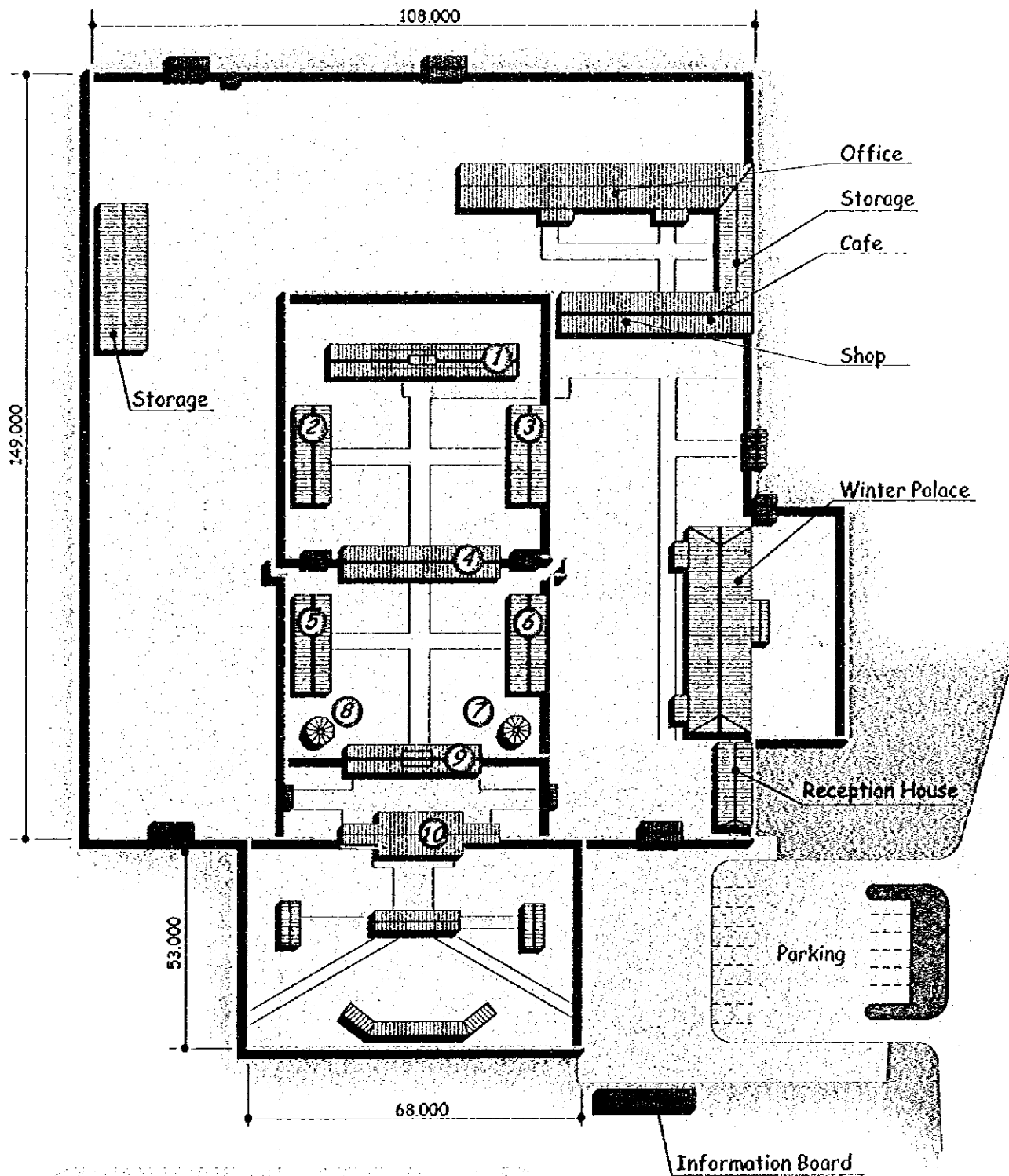


BOGD KHAN MUSEUM



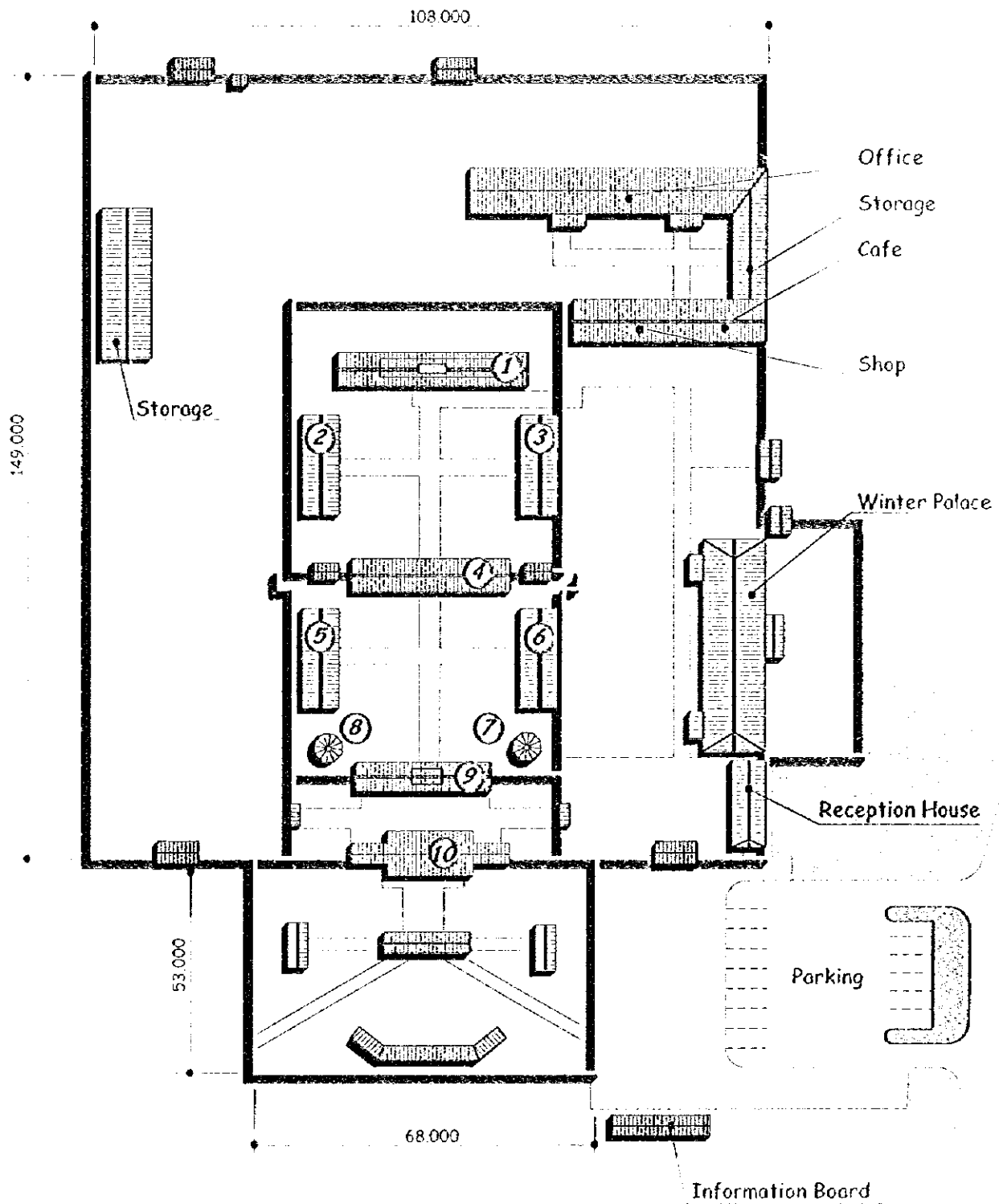
- | | | |
|------------------------|--|----------------------|
| 1 Lavrin Temple | | New Plaza & Walk Way |
| 2 Temple of Many Gods | | Old Walk Way |
| 3 Library Temple | | Fence (Padisales) |
| 4 Naidan Temple | | |
| 5 The Temple Paintings | | |
| 6 The Temple Appliques | | |
| 7 Jin Bell Tower | | |
| 8 Jin Drum Tower | | |
| 9 Mahrajs Temple | | |
| 10 An Din Men Gate | | |

MINISTRY OF INFRASTRUCTURE DEVELOPMENT MONGOLIA
 JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)
 THE MASTER PLAN ON NATIONAL TOURISM DEVELOPMENT IN MONGOLIA

Figure 5.1
Improvement Plan of
Bogd Khan Museum

PADECO Co., Ltd./Nippon Koei Co., Ltd.

BOGD KHAN MUSEUM



- 1 Lovrin Temple
- 2 Temple of Many Gods
- 3 Labrary Temple
- 4 Naidan Temple
- 5 The Temple Paintings
- 6 The Temple Appliques
- 7 Jin Bell Tower
- 8 Jin Drum Tower
- 9 Mahrajs Temple
- 10 An Din Men Gate

- New Plaza & Walk Way
- Old Walk Way
- Fence (Padisales)

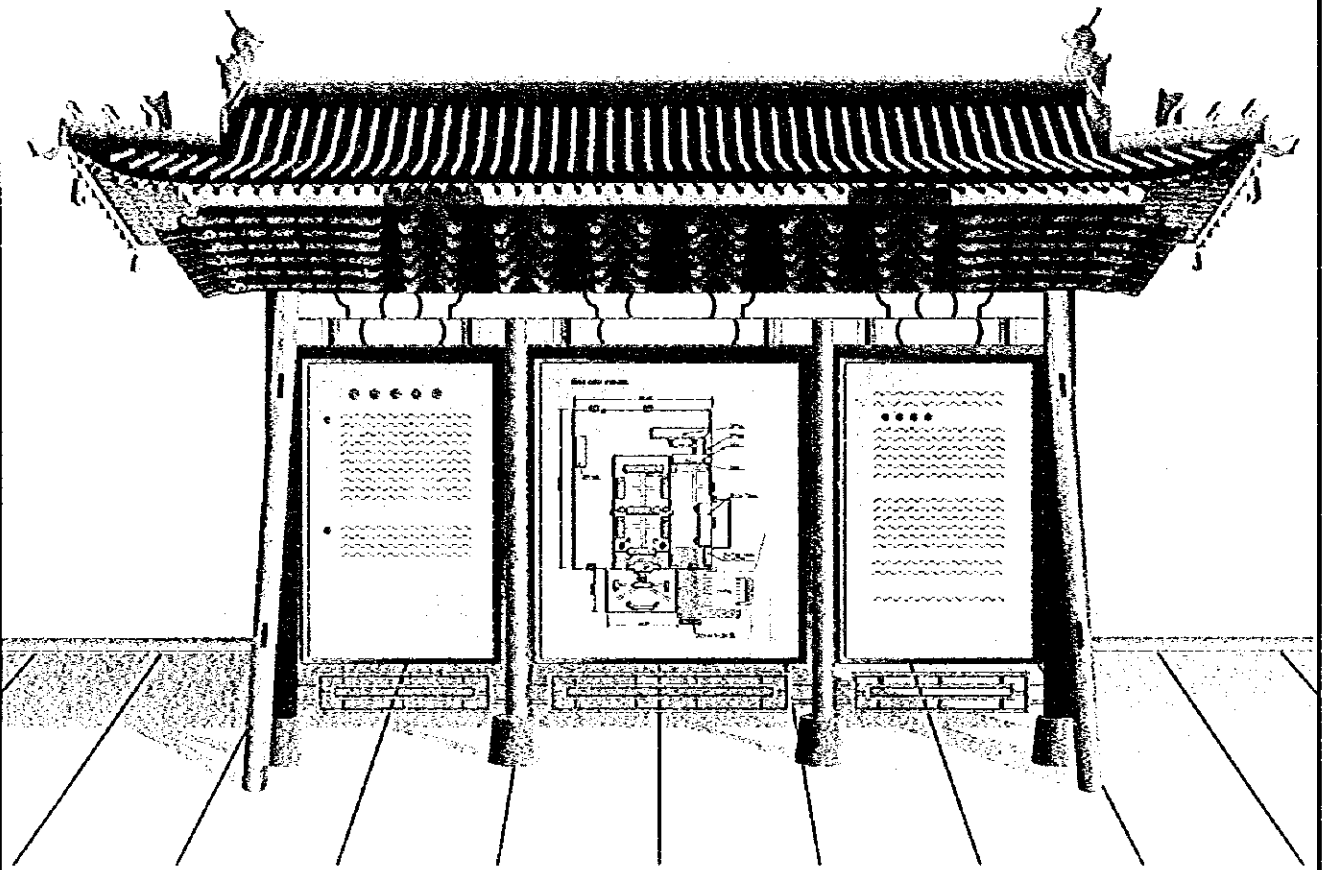
MINISTRY OF INFRASTRUCTURE DEVELOPMENT MONGOLIA
 JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)
THE MASTER PLAN ON NATIONAL TOURISM DEVELOPMENT IN MONGOLIA

Figure 5.1
Improvement Plan of Bogd Khaan Museum

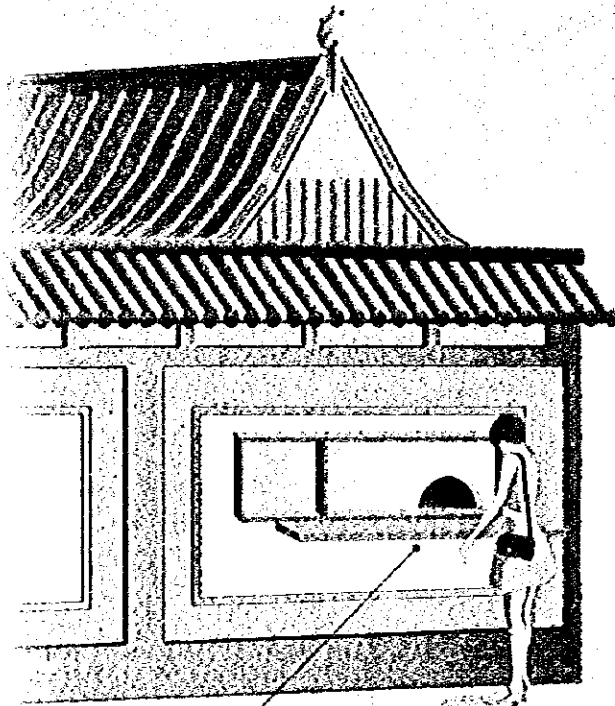
PAOLCO Co., Ltd./Nippon Koei Co., Ltd.

BOGD KHAN MUSEUM

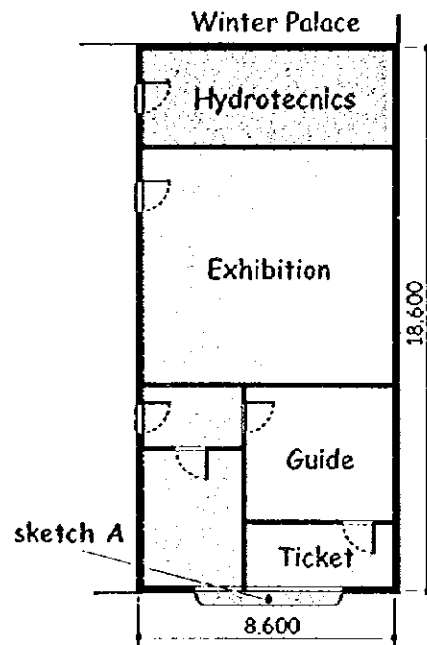
○ INFORMATION BOARD ○



○ RECEPTION HOUSE ○



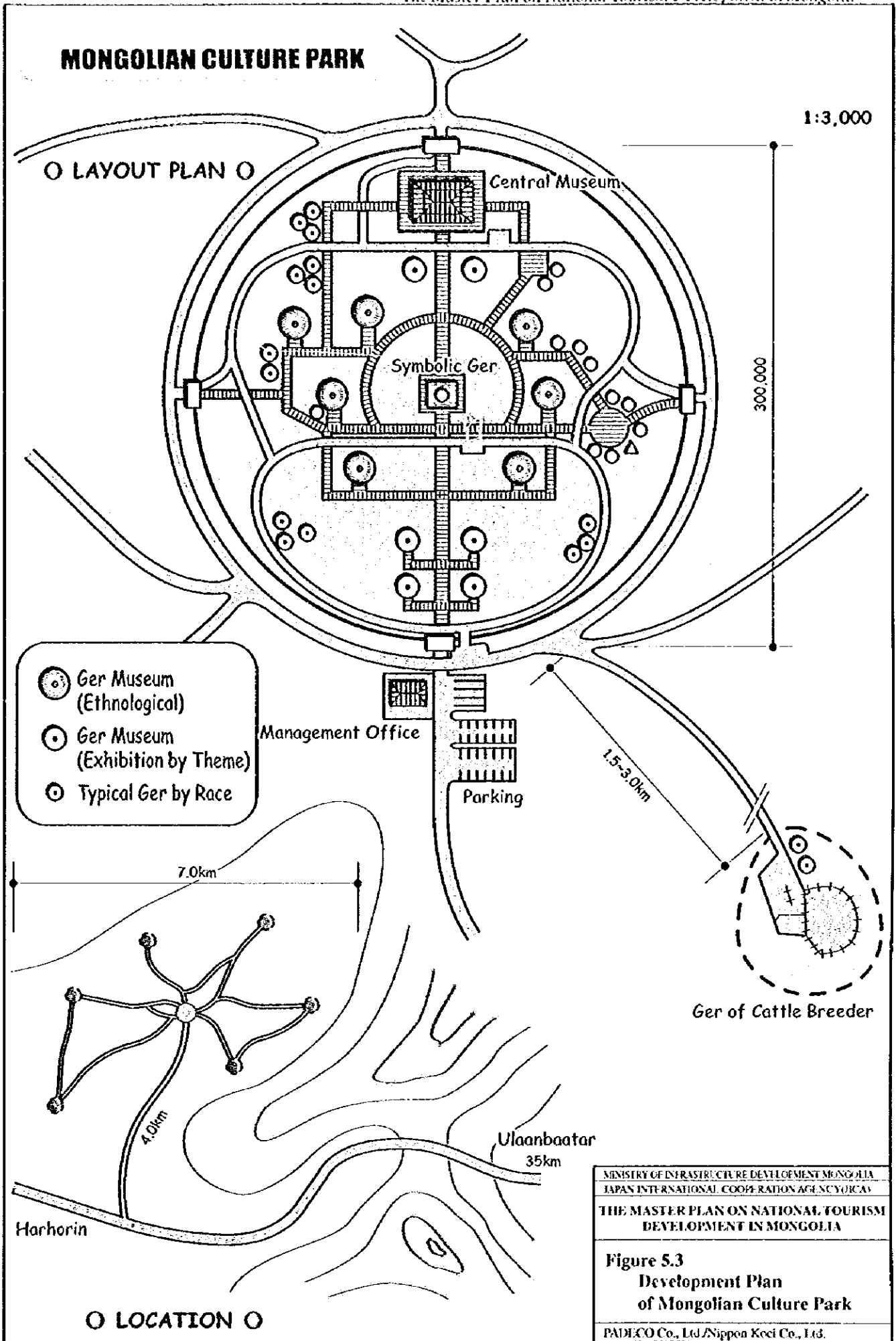
sketch A



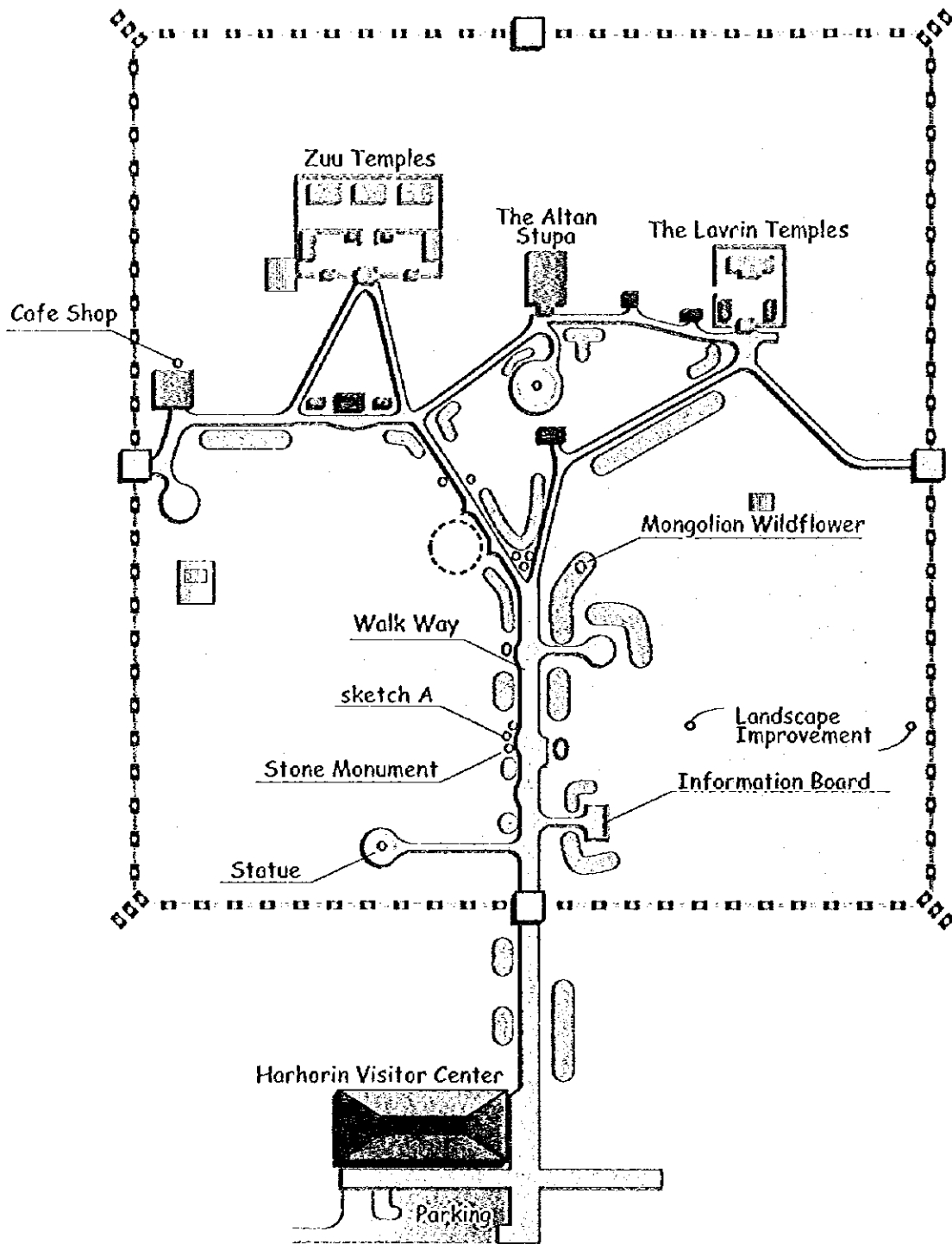
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 JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)
 THE MASTER PLAN ON NATIONAL TOURISM DEVELOPMENT IN MONGOLIA

Figure 5.2
Plan of Information Board and
Renewal Plan of Ticket Building

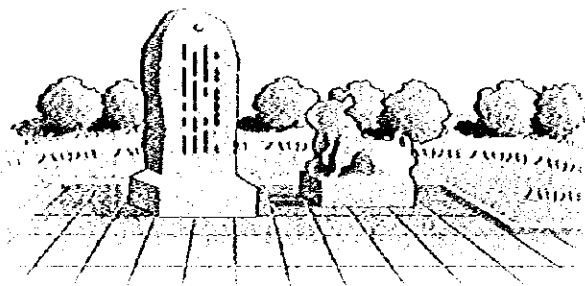
PADECO Co., Ltd./Nippon Koci Co., Ltd.



ERDENEZUU MUSEUM



sketch A



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THE MASTER PLAN ON NATIONAL TOURISM DEVELOPMENT IN MONGOLIA
Figure 5.4 Improvement Plan of Erdenezuu Museum
PADECO Co., Ltd./Nippon Kei Co., Ltd.

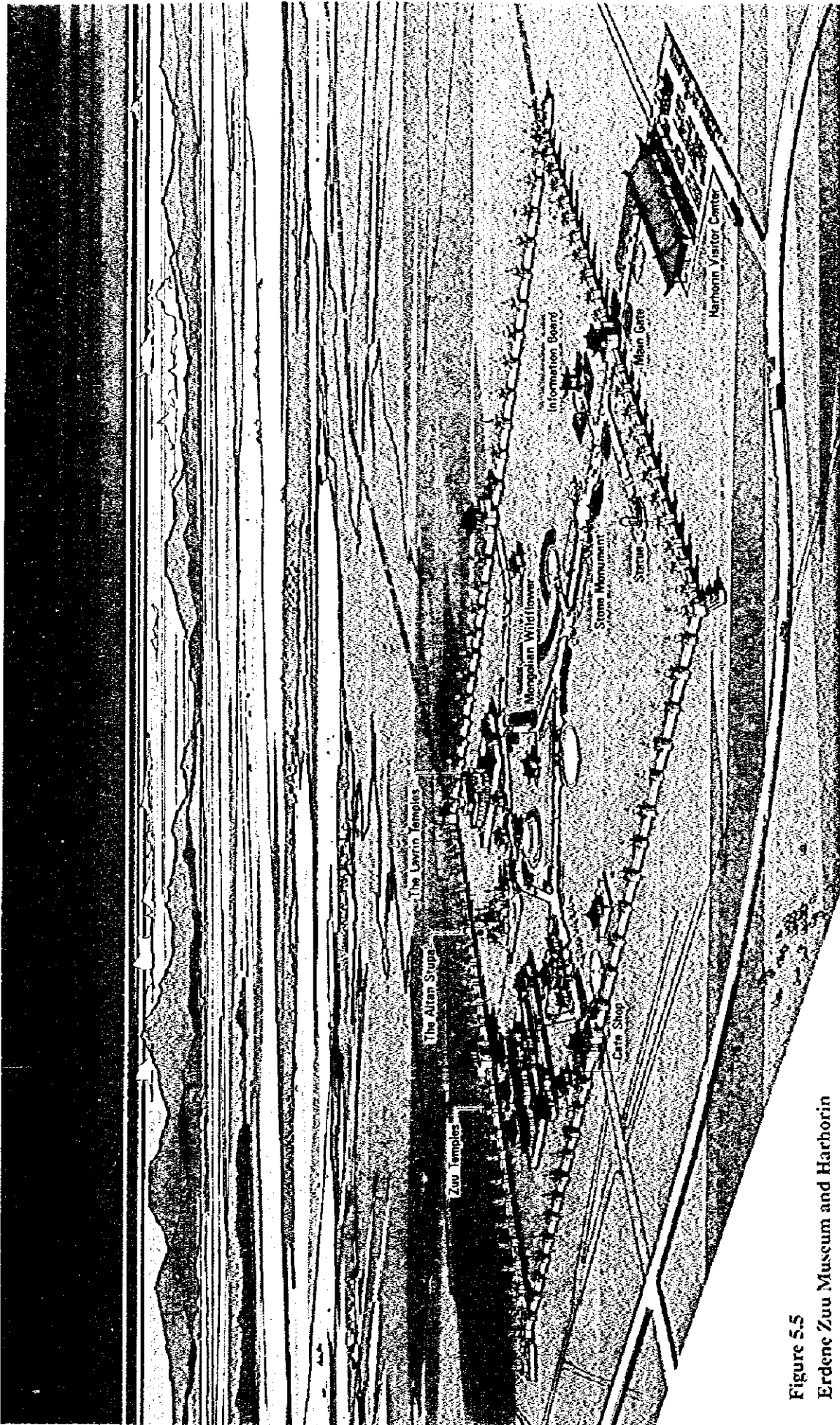
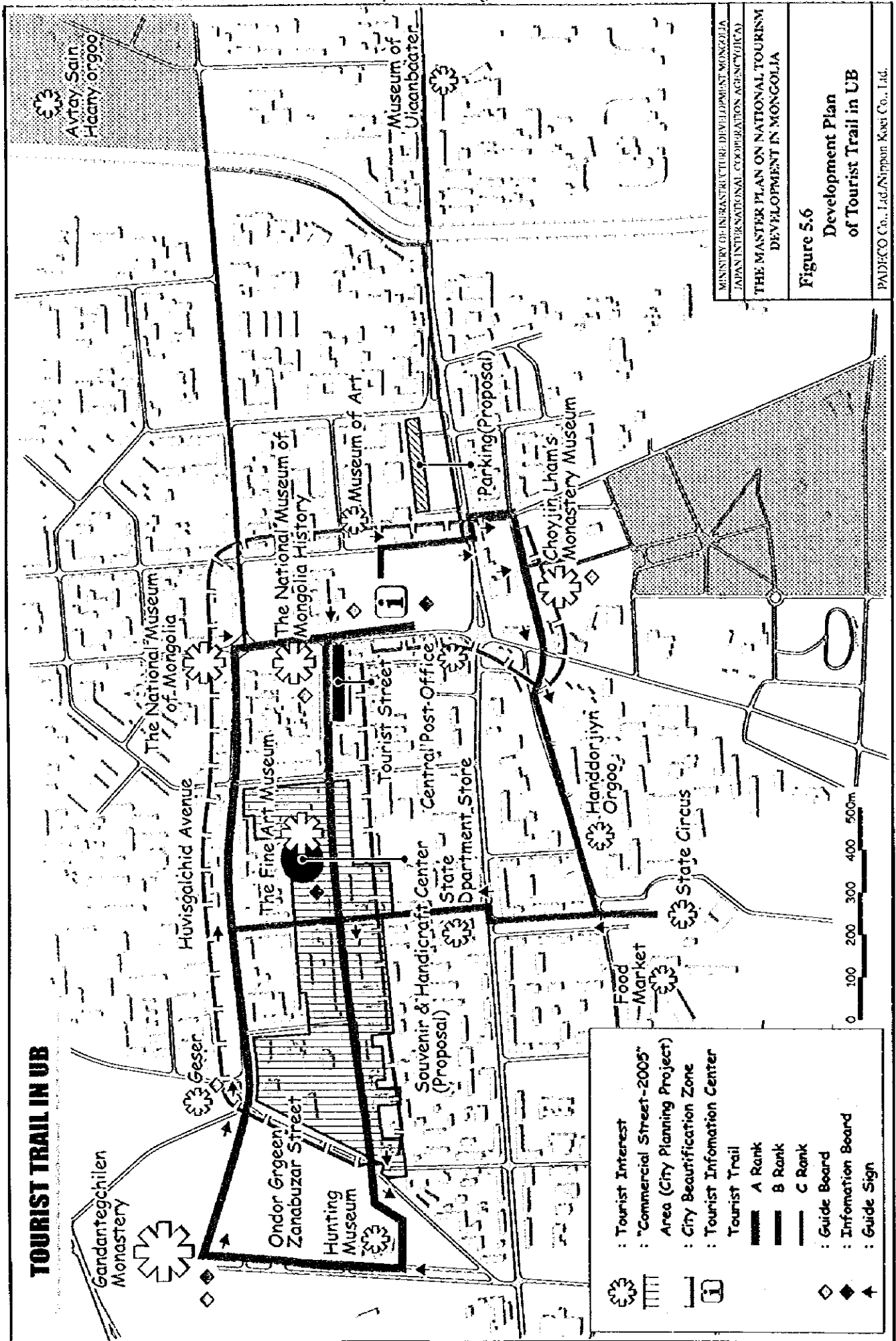


Figure 5.5
Erdene Zuu Museum and Harhorin
Visitor Center

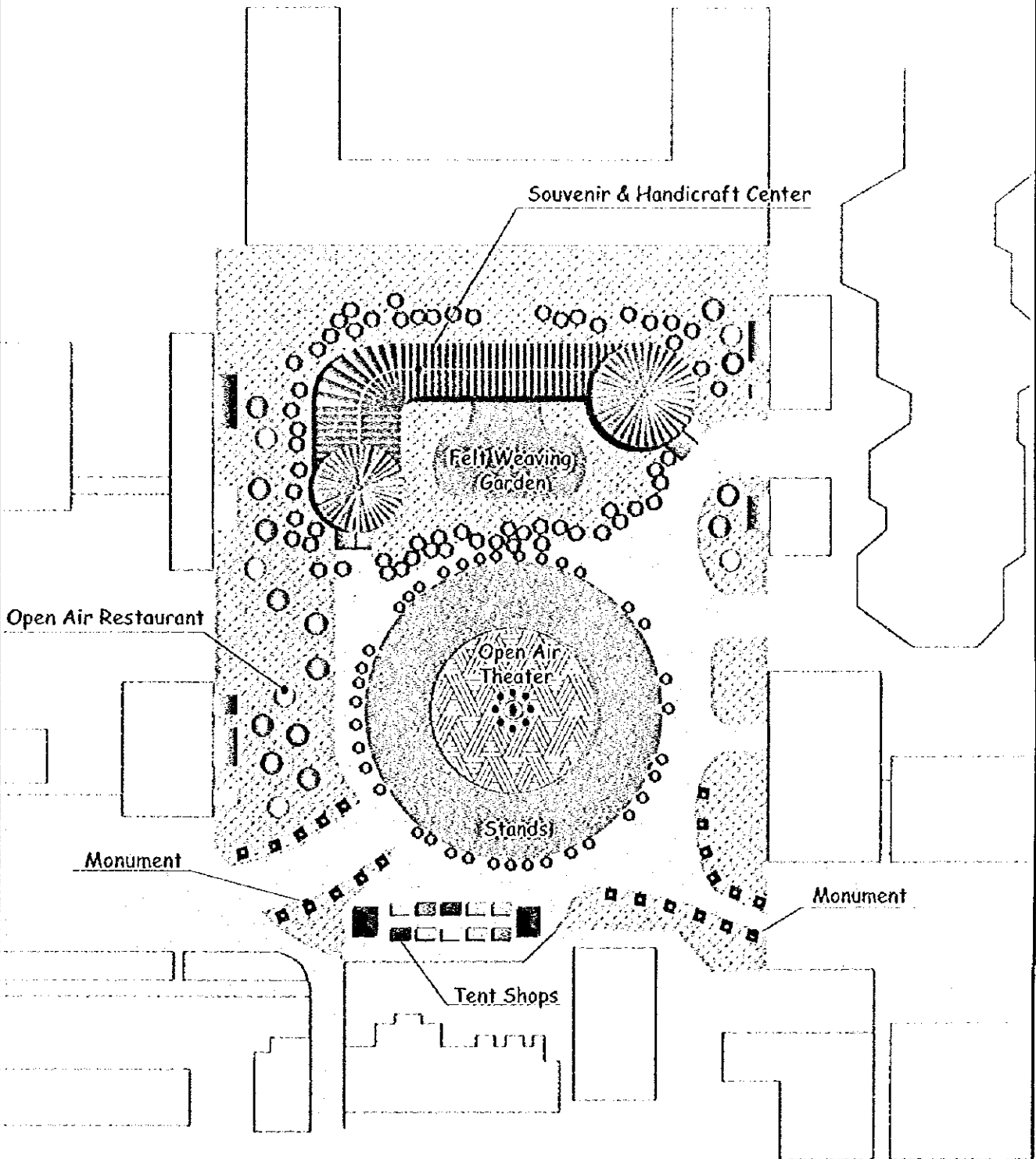


MINISTRY OF INFRASTRUCTURE DEVELOPMENT, MONGOLIA
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THE MASTER PLAN ON NATIONAL TOURISM DEVELOPMENT IN MONGOLIA
Figure 5.6
Development Plan of Tourist Trail in UB
 PADEC Co., Ltd./Nippon Koei Co., Ltd.

TOURIST TRAIL IN UB

	: Tourist Interest
	: "Commercial Street-2005" Area (City Beautification Project)
	: City Beautification Zone
	: Tourist Information Center
	Tourist Trail
	A Rank
	B Rank
	C Rank
	: Guide Board
	: Information Board
	: Guide Sign

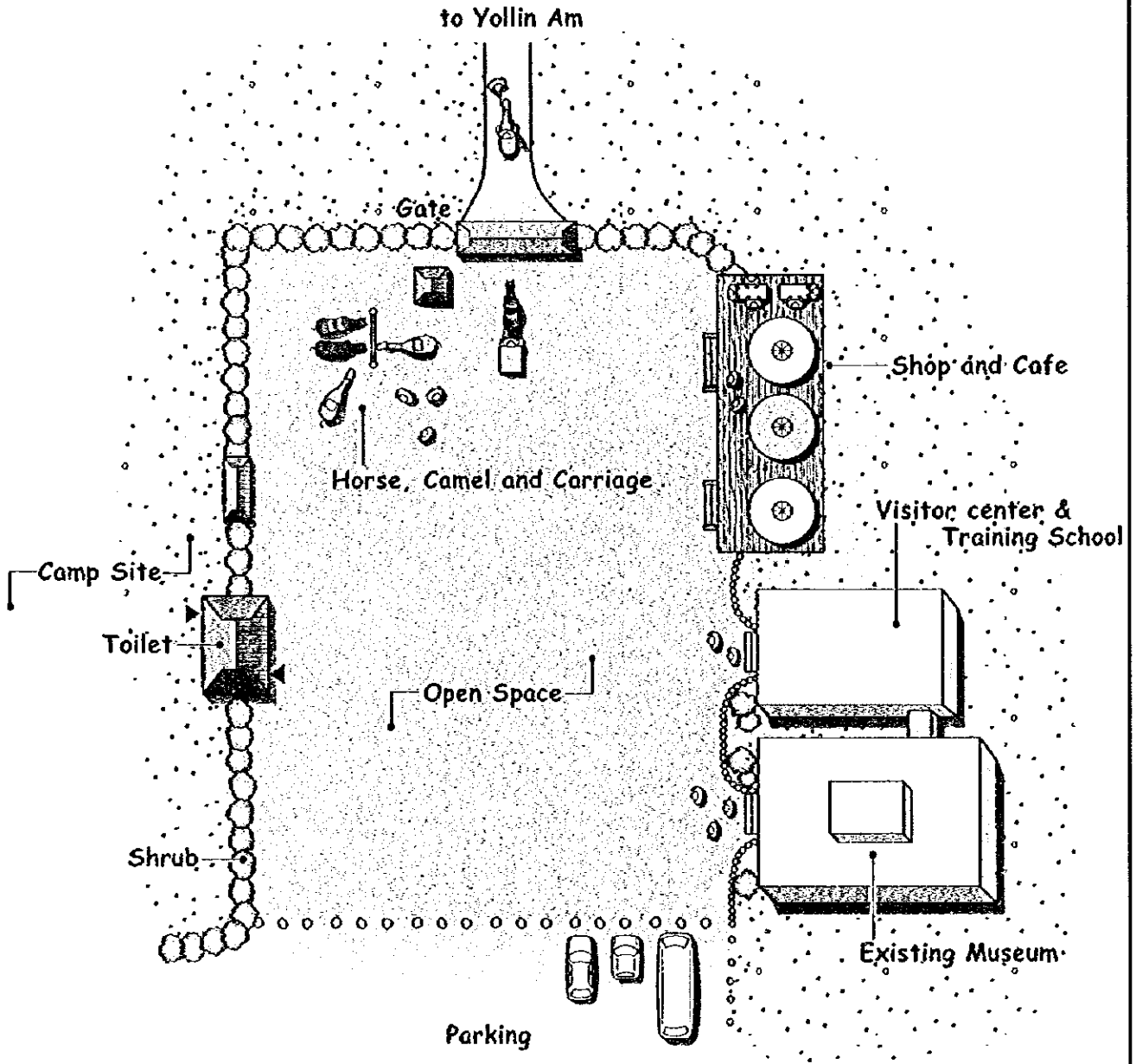
TOURIST PLAZA WITH HANDICRAFT CENTER



0 10 20 30 40 50m

MINISTRY OF INFRASTRUCTURE DEVELOPMENT MONGOLIA
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THE MASTER PLAN ON NATIONAL TOURISM DEVELOPMENT IN MONGOLIA
Figure 5.7
Plan of Tourist Plaza in UB
PADI/CO Co., Ltd./Nippon Koei Co., Ltd.

OMNO GOVI VISITOR CENTER



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Figure 5.8 Development Image of Omno Govi Visitor Center
PADECO Co., Ltd./Nippon Koei Co., Ltd.

6. IMPLEMENTATION PLAN OF PRIORITY PROJECTS/PROGRAMS

6.1 Implementation Schedule

The priority programs should be implemented according to the following schedule.

Implementation Schedule of Priority Programs

	1998	1999	2000	2001	2002	2003	2004	2005
A PROGRAMS								
1 Government Administration Strengthening								
A-1 Smooth Operation of the National Tourism Council		Δ						
A-2 Strengthening of Tourism Administration by Coordination of the Tourism Department and NTC		Δ	→					
A-3 Strengthening of Aimag Government			→					
2 Human Resource Development								
A-4 Upgrading of Vocational Education		→	→	→	→	→	→	→
A-5 Development of Park Rangers Training		→	→	→	→	→	→	→
3 Regulatory Improvement								
A-6 Investment Incentive in Tourism Sector								Δ
A-7 Land Development Control Measures								Δ
A-8 Licensing System								Δ
A-9 Safety Standards								Δ
4 Development Programs								
A-10 Mongolian Culture Preservation Program			→	→	→	→	→	→
A-11 Ancient Sites Presentation			→	→	→	→	→	→
A-12 International Air Service Development			→	→	→	→	→	→
A-13 Domestic Air Service Development			→	→	→	→	→	→
A-14 Railway Service Upgrading			→	→	→	→	→	→
A-15 Nomads Integration System			→	→	→	→	→	→
A-16 National Illustrated Checklist and Maps of Archaeological and Wildlife Resources			→	→	→	→	→	→
A-17 Production of Information Materials for Eco-tourism			→	→	→	→	→	→
A-18 Surveys for Integrated Environmental Management			→	→	→	→	→	→
A-19 Overseas Marketing			→	→	→	→	→	→
A-20 UB Hotel Development Guideline		Δ						
A-21 Ger Camp Development Guideline by Zones		Δ						
A-22 UB Bus Guidebook			→	→	→	→	→	→
A-23 Convenient Ticket System for Bus and Museum			→	→	→	→	→	→

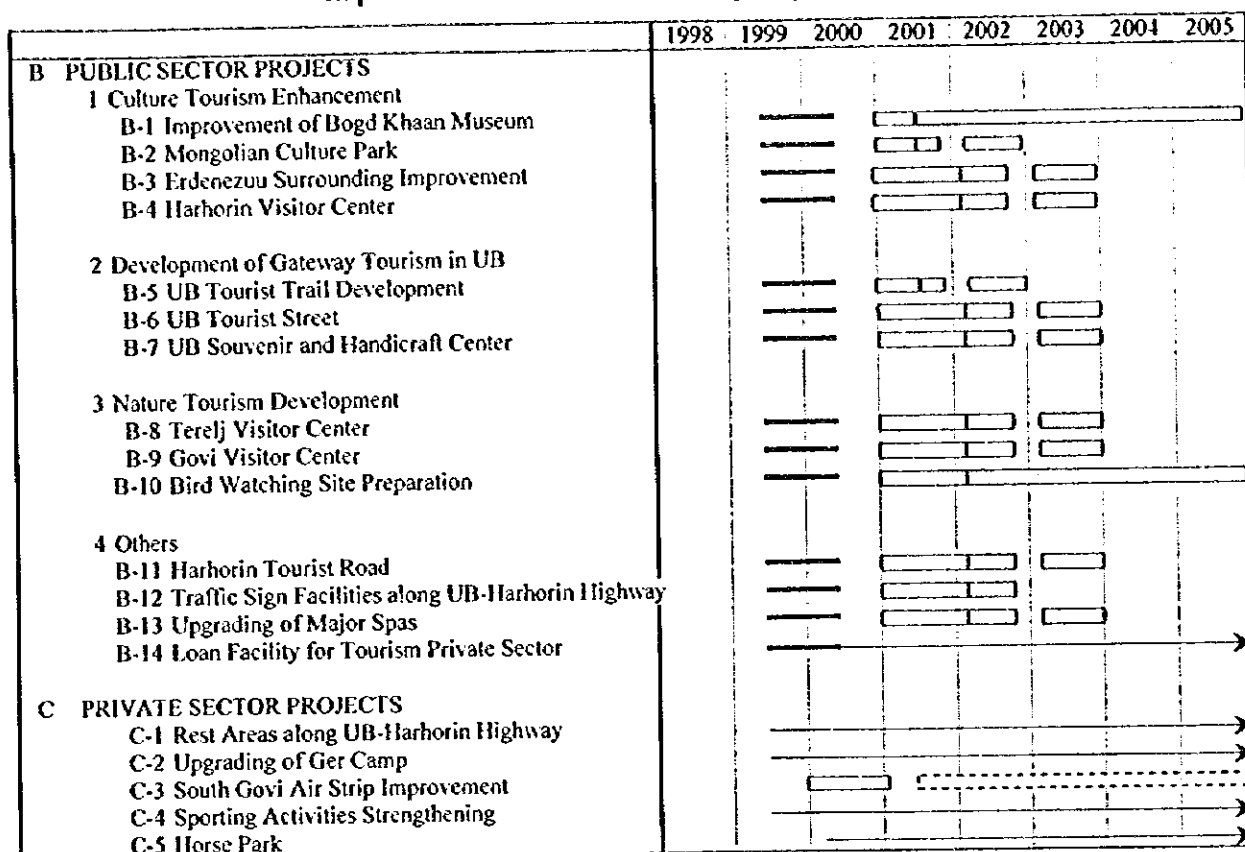
Legend

- Administrative procedure and finance arrangement
- Δ Completion
- Execution of programs

Source: JICA Study Team

For the priority projects (public sectors/private sectors), the finance arrangement (e.g. fund application) and administrative procedures (e.g. environmental assessment) should be implemented from 1999 to 2000, and design and construction from 2001 to 2003 as shown in the following table.

Implementation Schedule of Priority Projects



Legend

- Administrative procedure and finance arrangement
- ▭ Design and bidding of construction
- ▭ Construction/Development
- Execution

Source: JICA Study Team

6.2 Implementing Organization

The National Tourism Council was established within the Ministry of Infrastructure Development in October 1998. In addition, the National Tourism Center (NTC) as a project-implementing agency under the control of the National Tourism Council has also been established. The Project Implementing Unit (PIU) should be established in the NTC composed of members dispatched from related ministries to take charge of tourism projects. Related ministries and/or implementation agencies with sufficient experience should take responsibility for the operation tasks including museum rehabilitation.

6.3 Cost Estimate

The development cost of priority projects/programs is estimated at approximately US\$37 million (approximately ¥4.3billion, \$1=¥115) as summarized below. A total development cost of US\$19 million is estimated for priority projects. Due to the fact that the tourism industry is an effective means for acquiring foreign currency, foreign soft loans have mainly been assumed as financial resources for priority project implementation. On the other hand, technical assistance and grants have been assumed as the financial resources for priority program implementation.

Cost Estimate of Priority Project / Program

	Development Cost	
	(trillion Tg)	Equivalent to (million US\$)
1 Programs	11.5	13.2
2 Public Projects	16.7	19.2
3 Private Projects	4.1	4.7
Total	32.3	37.1

Note: Engineering cost, physical contingency are included.

Price contingency is not included.

1\$=870Tg

Source: JICA Study Team

7. EVALUATION

7.1 Economic Evaluation

The economic evaluation results of priority programs/projects with the Economic Internal Rate of Return (EIRR) are summarized below. The EIRR of 31.1% is indicated to justify priority programs and projects.

Summary of Economic Evaluation

Year	Initial Cost (US\$)	O/M Cost (US\$)	Benefit (US\$)	Balance (US\$)
1998	0	0		
1999	0	190	4,167	3,977
2000	6,919	311	3,195	-4,035
2001	6,119	491	3,190	-3,421
2002	14,027	612	3,394	-11,245
2003	11,596	935	3,156	-9,375
2004	2,619	1,393	2,813	-1,199
2005	1,956	1,648	2,411	-1,193
2006		2,066	17,716	15,650
2007		2,307	16,914	14,607
2008		2,548	19,888	17,340
2009		3,030	20,338	17,308
2010		3,210	21,675	18,465
2011		3,512	21,394	17,882
2012		3,874	20,275	16,401
2013		4,355	25,774	21,419
2014		4,777	21,185	16,408
2015		5,379	22,357	16,978
			EIRR	31.1%

In cases where air service improvement has not been carried out and tour prices have not been reasonable in priority programs/projects, the growth of tourism demand will be negatively affected and the EIRR would remain at 18%.

7.2 Financial Evaluation (Repayment of Soft Loan)

When the Mongolian government borrows funds from foreign aid organizations to implement the public projects of priority projects, the rate of tax on hotel bills of foreign leisure tourists, by which loans from foreign aid organizations can be fully repaid, is calculated. According to the estimation, a maximum rate of 6.29% imposed on hotel bills will be sufficient to repay its loans.

7.3 Initial Environmental Examination

Ulaanbaatar Tourism Area

- 1) Natural Environment: It is obvious that precise EIA is needed for Golf course and skiing resort development due to their impacts on the natural environment. Some projects may induce excessive concentration of people. Appropriate management plan for the development is needed to mitigate negative impacts such as sewerage, soil compaction, and air and water pollution during the construction. All projects/programs are to be developed

in the Tuul river basin. Thus, present background environmental load to the river ecosystem is needed to be evaluated for the assessment of the additional load by the projects/programs.

- 2) **Social Environment:** No major negative impacts is foreseen in proposed projects/programs in Ulaanbaatar tourism area. The proposed projects/programs will bring considerable socio-economic benefit not only for tourism sector but also for residents in Ulaanbaatar as a whole. Adequate environmental management on implementation is, however, needed in order not to damage the social environment by increased tourist litter and traffic congestion due to the increase of tourist passengers around the tourist trail and major museums at peak season.

Environmental Screening for Proposed Projects/Programs in Ulaanbaatar Area

Target Term	Project / Program Title	DA
Short Term to 2005	Supporting Infrastructure Development	
	1) Visitor Center in Terelj	○
Medium to Long Term beyond 2005	Tourism Facility Development	
	1) Golf Course for UB Residents	○
	2) Skiing Resort for UB citizen : Near UB	○
	Supporting Infrastructure Development	
	1) Improvement of UB Airport/new UB airport (after 2010)	○
	2) Road Improvement	○

Note: DA = Detailed Assessment: EIA will be required.

Source: JICA Study Team

Omonogovi Tourism Area

- 1) **Natural Environment:** Following the environmental laws, EIA is needed on the projects inside national Conservation parks. The precise mitigating measures are needed to be identified prior to the basic designing of the air strip improvement especially fuel/oil spill and soil compaction.
- 2) The proposed projects/programs will bring considerable socio-economic benefit to the local tourism sector and the nomadic community, and give no major negative social impact on the traditional nomadic socio-cultural structure.

Environmental Screening for Proposed Projects/Programs in Omnogovi Area

Target Term	Project / Program Title	DA
Short Term to 2005	Tourism Facility Development	
	1) Govi Visitor Center (information center) at the Valley of Eagles	○
	Supporting Infrastructure Development	
	1) South Gobi Steppe Air Strip improvement	○
Medium to Long Term beyond 2005	Tourism Promotion Program	
	1) Development of Sevrey Area (central area) and western area of Govi Gurvanssaihan National Park	○
	Supporting Infrastructure Development	
	1) Dalanzadgad Airport Improvement	○
	2) Development of commuter air route between Dalanzadgad, Sevrey and western area	○
	3) Road Improvement (Dalanzadgad - Sevrey)	○

Note: DA = Detailed Assessment: EIA will be required.

Source: JICA Study Team

Harhorin Tourism Areas

- 1) **Natural Environment:** The development of tourist road has potential impacts by increasing surface run-off and splitting ecosystem depend on the location, route, and size. The proposed area and routes include wet lands and wild bird habitats. Therefore, an EIA is needed while basic designing of the road to find and implement precise mitigating measures. Upgrading of Harhorin Airport also has potential to increase surface run-off, fuel/oil spills and human aggregation depend on its scale. Therefore, mitigation measures need to be identified and implemented based on the upgrading scale on the potential impacts. The scientific surveys which involve with soil excavation need to have mitigation measures to avoid negative impacts by soil erosion. The appropriate management plan on excavated soil is indispensable for these surveys.
- 2) **Social Environment:** The nomadic communities as well as the Som centers in Harhorin tourism area will receive considerable socio-economic benefit from the proposed projects/programs without major negative social impact.

Environmental Screening for Proposed Projects/Programs in Harhorin Area

Target Term	Project / Program Title	DA
Short Term to 2005	Supporting Infrastructure Development	
	1) Tourist Roads in Harhorin (to Uigur Fort)	○
	2) Tourist Roads in Harhorin (to Turk monuments)	○
Medium to Long Term beyond 2005	Supporting Infrastructure Development	
	1) Tourist Roads in Harhorin (Other roads)	○
	2) Upgrading of Harhorin Airport	○

Note: DA = Detailed Assessment: EIA will be required.

Source: JICA Study Team

7.4 Environmental Consideration

1) Natural Environmental Consideration

The most important characteristics of natural Environment in Mongolia are the fragility of the ecosystems. The low precipitation will provide very little physical diffusion of any pollutants in surface, ground water and soil. Biological processing of any pollutants will not work in the most of year due to the low temperature. Biological concentration will not take place due to low reproduction of creatures. The permafrost will not permit the diffusion toward underground. Therefore, any additional load to the natural environment by any human development or activities will remain and be concentrated at the spots and will cause significant impacts not only to nature but also to people.

The capacity of the natural environment per an area in Mongolia is very low. Thus, tourism development and activities could not be concentrate in an area unless the expected impacts are controlled by the basis of the natural environment characteristics.

Fire wood demand for tourist is relatively small, compared with that of regional demand, however future demand is appropriately estimated as ten-times. In order to protect natural environment, especially deforestation, dung of livestock should be encouraged to utilize as fuel. Moreover, enforcement of the Forest law and promotion of forestation are necessary.

2) Social Environmental Consideration

- (1) **Attitude Toward Tourism Development for Nomads:** The social survey tells almost all nomadic respondents in priority areas supported tourism development and expected positive effects through tourism development, especially generation of job opportunities.
- (2) **Attitude Toward Participation in Tourism Sector for Nomads:** Many of unemployed respondents, especially the young generation, told that they were willing to work in tourism sector and felt that they need to take vocational training for tourism sector. However, educational opportunities to participate in tourism sector were quite limited in remote area especially.
- (3) **Problems for Community and its Measures:** Many nomadic communities were eager to promote tourism development without socio-cultural considerations. Local governmental authorities are especially to be planed and managed a development project/program in consideration of socio-cultural impacts as well as natural environment.
- (4) **Problems for Nomads and its measures:** Though nomadic people are possible to encounter traffic congestion of tourists on the local tourist trails and roadways in their pasture as tourists increase, almost all of them are not anxious about it according to our social survey. Yet, pasture use pursuant to traditional nomadic system is to be studied and coordination not to impact negatively on their livestock husband by tourism.
- (5) **Other Problems and its Measures:** As tourists increase rapidly at tourist peak season, negative impacts such as tourist litter and traffic congestion are expected around tourism sites. Trash and waste management for both sanitation and beautification and traffic safety management are to be implemented as a project/program component for domestic people as well as foreign tourists.

1) List of SC Members

Name	Position	Organization
Mr. Ts. Damiran	Chairman	State Secretary of MID
Ms. R. Oyun	Deputy Chairman	Director of Tourism Department of MID
Mr. N. Byambajav	Secretary	Tourism Department of MID
Mr. Batjav	Member	Director of City Planning and Public Service Department of MID
Mr. Sukhbaatar	Member	Director of Economic, Cooperation Department of MID
Mr. Manaljav	Member	Deputy Director of Road and Transportation Department, MID
Ms. N. Sarantuya	Member	Director of Policy Coordination Department, Ministry of Nature and Environment
Mr. N. Jantsannorov	Member	Team Leader of Cultural Development Team, Ministry of Enlightenment
Mr. Bekhbat	Member	Aid Coordination Unit, Prime Minister's Office
Mr. G. Sukhee	Member	Mongolian Tourism Association

2) JICA Advisory Committee

The members of JICA Advisory Committee are:

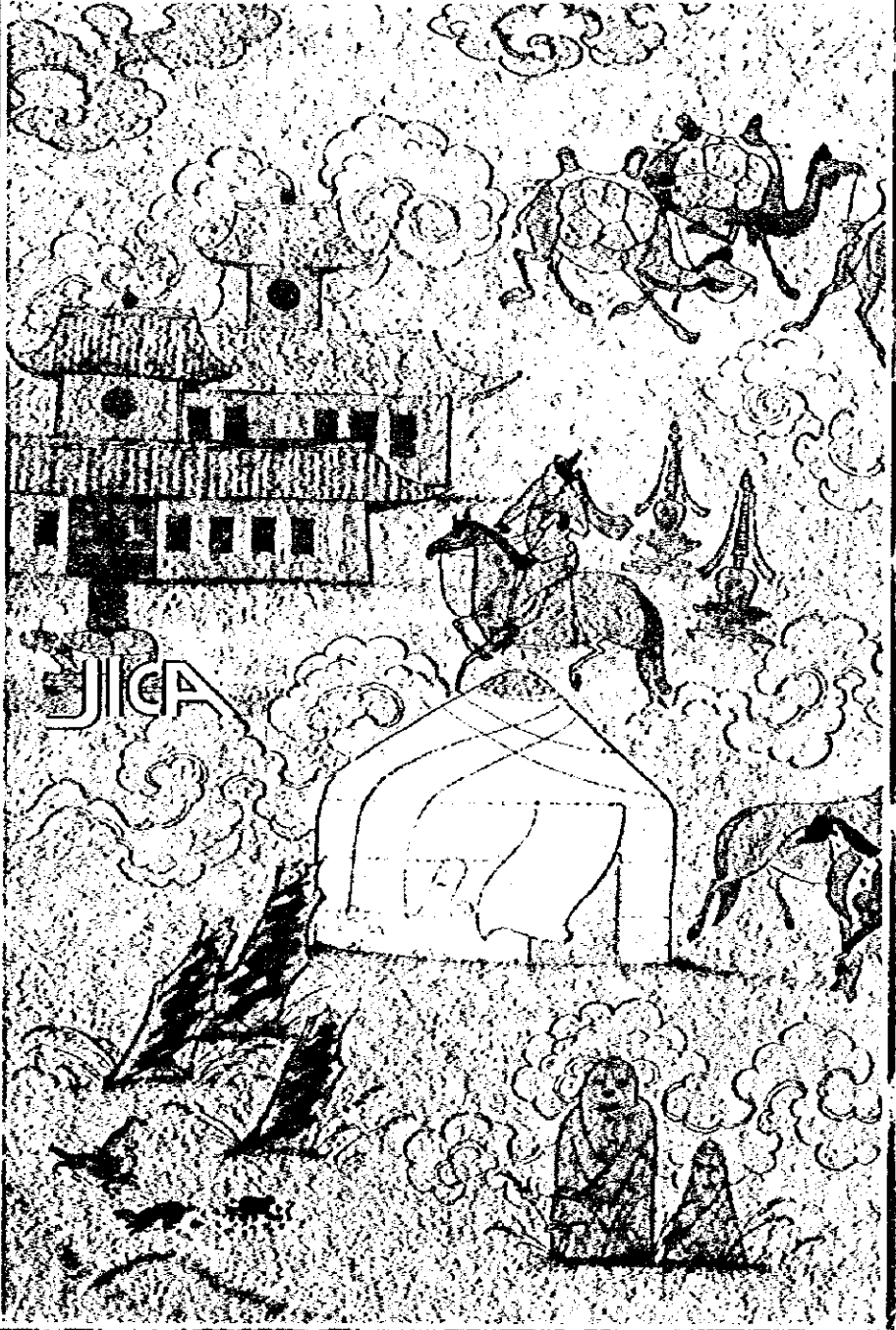
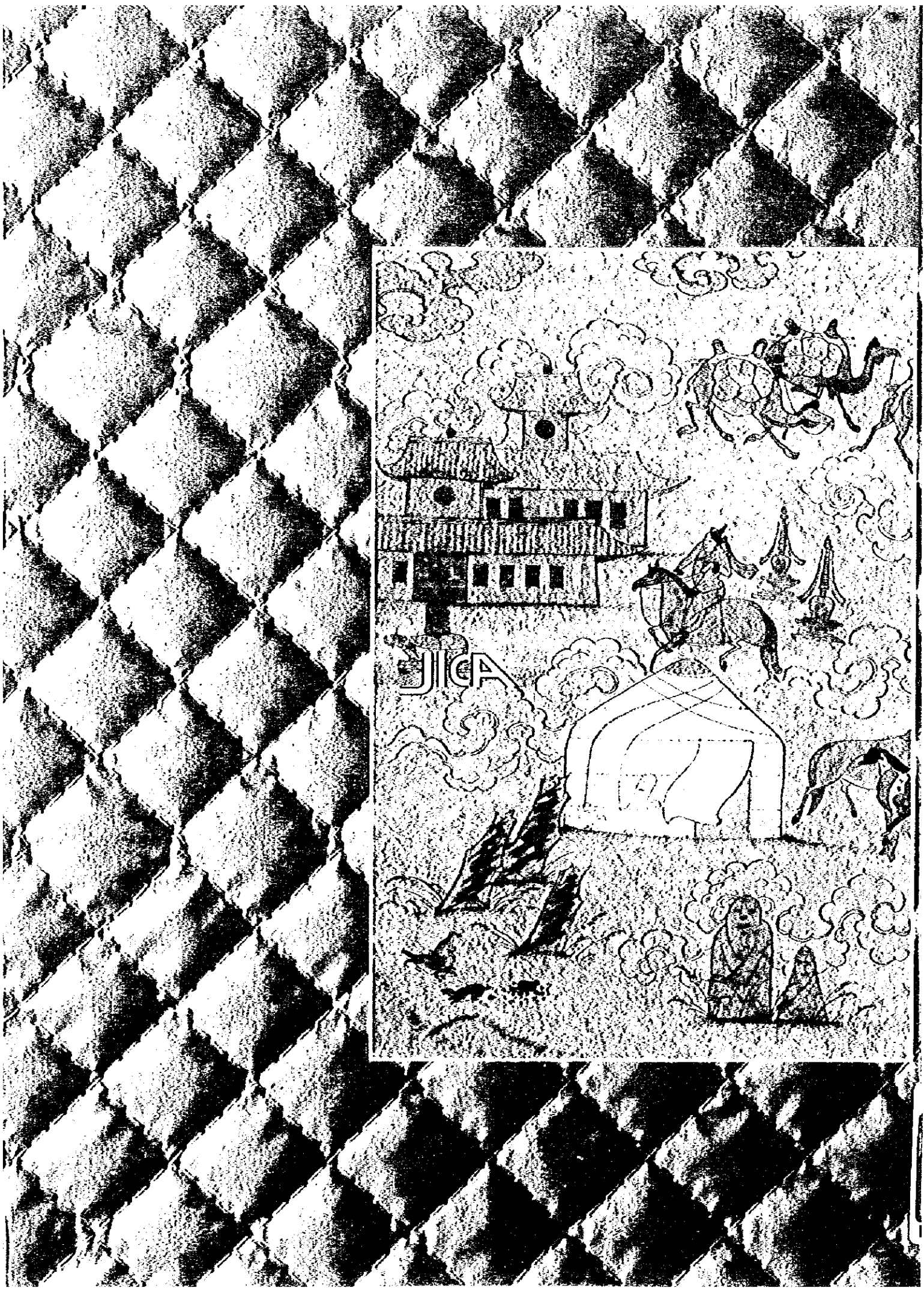
Name	Position	Organization
Akio ISHI	Leader/Tourism Administration	Rikkyo University, College of Tourism/Professor
Yuki KONAGAYA	Tourism Resources	National Museum of Ethnology/Assistant Professor
Toru YOSHIDA	Tourism Promotion	Planning Division Department of Tourism Transport Policy Bureau, MOT/Chief of Section
Yoshiaki HONDA	Natural Environment	Center for Environmental Remote Sensing Chiba University/Associate Professor

The following members of JICA are in charge of monitoring of the study.

Name	Organization
Takao KAIBARA	Managing Director First Development Study Division Social Development Study Department
Masahide MATSUNAGA	Deputy Managing Director First Development Study Division Social Development Study Department
Tomoko NISHIUMA	First Development Study Division Social Development Study Department
Yutaka NISHIDA	First Development Study Division Social Development Study Department (Mar. 1998)

3) Member List of the Study Team

Position	Name of Expert		
1 Team Leader	Yuichiro MOTOMURA		PADECO
2 Sub-team Leader / Tourism Resources	Isamu ASAKURA		NK
3 Governmental Organization	Shinsaku MORII		ITDIJ
4 Tourism Promotion & Publicity	Yasuhiko MAENO		ITDIJ
5 Market Analysis	Kiyoaki TAKAKUWA		PADECO
6 Demand Forecast & Financial/Economic Analysis	Hiroshi IMAIZUMI		PADECO
7 Eco-Tourism	Kunihiko TOKIDA	Mar. 1998-May. 1998	PADECO
	Toshinori TSUBOUCHI	Aug. 1998-Nov. 1998	
9 Social Environment	Masafumi IKENO		NK
10 Cultural Tourism Resources	D. KHISHIGBAYAR		NK
11 Tourism Service & Tourism Commodity Development	Kanji HOSINO		PADECO
12 Education & Training	Atau KISHINAMI		PADECO
13 Land Use	Masanori TANIFUJI		NK
14 Tourism Facility Design (Facility, Architect)	Takenori KIKUCHI		PADECO
15 Tourism Facility Design (Landscape)	Ken KAWASAKI		PADECO
16 Transportation Infrastructure	Nobuhiro OHSHIMA		NK
17 Social Infrastructure	Masaya SASAKI		NK
18 Coordinator	Megumi HASHISAKO	Mar. 1998-May. 1998	PADECO
	Masayuki TAKAHASHI	Aug. 1998-Nov. 1998	



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