has provided both the EMP and EBA report to all consulting service tender participants.
4. **Institutional setup.** PIU have designated environment officer to conduct environment management. An environment person has been appointed by each contractor and each supervision company to be responsible for the implementation of environmental mitigation measures and internal monitoring.
5. **Mitigation measures implementation.** Due to the COVID-19 pandemic that has occurred worldwide the PIU has prepared a "Health and Safety plan guideline for contractors during COVID-19" in accordance with ADB supervision and provided to consulting services.
6. **Internal monitoring.** Currently an environmental officer of the PIU has been working on the project EMP implementation and supervision with the support of MET.
7. **External monitoring.** Not applicable at this stage of project implementation.
8. **Public consultation and GRM.** During the reporting period, the project has not received any grievances or complaints. In order to maintain an effective and operational GRM system, the PIU will proactively work together with all relevant stakeholders. The project contractors, soum and aimag focal points will be also the main players of the system.
9. **Training.** Two environmental trainings were conducted during the reporting period which covered a project EMP implementation and environmental monitoring. Khentii aimag and Khuvsgul aimag government and related stakeholders have participated in the training.

C. Key issues

10. Due to the request for change in location of Murun tourist street, in coordination with KhAG and PIU, GEIA has been issued and approved.
11. CS17 and CS21 contract has awarded and each consulting services sub-contracted DEIA firms respectively. For CS17 "Gazar Delkhii" LLC and for CS21 "Sunny Trade" LLC has started the DEIA.

12. Khuvsgul sub-project and Khentii sub-project kick-off meetings have organized in November, 2020 and January, 2021. During the meeting PIU environmental safeguard officer gave introduction of project EMP.
13. By second quarter of 2020, project GEIA letter has been expired and in November, 2020 PIU has issued the request for extension to MET. In December 3rd, 2020 MET sent the extension letter to the PIU.
14. Due to the globally occurring COVID-19 pandemic, PIU has prepared a "Report on COVID-19 impact on project implementation and measures taken by PIU" which covered situation of last 3 months and submitted it to ADB.

D. Lessons learned.

Not yet available at this stage of project implementation.

E. Corrective actions

Not yet available at this stage of project implementation.

I. INTRODUCTION

A. Purpose of the report

15. In accordance with the EMP requirements, the borrower/client is required to prepare semi-annual environment monitoring and progress reports that specify the project EMP implementation, compliance issues, corrective actions, etc. This report is for the implementation period from July 1 to December 31, 2020.

B. Project outcome, outputs and subcomponents

16. The project is aligned with the following impact: sustainable economic growth and environmental improvement in Khuvsgul and Khentii aimags achieved. The project will have the following outcome: sustainable and inclusive tourism in the KLNP and OBNP developed.

17. The project comprises four outputs which are briefly described as below.

- **Output 1: Saline soils rehabilitated Inclusive planning and capacity for community-based tourism enhanced.** This output will strengthen the institutional framework for tourism planning and increase the number of local beneficiaries from tourism. The project will (i) revise the development plans for the three largest settlements at the KLNP and OBNP to include livelihood targets, natural resource use, and spatial planning for about 9,000 residents, based on growth projections and compatibility with park management; (ii) establish tourism concession manuals and an ecotourism certification program for each park, to embed social and gender targets and environmental standards in the concession process, strengthen links with local goods and services, and provide a stable business framework for 63 tour camp operators and more than 500 employees; (iii) strengthen the KLNP tourism council (para. 10) and replicate this at the OBNP to guide tourism planning; (iv) install information facilities in the Khuvsgul Aimag capital (the gateway for most visitors to the KLNP) to promote KLNP products and services; and (v) build on the previous community and gender initiatives by providing vocational training for small tourism businesses and service providers, and installing 11 women-led tourist markets, as outlets for the JFPR-trained vendors.
- **Output 2: Enabling infrastructure for tourism constructed.** At the KLNP, the project will (i) upgrade 37.9 kilometers (km) of unsealed roads; (ii) construct eight small car parks (linked with the women-led tourist markets; output 1); and (iii) improve traffic control and safety, focusing on the sites subject to the highest seasonal congestion, unregulated public access, and vehicle-induced pollution. At the OBNP, the project will (i) construct a tourism center, the Chinggis Khaan Tourism Complex (CKTC); (ii) establish supporting infrastructure, comprising ticket collection booths, information signs, and three car parks; and (iii) upgrade a short access road (2.6 km), and extend (by 4.5 km) the soum power line, to the CKTC site.
- **Output 3: Waste management improved.** This output will (i) facilitate the installation of low-cost and gender-sensitive toilet systems at about 102 tour camps, campsites, and projectfunded car parks. The project will replicate successful JFPR-funded toilet designs, procedures for operation and maintenance (O&M), and CWMTs, including sustainable financing for the CWMT salaries; and scale these up at the KLNP and OBNP; (ii) construct three wastewater treatment plants (WWTPs); and (iii) upgrade three landfill sites, for a total new capacity of 72,500 cubic meters, and develop new procedures for recycling and waste management.

- **Output 4: Park management strengthened.** This output will (i) construct a KLNP headquarters and visitor center, two fee collection stations, and a road control station. This will improve revenue collection, strengthen the visitor experience, promote local goods and services, and improve protection of the park's core zone and wilderness values; (ii) rehabilitate 15 km of public trails subject to high seasonal use; (iii) revise the KLNP and OBNP management plans with the project measures, including O&M costs and financing sources for the project facilities; (iv) prepare a 4-year action plan for each park, to guide the implementation of the revised management plans; and (v) train park and soum government staff to implement the revised plans.

C. Project implementation progress

18. The project became effective on June 13, 2019. As of January 11, 2021, the project physical progress was 4.7% against the elapsed implementation period of 25.4% (18 months out of 71 months since loan effectiveness).

II. SUMMARY OF THE PROJECT ENVIRONMENTAL MANAGEMENT PLAN

19. The project environmental management plan (EMP) is the primary reference document for the government and ADB for all environment-related mitigation, monitoring, reporting, and training activities for the project. Timely and effective implementation of the EMP is a key condition of the loan agreement between the government and ADB. The EMP was prepared as part of the initial environmental examination in 2019. The content of the EMP includes: institutional roles and responsibilities for EMP implementation; potential impacts and mitigation measures; environmental monitoring, inspection and reporting; training, awareness raising and capacity building; grievance redress mechanism (GRM); public consultation and awareness raising; cost estimates; and, mechanisms for feedback and adjustment.
20. **Organizations and their Responsibilities for EMP Implementation (Section B of the EMP).** This section of the EMP describes the roles and responsibilities of relevant agencies for EMP implementation. For this project, the principal person responsible for EMP coordination is the PIU Environment Safeguard Officer (Mr. Purevjams Bayarmandal, PIU), acting on behalf of the PIU.
21. **Potential impacts and mitigation (Section C of the EMP).** This section of the EMP summarizes the potential environmental impacts and mitigation measures for the different phases of the project: detailed design and pre-construction phase; construction phase; and operations phase. Table EMP-2 in the EMP summarizes the environmental risks and mitigation measures, and agencies responsible for implementation and supervision of these measures. For this project, the key potential impacts and/or issues of concern are: topography and soil erosion, ambient air quality, noise and vibration, surface water pollution, solid waste, ecological and wilderness values, socio-economic resources.
22. **Environmental monitoring, inspection and reporting (Section D of the EMP).** Environmental monitoring and inspection will consist of: (i) environmental impact monitoring; and (ii) EMP performance verification. Environmental impact monitoring will cover ambient air quality, noise, groundwater quality, surface water quality and community health and safety during construction and the first year of operation; and worker's health and safety during construction. EMP performance verification will monitor the performance of the design consultants, contractors, operators, PIU, and other relevant agencies in complying with the EMP. The environmental impact monitoring is in Table EMP-3; the compliance monitoring is in Table EMP-4; and the project environmental safeguards reporting is in Table EMP-5.
23. **Training, awareness raising and capacity building (Section E of the EMP).** This section of the EMP describes the training program for environmental safeguards, including the recipients and frequency of training.
24. **Grievance Redress Mechanism (Section F of the EMP).** This section of the EMP identifies the mechanisms to receive and manage any public environmental and/or social issues which may arise due to the Project.
25. **Public consultation and awareness raising (Section G of the EMP).** This section of the EMP describes the public consultation conducted during the project preparation, and the future plan for construction and operation phase of the project implementation.
26. **Cost estimates (Section H of the EMP).** This section provides an estimate of the cost of EMP implementation. The cost comprises three categories: mitigation measures,

monitoring, and training (Table EMP-6). Costs are for the construction phase of five years and the first year of operation, i.e. a total of six years.

27. **Mechanism for feedback and adjustment (Section I of the EMP)**. This section of the EMP describes the cases that will trigger the EIA revision and EMP updating.

III. ENVIRONMENTAL MANAGEMENT DURING THE REPORTING PERIOD

A. Institutional setup

1. Institutional responsibilities

28. **EA/IA.** The Ministry of Environment and Tourism is the executing agency (EA). The Department of Tourism Policy Coordination (DTPC) and the Department of Protected Areas Management (DPAM) are the implementing agencies (IA). The Project Steering Committee (PSC) has been established to help guide the project. The IA has established a project implementation unit (PIU) to coordinate the project implementation and management. Ms. Oyunshur Zandansuren (oyunshur.tourism@gmail.com) of the DTPC has been designated for coordination between MET and PIU on a daily basis.
29. **PIU environment officer.** The PIU is responsible for environmental management and mitigation measures implementation, Including: (i) EMP implementation; (ii) supervision of contractors' performance for environmental management (iii) training to contractors on the mitigation measures implementation; (iv) incorporating environmental management, monitoring, and mitigation measures into construction and operation management plans; (v) developing and implementing internal routine environmental monitoring; (vi) reporting to the MET and related agencies about the EMP implementation progress; and (vii) replying to petitions and/or complaints from the affected people. Mr. Purevjamts Bayarmandal (purevjamts.ba@gmail.com) has been designated as PIU environment safeguard officer.
30. **Environment person of construction supervision companies (CSCs).** Environment persons of CSCs will have the principal responsibility for observing contractor construction activities, and for ensuring that those activities are accomplished in compliance with the Project's environmental requirements, specifications, goals and objectives. Under supervision of PIU environment safeguard officer they will ensure coordination at field level with representatives of government agencies in charge of EMP supervision as well as those in charge of control and monitoring activities. During this reporting period, corresponding CSCs environment persons have been appointed for all the work contracts that have entered construction stage (Table 1).
31. **Environment person of contractors.** An environment person will be appointed by each Contractor to be responsible for the implementation of environmental mitigation measures and internal monitoring. During this reporting period, corresponding environment persons have been appointed for all the work contracts that have entered construction stage (Table 1).
32. **Environment monitoring agency (EMA).** By the requirement of project EMP, the environmental monitoring agency will be recruited by contractors with the purpose of implementing environmental monitoring for the construction projects and the background monitoring.
33. The detailed contact lists of the environment person of contractors and construction supervision companies are not available at this stage of project implementation and will be provided in the next EMR.

2. Incorporation of environmental requirements into consulting service packages

34. In accordance with requirements of the loan agreement and EMP, the following environmental provisions have been clearly listed in the bidding documents and contracts. The PIU has provided the EBA report and EMP to all the participants of tenders.
35. The PIU has included the EMP and other environmental safeguard requirements to the bidding documents for various consulting service packages; i.e. all the designing and supervising firms shall recruit the DEIA company with domestic certification as sub-contractors. Additionally, in the process of bidding and evaluation, each proposal has been assessed by EMP requirements and budget allocation.

Table 1. List of Designated Environment Persons of the CSCs

No.	CS package name	Organization	Name of organization	Environment person name	Contact
1	CS17	CSC	"SRP engineering consult" LLC	Mr. Batbileg D.	(+976) 88022070
		Sub-contractor	"Gazar Delkhii" LLC		
2	CS21	CSC	"Mon Energy consult" LLC	Mr. Adiyasuren Ts.	(+976) 99192160
		Sub-contractor	"Sunny trade" LLC		

B. Implementation of the project mitigation measures

36. Implementation of the mitigation measures in the EMP is summarized in Table 1. This table is the same as Table EMP-2 of the EMP but has 1 additional column, to summarize the implementation status and compliance for each listed mitigation measure within the reporting period.

Table 2. Summary of potential project environmental impacts and mitigation measures

Item	Potential impacts / issues	Mitigation Measures prescribed in the EMP	Implementation status and compliance with EMP
A. DESIGN AND PRE-CONSTRUCTION PHASES			
Khuvsgul and Khentii subprojects			
Detailed design stage	Institutional strengthening for EMP Implementation	<ul style="list-style-type: none"> Confirmed the full-time status of the MET Environmental Officer for the project; Appointed PIU Environment Safeguard Officer; Organize and conduct training on EMP for relevant agencies. 	Being complied with. PIU appointed the environmental safeguard officer in May 2020.
	Preparation of Domestic Detailed EIA	<ul style="list-style-type: none"> Recruit domestic certified firm to prepare DEIA and any required environment baseline assessments; PIU environment safeguard specialist will: (i) facilitate recruitment and coordination of firm; (ii) review final decisions of MET and any safeguard conditions or mitigation measures; (iii) assess whether EMP needs updating. 	Being complied with. For CS17 and CS21 each has sub-contracted domestic certified firms respectively. CS18, CS19 still underway in procurement process.
	Updating EMP	<ul style="list-style-type: none"> Update mitigation measures defined in this EMP based on final detailed designs; Submit the updated EMP to ADB for review; In case of major changes of project location and/or additional physical components, determine whether the change is minor or major and consult with ADB. 	Not yet due. Requirements regarding domestic certified firm has incorporated in the procurement and TOR.

Construction Preparation	Environmental monitoring plan	<ul style="list-style-type: none"> • Prior to construction, hire an EMA, to conduct environment monitoring in accordance with the EMP monitoring plan; • Prepare detailed monitoring plan in accordance with the monitoring plan in this EMP. 	Not yet due. Due to the COVID-19 pandemic EMP has been updated.
	Detailed Designs	<ul style="list-style-type: none"> • Review detailed engineering designs and ensure the EMP is adequate to manage any minor revisions in designs. 	Not yet due. CS17 and CS21 is in process of DEIA.
	Bidding and contract documents	<ul style="list-style-type: none"> • Mitigation measures in the EMP are incorporated in all bidding documents; • Bidding documents are sent to ADB for review; • Prepare environmental contract clauses for contractors; • Ensure that the contractors recruited conform with, and implement, the domestic Environmental Safeguard Clauses for Civil Works Contracts; including that each contractor shall a qualified environment specialist on the team. Especially for the contractor that will implement the road works; • Ensure that the contractors fulfill any additional domestic safeguard requirements that are not otherwise covered in this EMP. 	Not yet due.
	EMP training	<ul style="list-style-type: none"> • Provide training on construction environmental management, implementation, supervision, to contractors and CSCs, in accordance with the training plan in this EMP. 	Not yet due.
	Establish GRM	<ul style="list-style-type: none"> • Responsibility for GRM implementation is assigned to MET and PIU environmental and social specialists and soum government focal points; • All agencies aware of, and trained in, the GRM, and will help support the environmental and social officers when necessary; • Key contact details for the GRM (phone number, fax, address, email) provided on the MET, PIU and/or soum government public websites, and information boards at construction sites. 	Being complied with. Project GRM has been established.
	Location of work camps	<ul style="list-style-type: none"> • Prior to any works, identify specific site locations for camps and assess these for adequacy of construction requirements and to minimize ecological and social impacts, especially to avoid sites along shoreline of Khuvsgul Lake or Eg River (Khuvsgul subproject), and along the Balj River and its tributaries (Khentii subproject); • Obtain approval from soum government, KLNP (Khuvsgul subproject) and OBNP (Khentii subproject) Administrations, LASI and PIU for the locations. 	Not yet due.
	Reconfirmation of borrow and spoil sites and asphalt plants	<ul style="list-style-type: none"> • Based on the finalized quantities of spoil and asphalt needed calculated in the DEDs, reconfirm the sites to be used that are identified in the IEE, and ensure they have sufficient capacity to provide the volumes needed; • Obtain MET and soum governments approval for the required material volumes (rock, gravel) and site use. 	Not yet due.

CKTC = Chinggis Khaan Tourism Complex, CSC = construction supervision company, DED = detailed engineering design, EA = executing agency, EMA = Environmental Monitoring Agency, IA = implementing agency, KLNPA = Khuvsgul Lake National Park Administration, LASI = local agency for specialized inspection, OBNPA = Onon-Balj National Park Administration, PAM = project administration manual, PIU = project implementation unit, PSC = project steering committee, TOR = terms of reference.

37. **Murun tourist street.** In April, 2020 KhAG has made request for change in location of Murun tourist street. Following the request MET held discussion with local government and related stakeholders. In accordance with ADB supervision, PIU environmental safeguard officer made prior study regarding legal requirements and in coordination with KhAG and PIU, GEIA has been issued by the Khuvsgul aimag Environment and Tourism Department and approved in August 5th, 2020.
38. **Order of Minister of Environment and Tourism.** Due to Resolution number 332 of GoM, Minister of Environment and Tourism has made order, prohibiting any land concessions temporarily in the Khuvsgul lake national park (see appendix 2).
39. **Project DEIAs.** CS17 and CS21 domestic certified firm for DEIA has been sub-contracted. In November 2020 PIU environmental safeguard officer worked in the field with “Gazar Delkhii” LLC in Khuvsgul aimag and gave specific instruction regarding the project EMP. For the case of CS21, the environmental safeguard officer held a meeting with the “Sunny Trade” LLC before the work to familiarize the project.
40. By the second quarter of 2020, project GEIA letter has been expired. Therefor PIU has requested an extension of the GEIA letter and MET has issued it on December 3rd, 2020.
41. **Progress of DEIAs.** Detailed environmental impact assessment of Road design and supervision consulting service has been mobilized on November 18, 2020. Currently, “Gazar Delkhii” LLC has done preliminary study and baseline survey (field surveys, laboratory samplings of the project area) with 30 percent of completion for the overall task. DEIA report screening and endorsement of MET is expected in the Q2 of 2021.
42. As for the architectural design and supervision of the Chingis Khaan Tourism Complex, the contract has been awarded on December 11, 2020. “Sunny trade” LLC is working on a preliminary study and baseline survey with 10 percent of completion. Based on the current phase of progress, DEIA report screening and endorsement is expected between Q2 to Q3 of 2021.
43. **Fieldwork in Khuvsgul aimag.** In November 2020, MET and PIU staff had fieldwork in Khuvsgul aimag with key experts of CS16 and CS17. During the fieldwork, PIU and consulting services have organized the kick-off meeting with KhAG, Khatgal village administration, and AKSPA.
44. As per the request of AKSPA and Khatgal village administration, PIU road engineer, environmental safeguard officer and social, gender, civil society officer has worked with consulting team of Road design and supervision (CS17) firm. During fieldwork of Khatgal-Jankhai-Toilagt road, A4-1 and A4-2 car park location has been changed due to land availability. Moreover, PIU environmental safeguard officer has given recommendations to a consulting firm and DEIA firm, aligning the design work with regulations of environmental protection such as buffer zones and regimes of water quality.
45. **The COVID-19 pandemic.** Due to the COVID-19 pandemic, the PIU followed all the guidelines and measures issued by the Government of Mongolia and ADB to prevent infection. For instance, the PIU organized several EC meetings under careful prevention measures and some virtual TWG meetings to implement the daily project activities in a timely manner. Other in-person workshops, seminars and trainings were canceled, postponed or re-scheduled for definite or indefinite durations.

46. Currently contractors have not been awarded yet, the PIU prepared the H&S plan guidelines during COVID-19 and got an endorsement from the MET. After contractors are awarded, the PIU will provide the guidelines to them for further implementation of the H&S plan. Accordingly, the EMP has also been updated with necessary actions regarding to the coronavirus outbreak.
47. In the light of recent situation of pandemic, which intensifying more, PIU has prepared report elaborating last 3 months of activities and possible impacts on project implementation. Moreover, report has been annexed to the QPR#5.
48. The current pandemic situation is directly affecting project activities, causing time delays and staggering, contracted consulting services being unable to perform their given task due to lockdown, fieldworks have been postponed for an unknown period. But PIU is making an effort to maintain the project implementation phase by various approaches such as requesting assistance from PSC, MET, and State Emergency Council.
49. The main problem PIU is facing in the implementation due to the pandemic situation is mostly on the slowing down of the project phase. Thus, PIU is making a report regarding current impacts and countermeasures taken to inform ADB for the assistance and support for project implementation.
50. Based on Table 1: Of the 22 mitigation measures proposed in the EMP, 3 measures are being in complied; the rest 19 measures are not yet applicable as the works have not yet started.
51. **Conclusion.** Most mitigation measures are not yet implemented in this stage of project operation.
52. **Next steps** include:
 - *Recruitment of consulting services and domestic certified firm to prepare DEIA and any required environment baseline assessments.*
 - *Supervise and coordinate the domestic certified firm in the process of DEIA and any required environment baseline assessment.*
 - *Review and endorsement of DEIA.*

C. Implementation of the project monitoring program

This section of the implementation is not yet available at this stage of the project.

D. Public consultations and grievance redress mechanism

53. **Grievance redress mechanism.** During the reporting period, the project hasn't received any grievances or complaints. In order to maintain an effective and operational GRM system, the PIU will proactively work together with all relevant stakeholders. The project contractors, soum and aimag focal points will be also the main players of the system.
54. Any complaints submitted by the affected people will be received and registered by the PIU environment safeguard, social gender and field officers. Only eligible complaints will be received, registered and resolved accordingly. Eligible complaints include (1) the complaint pertains to the project activities; (2) the issues, arising in the complaints within the scope of environmental issues. Ineligible complaints include (1) the

- complaint, that is clearly not project-related; (2) the nature of the issue is outside the of the environmental issues and/or may be resolved by this GRM (such as allegations of fraud or corruption);
55. Any complaints from citizens related to the project will be received through the following channels (1) Face to face meetings; (2) Written complaints; (3) E-mails (piustdp@gmail.com); (4) Project website (www.stdp.mn); (5) Telephone call (office telephone number: 7777-1501); (6) Mail.
56. Each complaint will be directed to respective persons depending each stages. In stage 1, corresponding liaison officer and CSCs (if necessary with addition of PIU social, gender, civil society officer and environmental safeguard officer), in stage 2, corresponding officer of PIU and CSCs, in stage 3, under supervision of MET corresponding officer and PIU.
57. The procedure and timeframe for the GRM is described as following, as per the EMP:
Stage 1 (10 working days): At this stage, eligible complaints from an affected person can be received and registered by the liaison officer(s) and the contractor(s), and can be resolved immediately if possible. In this case, the PIU will be notified immediately in writing form of how the complaint has been resolved.
58. **Stage 2 (10 working days):** If the issue cannot be resolved in Stage 1, the eligibility of the complaint will be re-assessed by the PIU and recommended solution will be given to the complainant and contractor within ten (10) working days. If the solution is agreed by the complainant, the contractor(s) and/or facility operator(s) will implement the solution within seven (7) days. Written records will be made of all stages and outcomes.
59. **Stage 3 (10 working days):** If no solution can be identified in Stage 2 and/or the complainant is not satisfied with the proposed solution, the PIU will organize a stakeholders meeting including the complainant, focal points from soum, bagh and government agencies within ten (10) days. A solution agreed by all parties shall be identified including clear steps. The contractors (during construction) and facility operators (during operation) will immediately implement the agreed solution. Written records will be made of all stages and outcomes.
60. The contractor shall bear any and all costs of implementing the GRM, including meeting, travel, and/or accommodation costs of the government staff or affected person.
61. As of December 31 2020, there are no complaints related to environmental impacts.
62. **Next steps.** For the next reporting period,
- *Conduct training on public consultation to the stakeholders*
 - *Conduct public consultation meeting during next reporting period and properly document the process and results.*
 - *If there are any petitions and/or complaints, the related agencies will make records in accordance.*

E. Training and capacity building

63. In kick-off meeting of Khentii and Khuvsgul subproject, PIU environmental safeguard officer organized an environment management training (Table 2) of half day with the participation of each aimag government officers and stakeholders. The training covered topics: Environmental baseline condition of project area, possible impacts, Mongolian national environmental laws and regulations, EMP implementation and supervision, Environmental monitoring, inspection and reporting. A total of 116 people of PIU participated in the training. At the end of each training session, participants were given half hour to ask questions so that the trainers could give clear understanding of what should be done and how to follow-up.

Table 3: Training for environmental safeguards conducted during the reporting period

Topic	Trainees	Content	# Trainees		Date	Outcomes
			M	F		
EMP implementation	Khentii and Khuvsgul aimag governments and stakeholders	<ul style="list-style-type: none"> Environmental conditions of project area, Possible impacts, Domestic environmental laws Roles, responsibilities, monitoring, inspection, reporting in EMP Environment monitoring program Mitigation measures 	72	44	6 Novemb er, 2020 and 14 January, 2021	Trainees demonstrated good understanding of project area ecological conditions, possible impacts and regulatory frameworks.
		Total trainees	72	44		Grand total: 116

64. **Results.** During the trainings, all the participants shows understanding towards project area ecological conditions, possible impacts and regulatory frameworks. After the training, trainees understand the EMP implementation, monitoring and reporting requirements as well as the ecological significance of the project implementing areas.

65. **Conclusion.** The environment management training carried out is in compliance with the EMP. The trainings helped the government officers and other stakeholders to have better understanding of national environmental law and regulations, the content of the EMP, and the implementation and management of the EMP.

66. **Next steps.** After the contract awarding of the consulting service firms relevant training will be organized to the stakeholders with regards to the EMP implementation. Moreover, with the progress of subprojects, new contractors and CSCs will be contracted, so next step is:

- *Environment management training will be held in accordance with EMP.*

F. Costs of EMP implementation during the reporting period

This section of the implementation is not yet available at this stage of the project.

G. Compliance with environment related project covenants

The loan agreement and project agreement between the government and ADB includes 10 assurances (or “covenants”) for environmental safeguards and/or related to environmental issues (Appendix 1). These relate to the timely and effective implementation of the EMP, as well as project-specific assurances tailored to the current project. Compliance with these assurances is a condition of the loan and project agreements. For the current reporting period all of 10 of the assurances are in compliance with.

H. Issues for follow-Up documented in the previous EMR and any missions undertaken during the current reporting period

This section of the implementation is not yet available at this stage of the project.

I. Reporting

This section of the implementation is not yet available at this stage of the project.

IV. LESSON LEARNED

This section of the implementation is not yet available at this stage of the project.

V. NEXT STEPS

67. According to the current implementation of the EMP, the main environmental issues found and proposed improvement measures are listed in Table 3 below.

Table 3: Environmental issues and Corrective Actions

Issue	Action	By When	By Whom
Recruit domestic certified firms to prepare DEIAs for the various packages and any required environment baseline assessments	<ul style="list-style-type: none"> • Recruit the firms • Supervise and coordinate the domestic certified firm in the process of DEIAs and any required environment baseline assessment. • Endorsement of DEIAs • Update the EMP if needed 	From Jan to June, 2021	PIU
Public consultation	<ul style="list-style-type: none"> • Conduct at least two rounds of public consultation 	30 June, 2021	PIU
Training	<ul style="list-style-type: none"> • Training on monitoring and inspection methods, data collection and interpretation, reporting system of EMP 	30 June, 2021	PIU
Next EMR	<ul style="list-style-type: none"> • Prepare EMR and submit to ADB 	31 July 2021	PIU

APPENDIX 1 COMPLIANCE WITH ENVIRONMENTAL ASSURANCES

Schedule	Para No.	Covenants	Status of Compliance
LA 4	22	<p>Safeguards Monitoring and Reporting</p> <p>The Borrower, through the Project Executing Agency, shall do the following:</p> <p>(a) submit Safeguards Monitoring Reports to ADB in respect of implementation of and compliance with Environmental Safeguards and the EMP, semiannually during construction and the implementation of the Project and the EMP, and thereafter annually during operation, until the issuance of ADB's Project completion report unless a longer period is agreed in the EMP; and disclose relevant information from such reports to the respective affected people under the Environmental Safeguards, the Involuntary Resettlement Safeguards and the Indigenous Peoples Safeguards promptly upon submission;</p> <p>(b) if any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the Project that were not considered in the IEE and the EMP, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan; and</p> <p>(c) report any actual or potential breach of compliance with the measures and requirements set forth in the EMP promptly after becoming aware of the breach.</p>	Being complied with.
Environmental Covenants			
LA 4	17	The Borrower, through the Project Executing Agency, the Project Executing Agency, Project Implementing Agencies and PIU to, shall ensure that the preparation, design, construction, implementation, operation and decommissioning of the Project and all Project facilities comply with (a) all applicable laws and regulations of the Borrower relating to environment, health and safety; (b) the SPS; and (c) all measures and requirements set forth in the IEE and EMP and any corrective or preventative actions (i) set forth in a Safeguards Monitoring Report, or (ii) which are subsequently agreed between ADB and the Project Executing Agency.	To be complied with.
LA 4	18	Without limiting the generality of the foregoing, the Project Executing Agency shall ensure that: (a) during detailed engineering design of the CKTC, meaningful consultations are held with local residents, civil society organizations and other stakeholders to assess community concerns about the siting of the CKTC and its access road and to identify community-led or other solutions to address any community concerns; (b) the consultations include dissemination of all site-related information collected for the detailed designs, including the exact proposed location for the CKTC and access road; (c) if, following consultations, some stakeholders oppose the location of the CKTC, the PIU delivers a report and recommendations for resolution to the project steering committee and ADB and that the project steering committee confers with ADB on next steps; and (d) that design work and other preparation for the CKTC is suspended until siting issues are resolved in a manner acceptable to ADB.	To be complied with.

Resettlement covenants; Indigenous Peoples covenants			
LA 4	19	No Involuntary Resettlement or Indigenous Peoples Impacts The Borrower shall ensure and shall cause the Project Executing Agency to ensure that the Project does not have any involuntary resettlement impacts or indigenous peoples impacts within the meaning of the SPS. In the event that the Project does have any such impacts, the Borrower shall, and shall cause the Project Executing Agency, Project Implementing Agencies and PIU to, take all steps required to ensure that the Project complies with the applicable laws and regulations of the Borrower and with the SPS.	To be complied with.
Safeguards - Related Provisions in Bidding Documents and Work Contracts			
LA 4	21	The Borrower, through the Project Executing Agency, shall ensure that all bidding documents and contracts for Works contain provisions that require contractors to: (a) comply with the measures relevant to the contractor set forth in the IEE and the EMP (to the extent they concern impacts on the respective affected people under ADB's Environmental Safeguards during construction), and the domestic environmental impact assessments, and any corrective or preventative actions set forth in (i) a Safeguards Monitoring Report, or (ii) subsequently agreed between ADB and the Project Executing Agency; (b) make available a budget for all such environmental and social measures; (c) provide the Project Executing Agency with a written notice of any unanticipated environmental, resettlement or indigenous peoples risks or impacts that arise during construction, implementation or operation of the Project that were not considered in the IEE and the EMP; (d) adequately record the condition of roads, agricultural land and other infrastructure prior to starting to transport materials and construction; and (e) reinstate pathways, other local infrastructure, and agricultural land to at least their pre-project condition upon the completion of construction.	To be complied with.
Gender and Development			
LA 4	26	The Borrower, through the Project Executing Agency, shall ensure that (a) the SGAP is implemented in accordance with its terms; (b) the bidding documents and contracts include relevant provisions for contractors to comply with the measures set forth in the SGAP; (c) adequate resources are allocated for implementation of the SGAP; and (d) progress on implementation of the SGAP, including progress toward achieving key gender and social outcome and output targets, are regularly monitored and reported to ADB.	To be complied with.
LA 4	27	The Borrower, through the Project Executing Agency, shall ensure that the "Consultation and Participation Plan" and "Stakeholder Communication Strategy" for the Project are fully implemented in accordance with their terms and that activities thereunder are regularly monitored and reported to ADB.	To be complied with.
Labor Standards and Labor Standards covenants			
LA 4	24	The Borrower, through the Project Executing Agency, shall ensure that the core labor standards and the	The PIU has developed "H&S plan

		Borrower's applicable laws and regulations are complied with during Project implementation. The Borrower shall cause the Project Executing Agency or the relevant Project Implementing Agency to include specific provisions in the bidding documents and contracts financed by ADB under the Project requiring that the contractors, among other things: (a) comply with the Borrower's applicable labor law and regulations and incorporate applicable workplace occupational safety norms; (b) do not use child labor; (c) do not discriminate workers in respect of employment and occupation; (d) do not use forced labor; (e) allow freedom of association and effectively recognize the right to collective bargaining; and (f) disseminate, or engage appropriate service providers to disseminate, information on the risks of sexually transmitted diseases, including HIV/AIDS, to the employees of contractors engaged under the Project and to members of the local communities surrounding the Project area, particularly women.	guideline for contractors during COVID-19". Further specific provisions of labor standards will be complied in the bidding documents and construction work plans.
LA 4	25	The Borrower, through the Project Executing Agency, shall strictly monitor compliance with the requirements set forth in paragraph 24 above and provide ADB with regular reports as provided in the PAM.	To be complied with.
Grievance Redress Mechanism			
LA 4	31	The Borrower, through the Project Executing Agency, shall ensure that a safeguards grievance redress mechanism acceptable to ADB is established at the Project Executing Agency and each Project Implementing Agency in accordance with the provisions of the IEE and EMP, within the timeframe specified in the IEE and EMP, to consider safeguards complaints.	GRM has established in accordance with PAM. GRM team defined: (a) an eligible complaint; (b) channels for receiving complaints; (c) resolving complaint; and (d) complaint form

LA=loan agreement

APPENDIX 2 ORDER OF MINISTER OF ENVIRONMENT AND TOURISM

МОНГОЛ УЛСЫН
БАЙГАЛЬ ОРЧИН, АЯЛАЛ ЖУУЛЧЛАЛЫН
САЙДЫН ТУШААЛ

2020 оны 10 сарын 12 өдөр

Дугаар А/614

Улаанбаатар хот

Хөвсгөлийн байгалийн цогцолборт газарт
газар ашиглах эрх олгохыг түр хугацаагаар хориглох тухай

Монгол Улсын Засгийн газрын тухай хуулийн 24 дүгээр зүйлийн 2 дахь хэсэг, Тусгай хамгаалалттай газар нутгийн тухай хуулийн 27 дугаар зүйлийн 1 дэх хэсэг, Байгаль орчныг хамгаалах тухай хуулийн 15 дугаар зүйлийн 1 дэх хэсгийн 4 дэх заалтыг тус тус үндэслэн ТУШААХ нь:

1. Хөвсгөл нуур орчмыг "Эко аялал жуулчлалын бүс" болгон хөгжүүлэх тухай Монгол Улсын Засгийн газрын 2019 оны 332 дугаар тогтоолын хавсралтаар батлагдсан төлөвлөгөөг хэрэгжүүлэхтэй холбогдуулан Монгол Улсын Засгийн газраас гаргасан тогтоол шийдвэрийг хэрэгжүүлэх, газар ашиглах эрхийн хугацаа сунгах, шүүхийн шийдвэр биелүүлэх, инженерийн дэд бүтэц барьж байгуулахаас бусдаар Хөвсгөлийн байгалийн цогцолборт газрын хязгаарлалтын бүсэд газар ашиглах эрх олгохыг түр хугацаагаар хориглосугай.

2. Энэ тушаалын хэрэгжилтэд хяналт тавьж ажиллахыг Тусгай хамгаалалттай бүс нутгийн удирдлагын газар /Э.Түвшинбаяр/, Хөвсгөлийн Улсын тусгай хамгаалалттай газрын хамгаалалтын захиргаа /Х.Идэр/, Хөвсгөл аймгийн Засаг дарга /Л.Ганболд/-д тус тус үүрэг болгосугай.



Д.САРАНГЭРЭЛ

/Translation/

ORDER OF MINISTER OF ENVIRONMENT AND TOURISM

October 12, 2020

Number A/614

Ulaanbaatar

Name: Temporarily prohibiting the land concessions in the Khuvsgul lake national park

Under Article 24.2 of Law on Government of Mongolia, Article 27.1 of Law on Protected Areas, Article 15.1.4 of Law on Environmental protection; hereby ORDERING:

1. In the frame of implementing resolution number 332 of 2019, “Developing Khuvsgul lake area as eco-tourism region” of Government of Mongolia, henceforth temporarily prohibiting any land concessions in Khuvsgul lake national park boundary except for the purpose of implementing decision of Government of Mongolia, extending period of concessions, executing court decision and construction of engineering infrastructure.

2. Department of protected region management /Tuvshinbayar E./, Administration of Khuvsgul special protected areas /Ider Kh./, Governor of Khuvsgul aimag /Ganbold L./ hereby assigned to oversight the implementation of this order.

SARANGEREL D.

MINISTER

APPENDIX 3 MURUN TOURIST STREET GEIA LETTER



**ХӨВСГӨЛ АЙМГИЙН
БАЙГАЛЬ ОРЧИН, АЯЛАЛ
ЖУУЛЧЛАЛЫН ГАЗАР**

67123, Хөвсгөл аймаг, Мөрөн сум,
8 дугаар баг /Уран дэвж/. Утас: 70384909
E-mail: bogazar@khs.gov.mn

2020.08.18 № 429
танай _____-ны № _____-т

МӨРӨН СУМЫН ЗАСАГ ДАРГЫН
ТАМГЫН ГАЗАР-Т

Ерөнхий үнэлгээний дүгнэлт
хүргүүлэх тухай

Танай байгууллагын ирүүлсэн "Аялал жуулчлалын гудамж" барих төслийн баримт бичигт байгаль орчинд нөлөөлөх байдлын үнэлгээний тухай хуулийн 7-р зүйлийн 7.3, түүнийг хэрэгжүүлэх журмын 3-р зүйлийн 3.3 дахь заалтыг үндэслэн байгаль орчны нөлөөлийн ерөнхий үнэлгээ хийлээ.

Ерөнхий үнэлгээний дүнгээр тус төслийг тодорхой нөхцөл болзолтойгоор үйл ажиллагааг явуулах боломжтой гэж үзэв.

2020 оны 08 дугаар сарын 05-ны өдрийн БО2020/31 дугаартай ерөнхий үнэлгээний гүйцэтгэлийн хуудсыг хавсаргав.

Ерөнхий үнэлгээний гүйцэтгэлийн хуудаас заасан онцгойлон анхаарах чиглэлийг харгалзан тухайн жилийн байгаль орчны менежментийн төлөвлөгөөг боловсруулж, ажлын 14 хоногт БОАЖГ-т ирүүлэн батлуулж ажиллахыг мэдэгдье.

Хавсралт 6 хуудастай

ШИНЖЭЭЧ



Р.ЖАРГАЛСАЙХАН

161130489

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/Translation/

ENVIRONMENT AND TOURISM DEPARTMENT OF KHUVSGUL AIMAG

To: Murun soum government

By your request for “Tourist street” project, GEIA has performed in accordance to clause 7.3 of chapter 7 of Law on Environmental Impact Assessment and clause 3.3 of chapter 3 of implementation guideline.

GEIA has concluded the project can be implemented under condition.

Feasibility sheet number БО2020/31 of August 5th, 2020 has been annexed.

EMP shall approved within 14 days in line with special conditions of feasibility sheet.


With 6 pages of appendix

Best regards

R.Jargalsaikhan

Expert

APPENDIX 4 PROJECT GEIA EXTENSION LETTER



**МОНГОЛ УЛСЫН
БАЙГАЛЬ ОРЧИН,
АЯЛАЛ ЖУУЛЧЛАЛЫН ЯАМ**

15160 Улаанбаатар хот, Ченгалтэй дүүрэг,
Нэгдсэн Үндэстний гудамж 5/2, Засгийн газрын II байр,
Утас: 26 19 86, Факс: (976-51) 26 61 71
И-мэйл: contact@mne.gov.mn, Вэбсайт: www.mne.mn

2020 12.03 № *13/8471*

танай _____ -ны № _____ -т

**ТОГТВОРТОЙ АЯЛАЛ ЖУУЛЧЛАЛЫГ
ХӨГЖҮҮЛЭХ ТӨСӨЛД**

Хугацаа сунгах тухай

Хөвсгөл аймгийн Алаг-Эрдэнэ, Ханх сумдын нутаг, Хөвсгөлийн Улсын тусгай хамгаалалттай газар нутагт хэрэгжих Хатгал-Жанхай-Тойлогт чиглэлийн 30.4 км хатуу хучилттай авто зам, Хатгал-Хүзүүвчийн шил чиглэлийн 5.5 км хатуу хучилттай авто зам болон Ханх сум, Хатгал тосгонд цэвэрлэх байгууламж, хог хаягдал булшлах байгууламж барих төслийн байгаль орчны нөлөөллийн ерөнхий үнэлгээний 2018/Б-53 дугаартай, Хэнтий аймгийн Дадал суманд "Чингис хаан" аялал жуулчлалын цогцолбор түүнийг дагалдах барилга, инженерийн байгууламж, цэвэрлэх байгууламж, хог хаягдал булшлах байгууламж байгуулах төслийн байгаль орчны нөлөөллийн ерөнхий үнэлгээний 2019/Б-074 дугаартай тус тус дүгнэлтэд заасан байгаль орчны нөлөөллийн нарийвчилсан үнэлгээний тайлан ирүүлэх хугацааг 2021 оны 2 дугаар улиралд багтаан ирүүлэхээр сунгав.

Нарийвчилсан үнэлгээний тайланг заасан хугацаанд ирүүлж, Байгаль орчинд нөлөөлөх байдлын үнэлгээний тухай хуулийн 8 дугаар зүйлд заасны дагуу шийдвэрлүүлнэ үү.

ЕРӨНХИЙ ШИНЖЭЭЧ



Д.БАТМӨНХ

• 030453

/Translation/

MINISTRY OF ENVIRONMENT AND TOURISM

To: Sustainable tourism development project

GEIA letter number 2018/Б-53 for 30.4 km road for Khatgal-Jankhai-Toilagt and 5.5 km road for Khatgal-Khuzuuvshyn shil in Alag-Erdene, Khankh soums and KLNP of Khuvsgul aimag, WWTP and Landfill in Khankh soum and Khatgal village; GEIA letter number 2019/Б-074 for CKTC and engineering facilities, WWTP, Landfill in Dadal soum of Khentii aimag is hereby extended till second quarter of 2021.

DEIA report shall be submitted within the aforementioned period and be concluded in accordance to chapter 8 of Law on Environmental Impac Assessment.

Best regards

D.Batmunkh

General Expert

APPENDIX 5 PHOTOGRPHES

During kick-off meeting in Murun
soun, Khuvsgul aimag
November 6, 2020



After kick-off meeting in Murun
soun, Khuvsgul aimag
November 6, 2020

During kick-off meeting in
Khatgal village, Khuvsgul aimag
November 6, 2020

