NEW ZUUNMOD CITY DEVELOPMENT PROJECT



NEW ZUUNMOD CITY

A satellite city of Ulaanbaatar, Mongolia

M.BATBAYAR

Acting Mayor, Plenipotentiary Representative of the Government

2024

A satellite city of Ulaanbaatar, Mongolia

VISION 2050 MONGOLIA'S LONG-TERM DEVELOPMENT POLICY



NEW REVIVAL POLICY



ACTION PLAN OF THE GOVERNMENT OF MONGOLIA FOR 2024-2028



ULAANBAATAR CITY GENERAL PLANNING 2040

MONGOLIA'S LONG-TERM DEVELOPMENT POLICY 2050

Phase I (2021-2030): New Investment Opportunities and Expansion of Industrial zones.

- The construction of a multi-center urban system will commence, specifically initiating the development of the new cities "New Zuunmod" and "Maidar." The implementation of engineering linfrasture networks and housing construction will occur in a phased manner.
- Furthermore, efforts will be intensified to became the multimodal logistic hub for passenger and cargo transportation within North East Asia.

NEW REVIVAL POLICY

We will intensify the construction of new settlement zones, satellite cities, and free economic zones, while implementing a comprehensive policy to support citizens and enterprises relocating from Ulaanbaatar to local areas, thereby promoting decentralization.

PLAN OF MEASURES TO IMPLEMENT THE 2024–2028 GOVERNMENT ACTION PROGRAM

1.2.1.1. Gradually relocate government agencies to the New Zuunmod city and develop it as a Specialized Economic Zone for tourism, international business, and finance. This will include the establishment of an international conference, meeting, and exhibition center; a comprehensive tourism complex; a multimodal logistics hub for freight transportation; and a cluster for education, scientific research, and production. Additionally, a university campus will be created to further support these developments.



A satellite city of Ulaanbaatar, Mongolia

ULAANBAATAR

2023

thousand

POPULATION

2040

1725

2248 thousand

14 satellite cities with 440 thousand people

> IN KHISHIG VALLEY 150,000 people

NEW ZUUNMOD CITY



34.000 People

MAIDAR ECO CITY



40.800 People

ZUUNMOD CITY

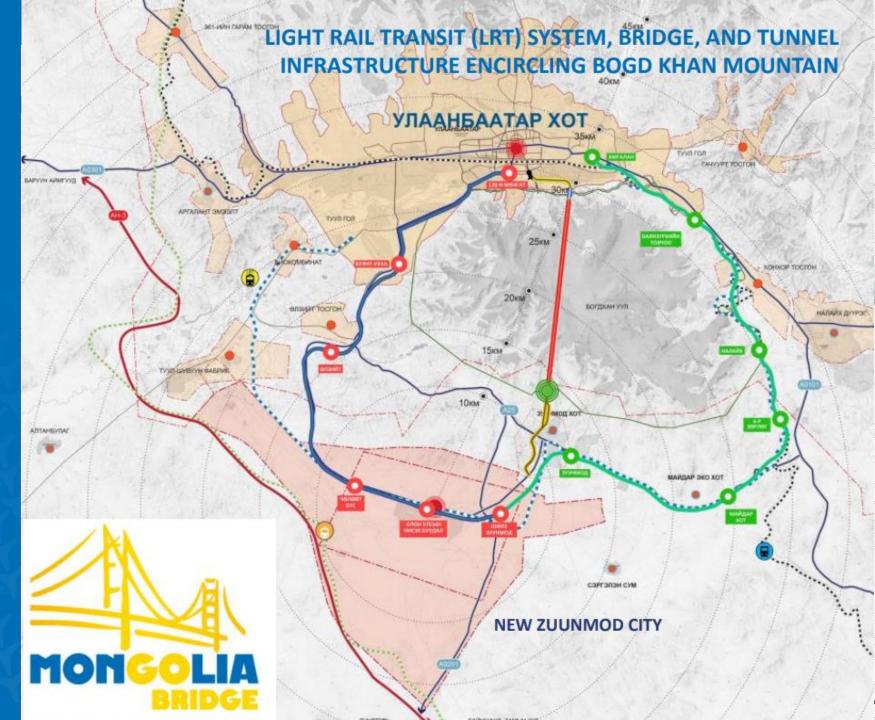


70.000 People

SERGELEN SUM



3.500 People

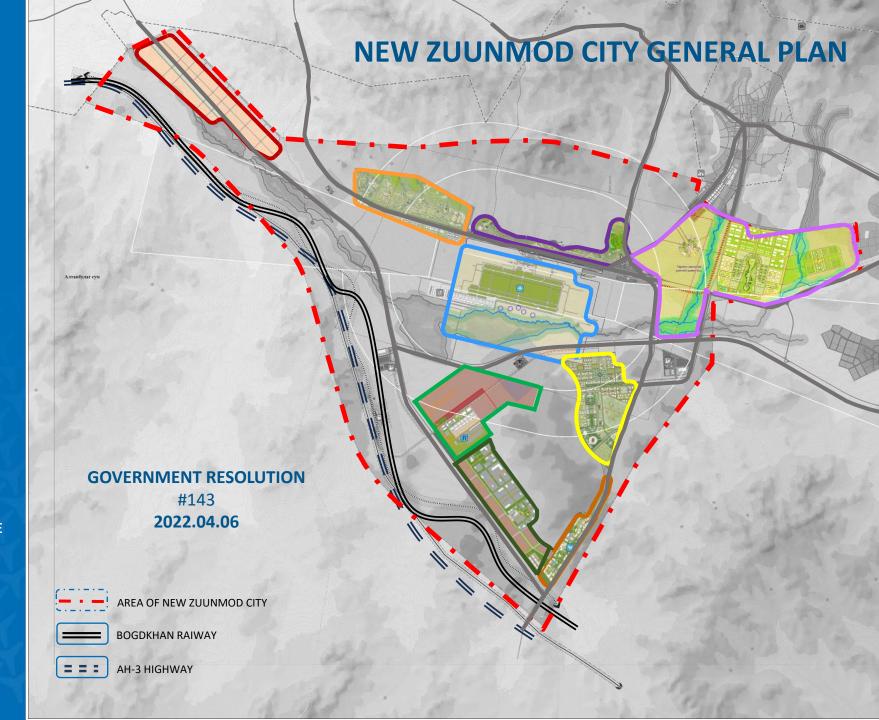


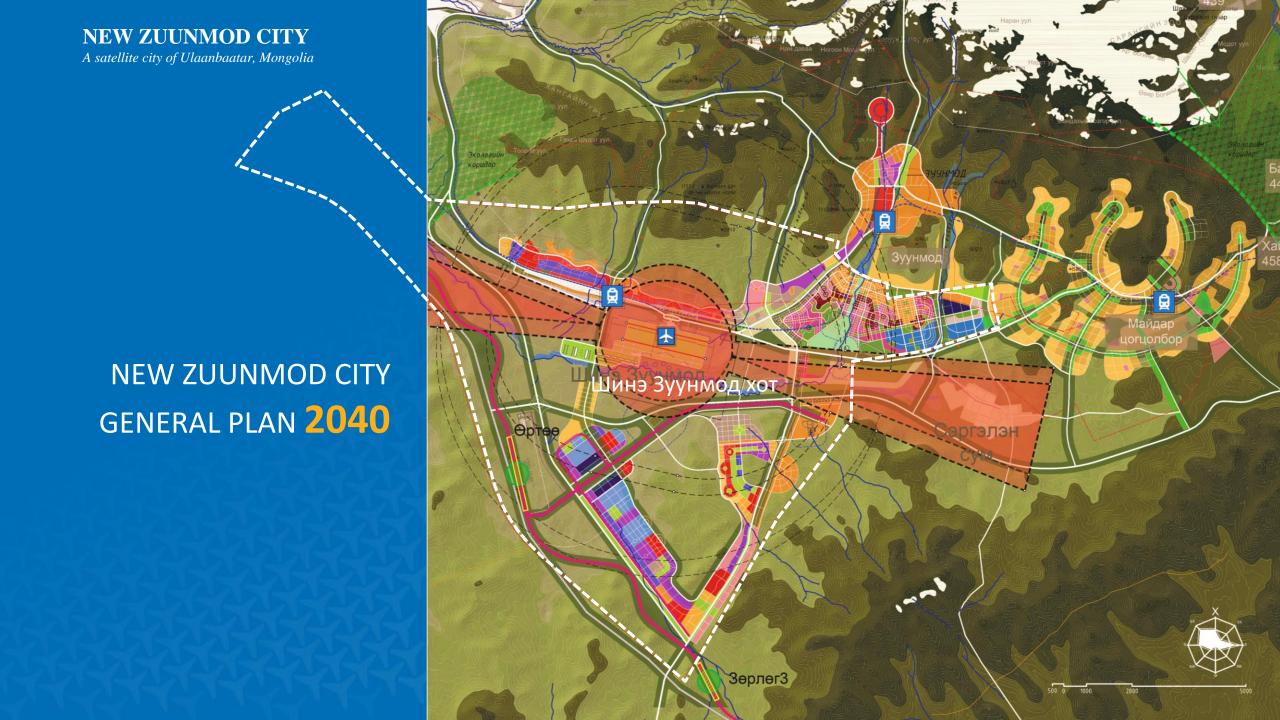
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31 000 Hectare AREA:

PLANNED AREAS

- *** FREE ECONOMIC ZONE**
- **COMMERCIAL ZONE**
- **GOVERNMENT COMPLEX**
- * R&D, CAMPUS ZONE
- *** WHOLESALE TRADING ZONE**
- ***** INDUSTRIAL ZONE
- *** TRANSPORTATION LOGISTICS ZONE**
- **♦ INTERNATIONAL AIRPORT AND AIR CARGO ZONE**
- *** RESERVE AREA**





A satellite city of Ulaanbaatar, Mongolia

УИХ-ЫН 2020 ОНЫ 55 ДУГААР ТОГТООЛ

ТӨВ АЙМГИЙН СЭРГЭЛЭН СУМЫН НУТАГ ДЭВСГЭРТ ОРОН НУТГИЙН ЗЭРЭГЛЭЛТЭЙ "ШИНЭ ЗУУНМОД" БОЛОН "МАЙДАР" ХОТЫГ ШИНЭЭР БАЙГУУЛАХ ТУХАЙ.

3Г-ЫН 2021 ОНЫ 234 ДУГААР ТОГТООЛ

ХӨШИГИЙН ХӨНДИЙН БҮТЭЭН БАЙГУУЛАЛТЫН АСУУДАЛ ХАРИУЦСАН ЗАХИРГАА БАЙГУУЛАХ ТУХАЙ

3Г-ЫН 2021 ОНЫ 307 ДУГААР ТОГТООЛ

ТӨВ АЙМГИЙН СЭРГЭЛЭН, АЛТАНБУЛАГ СУМЫН НУТАГ ДЭВСГЭРТ 19390.4 ГА ГАЗРЫГ УЛСЫН ТУСГАЙ ХЭРЭГЦЭЭНД АВАХ ТУХАЙ / НИЙТ 31,475.3 ГА/

3Г-ЫН 2022 ОНЫ 98 ДУГААР ТОГТООЛ

ТӨРИЙН ЗАХИРГААНЫ ЗАРИМ БАЙГУУЛЛАГЫГ ХӨШИГИЙН ХӨНДИЙ РҮҮ НҮҮЛГЭН ШИЛЖҮҮЛЭХ АРГА ХЭМЖЭЭНИЙ ТУХАЙ

3Г-ЫН 2022 ОНЫ 143 ДУГААР ТОГТООЛ

ШИНЭ ЗУУНМОД ХОТЫН ХӨГЖЛИЙН ЕРӨНХИЙ ТӨЛӨВЛӨГӨӨГ БАТЛАХ ТУХАЙ

УИХ-ЫН 2022 ОНЫ 10 ДУГААР ТОГТООЛ

ХӨШИГИЙН ХӨНДИЙН ЭДИЙН ЗАСГИЙН ЧӨЛӨӨТ БҮС БАЙГУУЛАХ ТУХАЙ

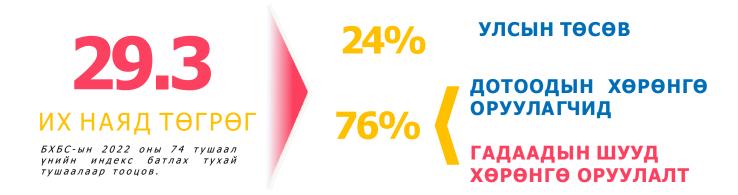
УИХ-ЫН 2024 ОНЫ 76 ДУГААР ТОГТООЛ

ХОТ БАЙГУУЛАХ ТУХАЙ

МОНГОЛ УЛСЫН ХУУЛЬ 2024.06.05

ШИНЭ ЗУУНМОД ХОТЫН ЭРХ ЗҮЙН БАЙДЛЫН ТУХАЙ

Шинэ Зуунмод хотод төлөвлөлтөөр 10,5 сая мкв барилгажих талбайтай, **80 мянга** орчим ажлын байрыг шинээр бий болгоно.



ЭДИЙН ЗАСАГ /ТОЙМ ТООЦОО/

Тэрбум төгрөг	2030	2035	2040
Нийт үйлдвэрлэл	26,771	38,883	66,333
ДНБ	13,714	20,651	36,457
-XAA	0.1%	0.2%	0.5%
-Үйлдвэрлэл	14.7%	14.1%	13.7%
-Үйлчилгээ	85.2%	85.7%	85.8%

ЭХ СУРВАЛЖ: ШИНЭ ЗУУНМОД ХОТЫН ХЕТ, 2022.

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RESOLUTION OF PARLIAMENT NO. 55 OF 2020

REGARDING THE ESTABLISHMENT OF NEW ZUUNMOD AND MAIDAR CITIES WITH LOCAL LEVEL IN SERGELEN SUM AREA OF THE CENTRAL PROVINCE.

GOVERNMENT RESOLUTION NO. 234 OF 2021

REGARDING THE ESTABLISHMENT OF ADMINISTRATION OF KHUSHIG VALLEY DEVELOPMENT

GOVERNMENT RESOLUTION NO. 307 OF 2021

REGARDING ACQUISITION OF 19,390.4 Hectare LAND FOR SPECIAL STATE NEEDS IN SERGELEN AND ALTANBULAG SUM AREAS OF THE CENTRAL PROVINCE / TOTAL 31,475.3 Hectare/

GOVERNMENT RESOLUTION NO. 98 OF 2022

REGARDING THE MEASURES OF RELOCATING SOME STATE ADMINISTRATIVE ORGANIZATIONS TO KHUSHIG VALLEY

GOVERNMENT RESOLUTION NO. 143 OF 2022

APPROVAL OF NEW ZUUNMOD CITY DEVELOPMENT GENERAL PLAN.

PARLIAMENT RESOLUTION NO. 10 OF 2022

REGARDING THE ESTABLISHMENT OF THE KHUSHIG VALLEY FREE ECONOMIC ZONE

PARLIAMENT RESOLUTION NO. 76 OF 2024

CITY ESTABLISHMENT, amendment to No.55 of 2020

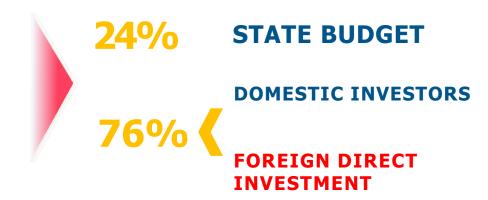
THE LAW OF MONGOLIA 2024 JUNE 05

REGARDING THE LEGAL STATUS OF NEW ZUUNMOD CITY

New Zuunmod city has a planned 10, 5 million sq. m of construction area, which will create 80 thousand new workplaces.



The average exchange rate of 1 US dollar according to the Bank of Mongolia in 2024 was 3430 MNT



ECONOMY / OVERVIEW

Million USD	2030	2035	2040
Total	9.39	13.64	23.27
GDP	4.81	7.24	12.79
- Agriculture	0.1%	0.2%	0.5%
- Industry	14.7%	14.1%	13.7%
- Services	85.2%	85.7%	85.8%

New Zuunmod city Development General Plan, 2022.

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IN AREA OF 1000 HECTARE

- TOURISM AND ENTERTAINMENT COMPLEX;
- INTERNATIONAL FINANCIAL CENTER;
- TRADE, SERVICES AND DUTY FREE ZONE;
- CREATIVE CULTURAL PRODUCTION AND FILM INDUSTRY CLUSTER;
- DATA CENTER AND INFORMATION
 TECHNOLOGY CLUSTER;
- MEDICAL SMART CITY.



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2022-2040
TOTAL INVESTMENT:
3,2 BILLION USD

CONSTRUCTION AREA: 1,134,000 sq.m



38 THOUSAND JOBS



3 MILLION TOURISTS ANNUALY



IN 2040, ~10 TRILLION MNT

FREE ECONOMIC ZONE



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IN AREA OF 1000 HA:

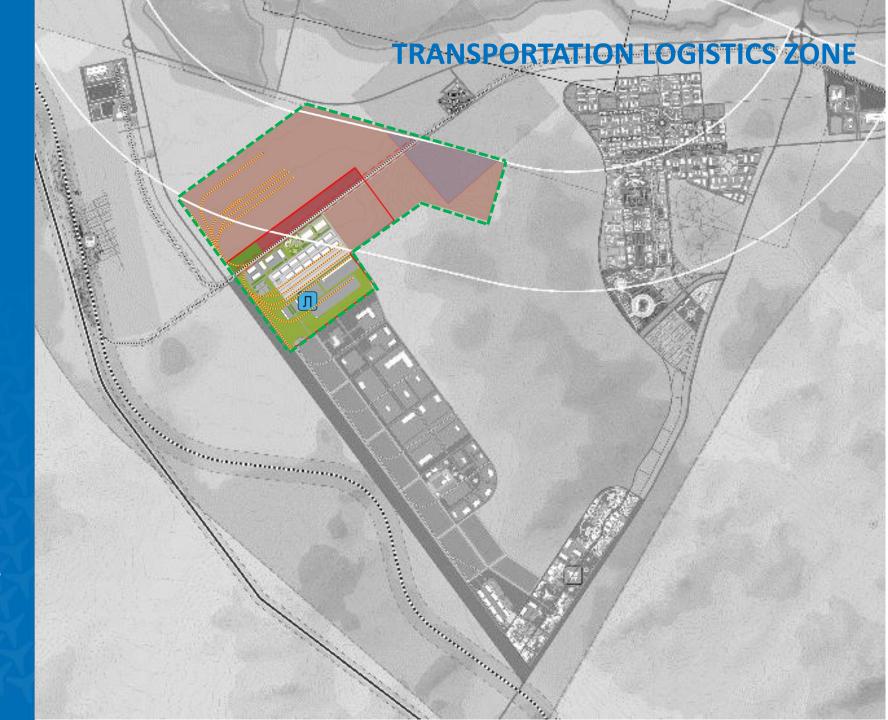
CONSTRUCTION AREA: 1,010,069 sq.m

2022-2032 **TOTAL INVESTMENT: 521 MILLION USD**

- BUILDING FACILITIES— 42.8%
- LOGISTICS OPERATIONS OUTER AREA -7.2%
- ROAD TRANSPORT INFRASTRUCTURE— 30.6%
- ENGINEERING INFRASTRUCTURE- 19.4%

2 PHASED IMPLEMENTATION

- AREA RELATED TO THE LOGISTICS CENTER, WAREHOUSE, PARKING, ETC.
- WHOLESALE CENTERS, TRADE SERVICES, HOTELS



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WORKPLACE -2204

71% IN 1st PHASE

29% IN 2nd PHASE

THE INTERNATIONAL LOGISTICS CENTER IS DIVIDED INTO:



RAILWAY



HIGHWAY

IN 2040: 10 MILLION TONS OF CARGO WILL BE TRANSPORTED PER YEAR.



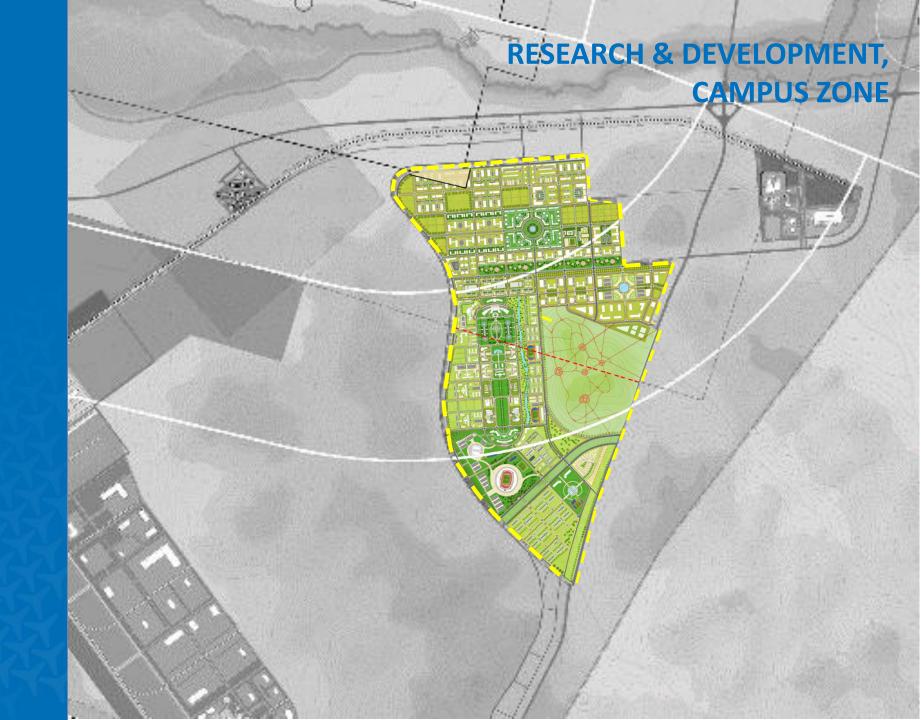
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IN AREA OF 506.4 HECTARES

CONSTRUCTION AREA: 807 600 sq.m

2022-2040
TOTAL INVESTMENT:
1.1 BILLION USD

- ***** FACILITIES
- **\$ LIBRARY**
- ***** LABORATORIES
- **❖** BOARDING HOUSES AND HOUSING FOR TEACHERS
- ***** TRADE AND SERVICE
- **SPORT BUILDINGS**
- ***** RECREATION AREAS
- **GREEN FACILITIES**



A satellite city of Ulaanbaatar, Mongolia



26 900 POPULATION

22 000 STUDENTS

3 900 TEACHERS

1 000 INTERNATIONAL STUDENTS



10.1 THOUSAND JOBS

3 900 UNIVERSITY AND ITS SUPPORT SERVICES

6 200 SCIENCE TECHNOLOGY AND HIGH TECH INDUSTRY



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IN AREA OF 2507.1 HA:



WITH DIRECT FLIGHTS TO 375
AIRPORTS OF 52 COUNTRIES



❖ 9600 INTERNATIONAL 7

TOTAL ABOUT 15 000



TOTAL OF 2.2 MILLION
PASSENGERS PLANNED IN 2024



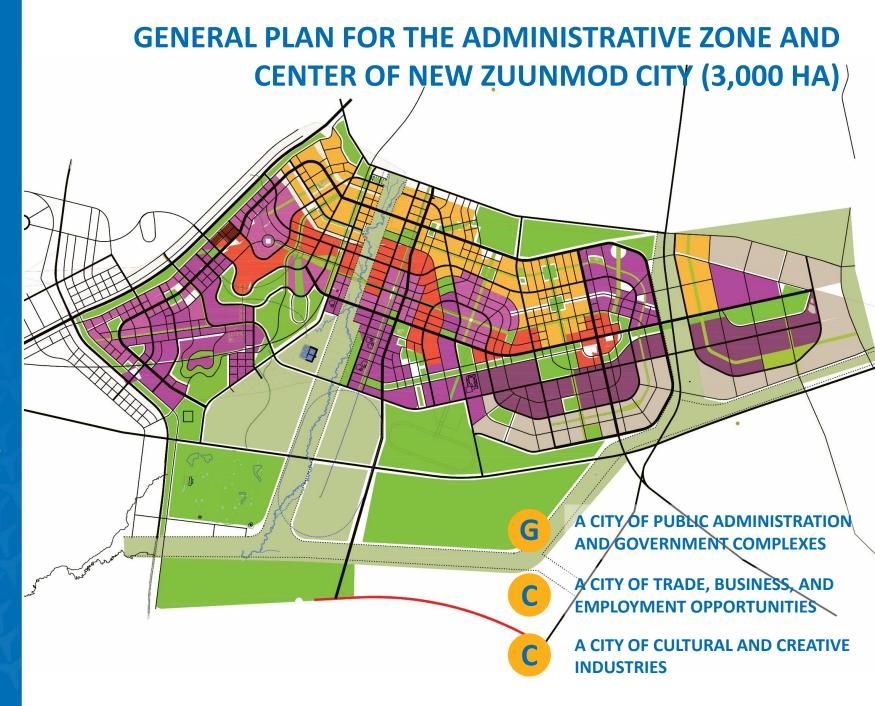
AIR CARGO AREA



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IN AREA OF 3000 HA

AGENCY ADMINISTRATION	162HA
PUBLIC BUSINESS ZONE	236HA
IT CENTER	20HA
MANUFACTURING	218HA
RESIDENTIAL AREA	270HA
CULTURAL, CREATIVE INDUSTRIE	S360HA
GREEN AREA	752HA
RESERVE ZONE	190HA





NEW ZUUNMOD CITY A satellite city of Ulaanbaatar, Mongolia

COMPLETE, SMART, SUSTAINABLE, GREEN CITY



Scholl-4 Kindergarden-15

Social infrastructue



16.3_{KM} Infra tunnel system



100% Disaster management



LRT, EV BLS Public Transport



1395 hectares Green spaces



100% Surveillance

Security



30 MBT Renewable energy



20% Surface water

USage Water savings



Hospital -2

Health service



480km Pedestrian, bike roads

ADMINISTRATION AGENCIES

159,250_M2

5010 employments

BUSINEESS COMMERCIAL

430,600m2

30,772 services daily

HOUSING DISTRICT

718,620_M2

10500 households

INDUSTRY TRADE

230,400_M2

Food and advanced technology

CULTURAL INDUSTRIES

MUSEUM, THEATRE, EXHIBITION GALLEREA CULTURAL HERITAGE PARK SOCIAL INFRASTRUCTURE

125,529_M2

School, kindergarden, etc...

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TOTAL 102 KM AIR GRID LINE 35/10KB 2x10MBA 110/35/10KB 2x25MBA 220/110/35KB 2*125MBA

50 %

Water supply 2X2000M3 WATER TANK, 5 ARTESIAN WELLS 1 PUMP, 22 KM MAIN PIPELINE

60 %

Flood protection channel

11.2 KM 2 CHANNELS

55 %

Communica tion

1st PHASE 96 CORE FIBRE OPTIC CABEL-22KM 2nd PHASE 48 CORE FIBRE OPTIC CABEL-17KM

40 %

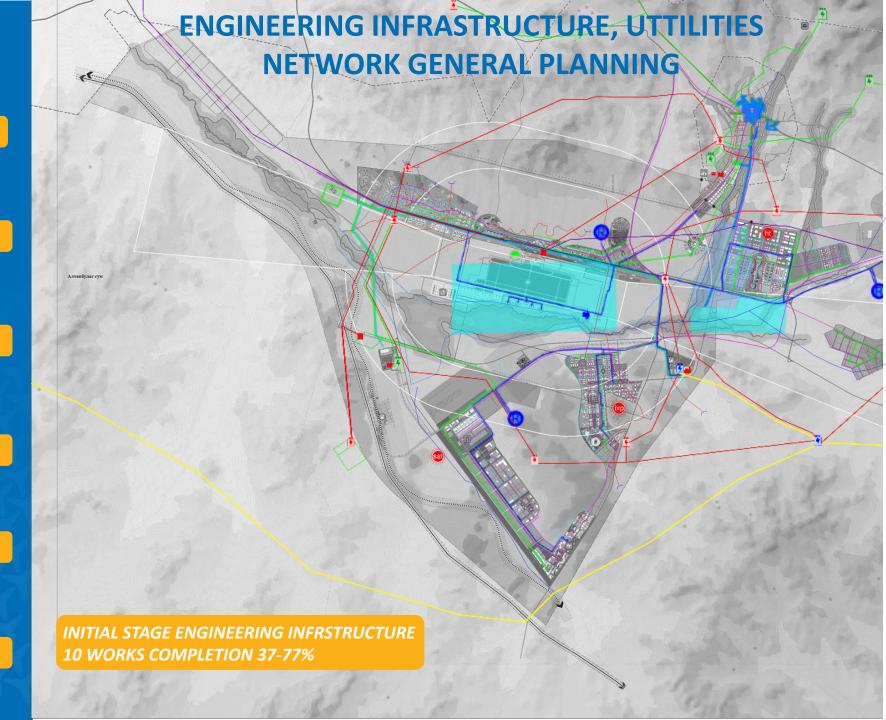
Sewerage

WASTE WATER TREATMENT 22KM MAIN PIPLELINE

0 %

Heat supply HEAT SOURCE: 1st phase Q=120 FCal/h MAIN PIPLINE 5KM TO START IN 2025

0 %



ANALYSIS AND FORECASTS OF INFRASTRUCTURE INVESTMENT IN THE INITIAL PHASE OF NEW ZUUNMOD CITY

		Development	The cost of the first phase of construction work /billion MNT/	Amount funded in 2022-2023 /billion MNT/	Amount funded in 2023-2024 /billion MNT/	2025 /billion MNT/	2026 /billion MNT/	2027 /billion MNT/
	1	Heat supply (120 Gcal/h Heat Station, 15 km of heating lines, 10 Water Heat Transfer Station, 2 Pumping Stations)	453.1	_	_	100.0	175.0	178.1
	2	Water supply (24 km of water lines, 2 water tunk, 5 deep wells, 1 Pumping Stations)	20.0	MCUD-5.5 MOE-2.5	MCUD-5.9 MOE-1.3	MOE-4.8		—
Infrastructure	3	Sewerage (3000m3/day treatment plant, 21 km of sewer line, 1 pump station)	56.3	-	-	15.0	20.0	21.3
Infra	4	Electricity	150.0	MCUD-5.9 MOE-27.3	MCUD-6.3 Khundii substaion MOE-19	75.2	16.3	
	5	Communication (Directions 1, 2)	4.5	MOE-1.7	MOE-0.1	2.7		i
	6	Engineering preparatory work	50.0	MCUD-4.0 MOE-3.5	MCUD-4.1 MOE-0.2	MCUD-12.3 MOE-5.2	MCUD-12.3	MCUD-8.4
		Total:	733.9	50.4	36.9	215.2	223.6	207.8

POWER PLANT 250 MW

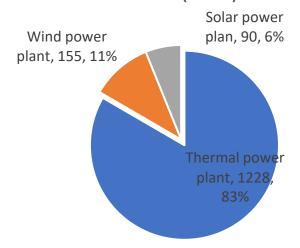
Heat power 400 Gcaл/h Electric power 250 MW

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CURRENT STATUS OF THE FUEL AND ENERGY SECTOR AND THE CENTRAL REGIONAL ENERGY SYSTEM'S AND CONSUMPTION CEILINGS



Structure of the resources (MW)



System load and resources



	INSTALL ED CAPACI TY	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Load												
Системийн суурь ачаалал		1449	1514	1582	1653	1727	1805	1886	1971	2060	2142	2228
Newly added customer				20	80	290	290	290	290	290	290	290
Total load, MW		1449	1514	1602	1733	2017	2095	2176	2261	2350	2432	2518
Resources												
Existing resources												
Thermal power plant	1228	1125	1125	1101	1045	939	939	939	939	939	939	939
Wind power plant	155	62	62	62	62	62	62	62	62	62	62	62
Solar power plant	90											
New resources												
Thermal power plant 3+	250											
Songino Battery	80			80	80	80	80	80	80	80	80	80
Baganuur power plant	400			50	50	75	75	75	75	250	250	250
Tawantolgoi	450					300	300	300	300	300	300	300
Booroljuut	300					300	300	300	300	300	300	300
Sergelen power plant	250										125	250
Import		262	327	309	350	361	239	320	350	319	276	237
Total resources MW		1449	1514	1602	1587	2117	1995	2076	2106	2250	2332	2418
Differential		0	0	0	-146	100	-100	-100	-155	-100	-100	-100

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УЛААНБААТАР ХОТЫН ШИНЭ ДАГУУЛ ХОТУУДЫН ЭРЧИМ ХҮЧ ХАНГАМЖИЙН ЭХ ҮҮСВЭРИЙН ТЕХНИК ЭДИЙН ЗАСГИЙН ҮНДЭСЛЭЛ



ЗАХИАЛАГЧ:



MAR

МАК ЙИНРУХ МИРЧЄ

БАРИЛГА ХОТ БАЙГУУЛАЛТЫН ЯАМ

гүйцэтгэгч:

МОПЕПЕЛБУ МОН-ЭНЕРЖИ КОНСАЛТ ХХК

Улаанбаатар хот 2022 оны 12 дугаар сарын 03

TECHNICAL AND ECONOMIC JUSTIFICATION, TECHNICAL SPECIFICATIONS OF THE STATION

Main specifications of the station	Value	Unit	Description
Total electrical capacity of the station	250(2x125)	МВт	
Internal electricity consumption	20(2x10)	МВт	Approximately
Total thermal capacity of the plant	400	Гкал/ц	Approximately
CFB boiler /CFB/	3	525 тн/ц	
Turbogenerator	125x2	МВт	
Main steam pressure	132.4	бар	Turbine inlet
Main steam temperature	535	°C	
Reheated steam temperature	535	°C	
SOx control	20	мг/Нм ³	Sulfur removal in fire pits and control of many wastes
NOx control	40	мг/Нм ³	Non-catalytic selective reduction
Dust control	50	мг/Нм ³	Bag broom
Chimney height	~120	MM	
Condenser			Air cooling
Transmission voltage	220	кВ	
Control system	DCS		Distributed management system
Fuel consumption (operational fuel)	219	т/ц	
Fuel storage	10	өдөр	
Lime consumption	7	т/ц	
Lime storage	3	өдөр	
Dehydrated lime consumption	0.6	т/ц	
Dehydrated lime storage	3	өдөр	
Water quantity	35	т/ц	
Water consumption	150	т/ц	
Wastewater	0	цагт	

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A thermal power plant is planned on a reserve site located in the southeast of the New Zuunmod city, with a thermal capacity of 400 Gcal/h and an electrical capacity of 250 MW.

A 10 km long 220 kV overhead line will be connected to the 220/110/35 kV "Sergelen" substation

The total investment in the thermal power plant is estimated at \$678.1 million.

INVESTMENT RESEARCH

№	Specification	Million USD	Million MNT	Percentage, %
I	Construction Work	90.0	306,000	13.3%
II	Equipment			
1	Boiler	120.0	408,000	17.7%
2	Turbine, Generator	80.0	272,000	11.8%
3	Thermal mechanical system	28.0	95,200	4.1%
4	Fuel transport system, coal transportation branch railway	24.0	81,600	3.5%
5	Ash transport system	6.5	22,100	1.0%
6	Water supply	5.0	17,000	0.7%
7	Water treatment	14.0	47,600	2.1%
8	Electrical engineering	35.0	119,000	5.2%
9	SCADA system	22.5	76,500	3.3%
10	Power transmission lines, substation	8.0	27,200	1.2%
11	Auxiliary equipment	3.0	10,200	0.4%
12	Others	1.0	3,400	0.1%
III	Design, supervision, management, commissioning	25.0	85,000	3.7%
IY	Assembly, installation	140.0	476,000	20.6%
Y	Tax	53.8	182,920	7.9%
YI	Insurance	5.0	17,000	
YI	Irrecoverable work	17.4	59,160	2.6%
	Capital investment per unit	678.1	2,305,540	100.0%

A satellite city of Ulaanbaatar, Mongolia

Хийгдсэн ажлууд

- Master Plan for the **Development** of New **Zuunmod City**
- Feasibility Study for the Thermal Power Plant of New **Zuunmod City**
- Terms of Reference for the 2022 Design of the Thermal Power Plant in New Zuunmod City
- Stability Calculation of the 2022 Dispatching National Center's Operation
- Proposal on How to Connect 2023 to the Unified Network from **National** the Power **Transmission System**

PROJECT PROCESS, WORK SCHEDULE

202

January-**February**

Conduct financial negotiations between the Government of Mongolia and investors.

Status: To be completed.

February-March

Establish an implementation contract and Power Purchase Agreement (PPA) between the project client and the Mayor of Ulaanbaatar. Status: To be completed.

April-May

Develop the blueprint and technical design of the thermal power plant.

Status: To be completed.

May-July

Obtain relevant permissions, including construction start approvals and tariff agreements with the **Energy Regulatory** Authority.

Status: To be completed.

Construct the thermal power plant.

Status: Begin and complete construction work.

Commission the thermal power plant for permanent

2027

Status: National commission to approve.

operation.



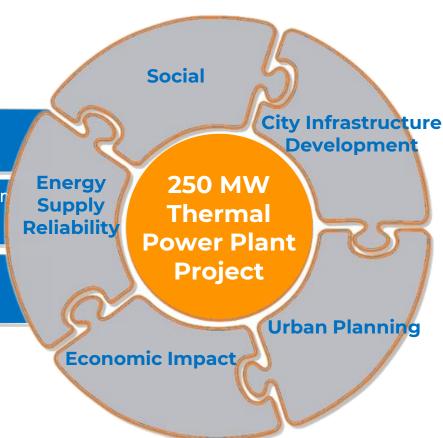
Expected Outcomes and Benefits from Implementing the 250 MW Thermal Power Plant (TPP) Project

Key Goals:

Ensure electricity and heat supply for New Zuunmod City.

Solve Ulaanbaatar city's overpopulation urban planning, and energy issues.

Meet the increasing national energy demand in Mongolia.



It is feasible to recover the investment within a short period and operate with high efficiency

Urban Planning

- Support the self-sufficient development of New Zuunmod City.;
- Enhance the overall urban planning efficiency of the region.
- Decentralization of Ulaanbaatar city.;

Economic Impact

- Job Creation;
- Reduce the economic losses caused by inefficiencies in Ulaanbaatar's urban planning and infrastructure;
- Increase the revenues by integrating electricity generated from the project's 250 MW Thermal Power Plant into the national energy system.

Social

- Mongolia's long-term and mid-term policy decisions will be implemented;
- Enable the sustainable development of a self-sufficient city.
- Improve citizens' quality of life by creating employment opportunities and ensuring reliable energy supply;

Energy Supply Reliability

- Increase Mongolia's energy generation capacity to meet growing domestic demand.;
- Electricity imports from Russia will be reduced;
- The energy challenges of New Zuunmod will be comprehensively addressed and resolved..

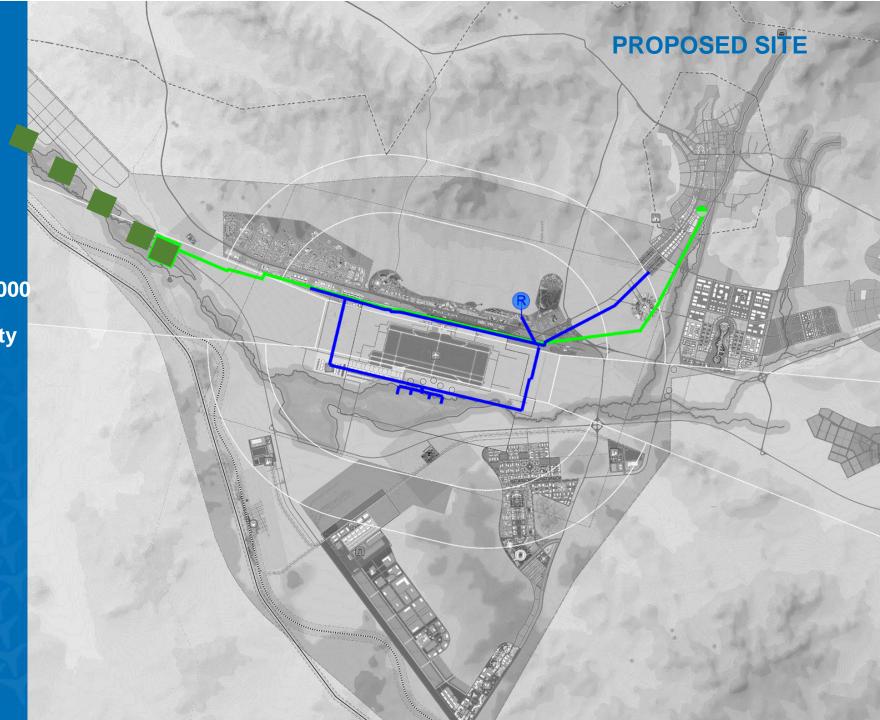
Water Treatment Plant with a capacity of Q=3000 m³/day

Q= **20.000** m³/day

A satellite city of Ulaanbaatar, Mongolia

Water Treatment PlantCapacity: 3000 m³/dayTotal cost: 26.7 billion MNT(Will be upgraded to a capacity of 20,000 m³/day in the future)

Sewage NetworkMain pipeline: 22.0 kmTotal cost: 21.9 billion MNT(Will be implemented with state budget funding starting in 2025)

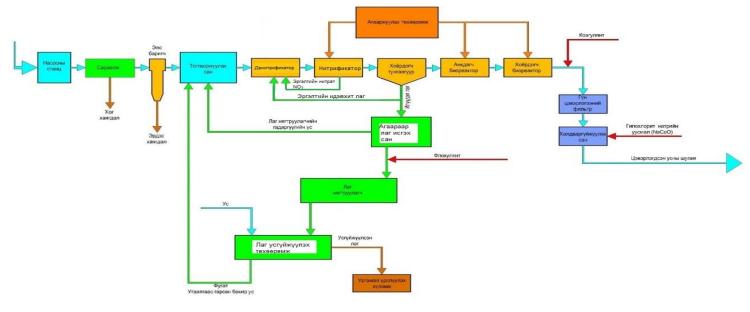


A satellite city of Ulaanbaatar, Mongolia

The technological scheme has been developed to treat wastewater through mechanical, biological, and advanced purification methods

- Mechanical treatment facility
- Biological treatment block
- Industrial building
- Administrative building
- Sludge and sand area
- Wastewater and drainage pump station
- Substation building

The technological solution for the 3000 m³/day capacity water treatment plant of New Zuunmod City.





Activated sludge system

A satellite city of Ulaanbaatar, Mongolia

INVESTMENT

Д/ д	Job	Capacit y	Amoun t /billion ton/
1	External power, 35/10 kV 2x2.5MVA substation, 10 kV distribution facility, control room	2*2x2. 5 MVA, 3.6 km Overhe ad power lines	6.0
2	Treatment facilities, ancillary networks, and buildings	3000 м3/day	12.4
3	Treated water line	8.3км	5.45
	Total		26.7

Technical and economic indicators

Nº	Name of the indicator		Unit	Value
1	Capacity Daily		m3/day	3000
		Annual	thousand m3/year	1.095.000
2	Total number of employees	S	people	24
3	Daily electricity consumption		thousand kW 2.701	
4	Annual electricity consump	otion	thousand kW	985.9
5	Reagent requirements	Table salt	ТН	19.71
		Coagulant	ТН	21
		Flocculant		27.4
6	Electricity consumption required to treat 1m3 of wastewater		kW/m3	0.9

A satellite city of Ulaanbaatar, Mongolia

RESULTS AND IMPORTANCE OF PROJECT IMPLEMENTATION

Key goals

Meeting the requirements of the International Airport /4E/ Aerodrome standards.

The issue of centralization and traffic congestion in Ulaanbaatar city

Issues that negatively impact the environment.

The issue of the sewage system in New Zuunmod City and Zuunmod City

Social City Infrastructure Development **WASTE Energy** WATER Supply Reliability **TREATMENT PLANT** Urban **Planning Economic Impact**

Environmental, social, and urban development issues will be addressed and resolved

Environment and Environmental Safety:

The technical and technological solutions of the water treatment plant ensure that the living environment remains clean, with no harmful effects on nature, making the treated water suitable for non-domestic use.

- Implement technology for converting sludge into fertilizer;
- Prevent odors, smoke, and water accumulation around the "Chinggis Khan" International Airport;
- The system will feature complete biological treatment, with full removal of sand from the sludge.

Society:

- The long-term and medium-term policies of Mongolia will be implemented;
- Independent cities will be established.
- Citizens' work-life balance will be improved, enhancing the quality of life;

Urban Planning and Development:

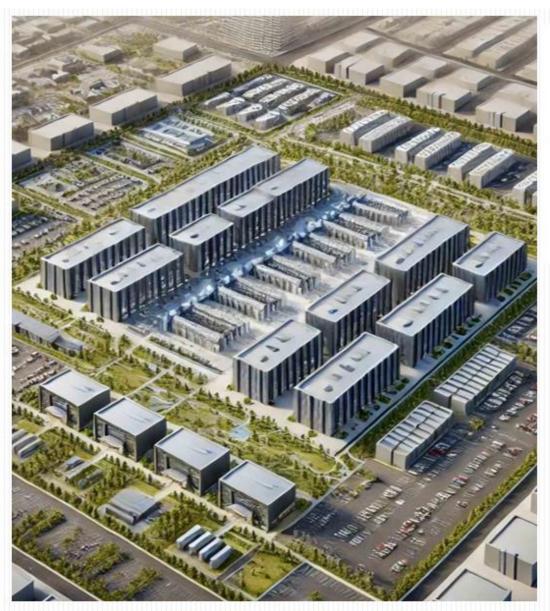
- Reduce the concentration of Ulaanbaatar city.
- Develop New Zuunmod City and its satellite cities independently;
- Accelerate construction and development in New Zuunmod City.
- Addressing engineering infrastructure and utilities will be the foundation for the proper development of the new city.

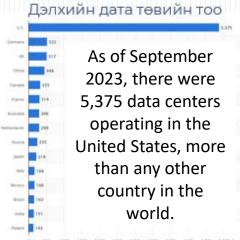
Data Center 10 MW (Initial phase)

A satellite city of Ulaanbaatar, Mongolia

DATA CENTER

FREE ECONOMIC ZONE









Project indicators

Data

Land size	3 ha
Implementation	2027-2028
period	DDD
Resource	PPP

The market growth rate of the data center in the region.



A satellite city of Ulaanbaatar, Mongolia

OPPORTUNITIES AND ADVANTAGES



CLOSE TO A HIGH-GROWTH MARKET.



POLITICAL STABILITY IN THE REGION.



LOW RISK OF NATURAL DISASTERS.



WELL-DEVELOPED TECHNOLOGICAL INFRASTRUCTURE.

The growth of data center services is expected to be high, and its location in the center of the Asian and European markets provides a significant geographical advantage.

Mongolia is a country located in a secure region, far from areas of border disputes and armed conflicts, nestled between two large neighboring powers

Compared to most countries in Asia, Mongolia is one of the countries with a lower frequency and extent of natural disasters.

All provinces and districts of Mongolia are connected to the internet and mobile networks, meaning the basic infrastructure is relatively well-developed.

A satellite city of Ulaanbaatar, Mongolia

RELIABLE ENERGY SUPPLY AND RESOURCES

ENERGY PRICE

2-8 times cheaper than European countries

2-6 times cheaper than Asian countries

OPPORTUNITIES AND STRENGTHS

- Energy is one of the main costs for data centers, and coal is considered a cheap source of electricity generation.
- Mongolia's coal geological reserves are estimated at 173.3 billion tons, placing the country among the top 10 countries in the world in terms of coal reserves. This provides the opportunity for long-term, low-cost energy production.
- ☐ Additionally, Mongolia has significant renewable energy resources.

A crucial factor for data center operations is access to cheap energy sources. Due to limited energy conditions in some European countries, they are restricting the establishment of large international data centers, which presents a significant opportunity for our country



A satellite city of Ulaanbaatar, Mongolia

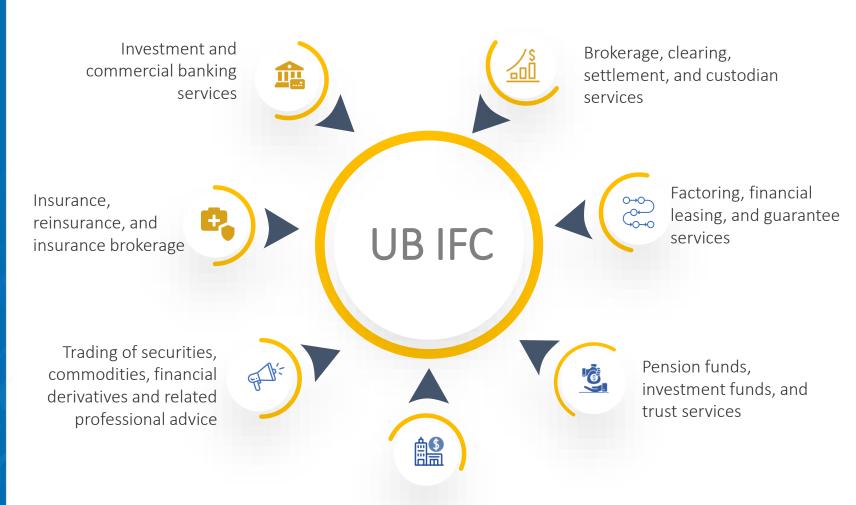
PURPOSE

To establish the legal basis for the management, organization, and operation of the financial center, and regulate relations related to the determination, regulation, and supervision of financial services to be provided by the financial center.

LEGAL REGULATION

2024.06.05 Law on the legal status of the New Zuunmod city stipulates provision for the establishment of an International Financial Center in a Free Economic zone. An independent draft law is being developed.

INTERNATIONAL FINANCIAL CENTER



Cash management, investment and mutual fund services



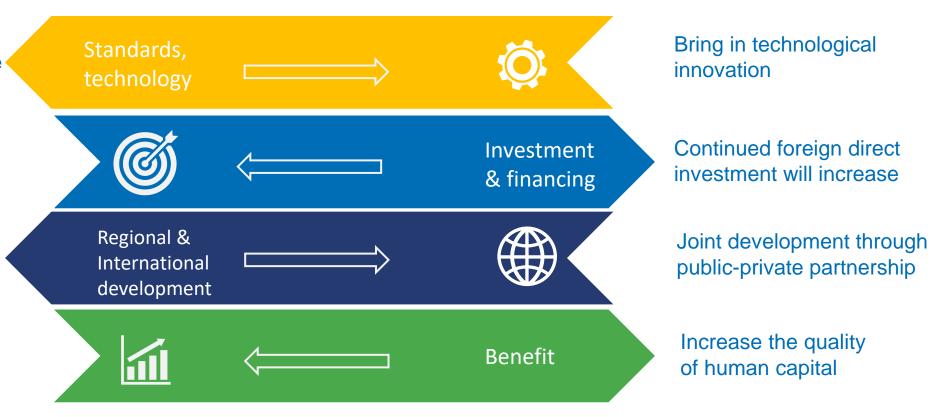
SIGNIFICANCE OF INTERNATIONAL FINANCIAL CENTER

An opportunity to introduce international standards in the banking and financial sector.

Creation of a favorable environment for investors

A financial bridge to the global market

Ensure economic stability





EFFECTS OF INTERNATIONAL FINANCIAL CENTERS

- AN EFFECTIVE SYSTEM FOR RAISING CAPITAL
- RELIABLE PROTECTION OF ASSETS
- TOP CONFIDENTIALITY
- COORDINATION OF FINANCIAL ACTIVITIES AT THE INTERNATIONAL LEVEL
- COMPLIANCE WITH INTERNATIONAL LAW LEGAL ENVIRONMENT

A satellite city of Ulaanbaatar, Mongolia



LAWS OF MONGOLIA

NEW ZUUNMOD CITY LAW

6 CHAPTER
29 ARTICLES
June 5th 2024

PURPOSE

- ENSURING BALANCED REGIONAL DEVELOPMENT
- DECENTRALIZING ULAANBAATAR CITY
- CONSTRUCTING A CITY BASED ON OPTIMAL SPATIAL PLANNING
- DEFINING THE STATUS OF NEW ZUUNMOD CITY
- SUPPORTING URBAN DEVELOPMENT AND SUSTAINABLE DEVELOPMENT.

CITY ADMINISTRATION AND ORGANIZATION

- 1. CITY COUNCIL
- 2. CITY GOVERNOR
- 3. CHIEF CITY ARCHITECT
- 4. URBAN DEVELOPMENT CORPORATION

ECONOMIC PRIORITIES

- 1. TOURISM;
- 2. TRANSPORT LOGISTICS;
- 3. CULTURAL CREATIVE INDUSTRY AND CULTURAL HERITAGE;
- 4. SCIENCE, TECHNOLOGY AND INNOVATION;
- 5. INTERNATIONAL CONFERENCES, EXHIBITIONS AND TRADE;
- 6. INTERNATIONAL BANKING AND FINANCIAL ACTIVITIES

A satellite city of Ulaanbaatar, Mongolia

TAX RELIEF

- Imported building materials and equipment that are registered as fixed assets in New Zuunmod City and cannot be supplied by domestic production will be exempted from customs duties until 2030.
- Extension of the VAT payment period for the specified construction materials and equipment up to 4 years, with the option for the tax to be paid in installments over a 4-year period.
- Business units operating in the Free Economic Zone of New Zuunmod City will be entitled to concessions and exemptions in accordance with the Free Zone Law







NON TAX RELIEF

- Support for operational costs such as electricity, heating, and rent; and streamlining the process of issuing necessary business documents and permits;
- Provision of concessional loans for construction projects as a priority;
- Exemption from the payment of foreign labor is granted for the implementation of the new Zuunmod City Development Project
- In order to accelerate city development and boost investment, a 5-10 year stabilization certificate will be issued for investments ranging from 10 to 300 billion MNT, aimed at creating stable jobs and introducing advanced techniques and technologies
- The Governor of the city will sign a contract with any investor proposing to invest more than 300 billion MNT in the city construction development project, following the approval of the Government

TAX BENEFITS IN FREE ZONES

LAW ON FREE ZONE

EXEMPTIONS



TAX ON EXPORT



TAX ON IMPORT



VALUE ADDED TAX



LABOR FORCE PAYMENT



LAND FEE



REAL ESTATE TAX



100 percent of the land fee will be exempted for the first 10 years from the date of infrastructure operation.

TAX RETURN

Taxes paid on goods entering the customs territory and entering the free zone will be refunded.

Over 500.0 thousand USD in infrastructure

LAW ON ENTERPRISE INCOME TAX

Over 300.0 thousand USD for setting up a factory in a Free zone

Tax relief on income equal to 50% of investment

LAW ON LAND

- Mongolian citizens and businesses can obtain land tenancy certificates for 15 to 60 years, with a one-time renewal option of up to 40 additional years.
- The Government shall determine the boundaries and procedures for foreign legal entities to use land under a lease or concession agreement for a specific period of time.

DISCOUNT

In the free zone, enterprises engaged in trade, tourism, and hotel services will receive a 100 percent discount on land fees for the first five years, followed by a 50 percent discount for the next three years.

CITY CENTER, ADMINISTRATIVE ZONE

- BUSINESS, FINANCIAL, PUBLIC AREA
- GOVERNMENT COMPLEX AREA
- HOUSING DISTRIC
- INDUSTRY AND TRADE
- CULTURAL CREATIVE INDUSTRY
- SOCIAL INFRASTRUCTURE
- TRANSPORTATION AND LOGISTICS

FREE ECONOMIC ZONE

- TOURISM, EXHIBITION, MICE+
- INTERNATIONAL FUINANCIAL
 CENTER
- DUTY FREE SHOPPING MALLS
- DATA CENTER
- MEDICAL CITY



R&D AND UNIVERSITY CAMPUS

- ADVANCED TECHNOLOGY CENTER
- 22 000 STUDENT CAMPUS WITH LIBRARY, LABORATORY, APARTMENTS AND DORMITORY, SPORT AND ENTERTAINMENT FACILITIES



PROJECTS

POWER PLANT

Heat capacity **400** Gcal/h, Electric capacity **250** MWT.

WASTE WATER TREATMENT PLANT

- MEETING THE NEEDS OF A CITY WITH A POPULATION OF 150,000 PEOPLE
- Treatment capacity 20000 M3/day

ДАТА ТӨВ

The data center will have an initial capacity of 10 MW, which will be increased further in the future.







A satellite city of Ulaanbaatar, Mongolia

THANK YOU FOR YOUR ATTENTION.

