

Mongolia - Roads

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Overview

Identification

COUNTRY

Mongolia

EVALUATION TITLE

Roads

EVALUATION TYPE

Independent Evaluation

ID NUMBER

DDI-MCC-MNG-IDG-ROAD-2018-v1

Version

VERSION DESCRIPTION

Not applicable to this evaluation; no quantitative data to be shared

Overview

ABSTRACT

The evaluation will address the following evaluation areas:

Evaluation Area 1 tests the economic viability of MCC-funded roads by conducting a cost-benefit analysis (CBA) to estimate the economic rate of return and net present value (NPV) of the roads. The CBA will employ the HDM-4 model, an analytical tool used to conduct CBA for roads. Post-Compact CBA re-evaluates the validity of the initial assumptions made prior to the Compact. An updated ERR of the MCC-funded roads will inform MCC on the economic viability of large road infrastructure projects.

Evaluation Area 2 will evaluate the road maintenance regime within Mongolia to test the sustainability of improvement in road infrastructure. A political economy analysis will be conducted to examine the effect of the road maintenance activities under the Roads Project. The analysis will improve MCCs assumption on post-Compact maintenance and project-life assumptions about its infrastructure investments.

Evaluation Area 3 is a study of road users, based on origin-destination (O-D) surveys on segments of the MCC-funded roads. The data collected from the O-D surveys will inform the HDM-4 model. Information such as the cost and duration of the trips and value of the goods being transported will be analyzed. The feasibility of surveying public transport users in parallel with the O-D surveys to get a full picture of the users and beneficiaries of the road improvements will also be considered. This evaluation area is intended to understand qualitative information on the road users and their travel patterns. The evaluation area will be also helpful for MCC to understand the type of direct beneficiaries from the Roads Project. Evaluation Area 3B is a study of how road usage patterns have changed since before the infrastructure project. Changes in usage can be obtained as part of O-D surveys.

Evaluation Area 4 is an analysis of the transportation market structure. This evaluation area will analyze transportation market structure, both formal and informal, to understand how cost savings from road improvements have passed on to transport consumers who do not own their own vehicles. While MCC did not directly work in this area, analysis of the formal and informal institutions of the transportation market will inform whether vehicle operating cost savings were passed on to road users who do not own their own vehicle, such as fisherman and farmers transporting their goods to market and public transportation users.

Below are the key evaluation questions for each evaluation area:

Evaluation Area 1

1) What is the economic return - calculated in terms of Vehicle Operating Cost (VOC) savings and travel time (TT) savings - of the road investment? [Core]

Evaluation Area 2

2A) What are the relevant road authority's current maintenance practices and what is the likelihood that MCC's investment will remain adequately maintained for the life of the investment? Based on this assessment, what set of maintenance assumptions should be used in the HDM-4 model to yield the best estimate of the costs and benefits of the road investment? [Core]

2B) In cases where MCC invested in improving maintenance practices or included a maintenance Conditions Precedent in the Compact (applicable to Mongolia), what were the effects of those efforts and why? [Core]

2C) What political, and economic incentives are shaping road maintenance decisions in the country? And what other key factors are influencing actual maintenance practices? [Supplemental]

Evaluation Area 3

3A) Who is traveling on the road, why, what they are transporting, what they are paying for transport, and how long does it take to move along key routes? [Core]

3B) Have road usage patterns changed, in terms of who is traveling on the road, why, what they are transporting, what they are paying for transport, and how long it takes to move along key routes? [Supplemental]

Evaluation Area 4

4) How is the transportation market structured and what is the likelihood that VOC savings will be passed on to consumers of transportation services? [Supplemental]

EVALUATION METHODOLOGY

Independent Ex-Post ERR and HDM-4

UNITS OF ANALYSIS

Individuals, community, administrative units

KIND OF DATA

Other

TOPICS

Topic	Vocabulary	URI
Transport	MCC Sector	
Capacity Building and Institutional Development		

Coverage

GEOGRAPHIC COVERAGE

Choir-Sainshand road segment

Producers and Sponsors

PRIMARY INVESTIGATOR(S)

Name	Affiliation
International Development Group	

FUNDING

Name	Abbreviation	Role
Millennium Challenge Corporation	MCC	

Metadata Production

METADATA PRODUCED BY

Name	Abbreviation	Affiliation	Role
Millennium Challenge Corporation	MCC		Review of Metadata
International Development Group Advisory Services	IDG		Documentation of the Study

DATE OF METADATA PRODUCTION

2018-07-27

DDI DOCUMENT VERSION

Version 1.0 (July 2018): This is the original version.

DDI DOCUMENT ID

DDI-MCC-MNG-IDG-ROAD-2018-v1

MCC Compact and Program

COMPACT OR THRESHOLD

Compact

PROGRAM

On October 23, 2007, the Government of Mongolia (GoM) and the Millennium Challenge Corporation (MCC), signed a five-year, \$285 million Compact to reduce poverty in Mongolia through economic growth. The five year Compact entered into force on September 17, 2008 and ended on September 17, 2013. The Compact was re-scoped in 2009. At this time, the \$79.7 million North-South Road Project was identified through close coordination with the Government of Mongolia and other international financial institutions in Mongolia. The project filled an important gap in the key north-south economic corridor of the country, through the construction an important link in Mongolia's first all-weather paved road running from its southern border with China to its northern border with Russia. The North-South Road Project consisted of two activities: Construction of the Choir-Sainshand 176.4 kilometer road segment and Technical Assistance. The objective of the Project was more efficient transport for trade and access to services, specifically through increased traffic, decreased travel times, decreased vehicle operating costs and decreased road roughness.

MCC SECTOR

Transport (Trans)

Sampling

Sampling Procedure

N/A

Questionnaires

No content available

Data Collection

Data Collection Dates

Start	End	Cycle
2019-06-01	2019-09-30	N/A

Data Processing

No content available

Data Appraisal

No content available