



U.S. TRADE AND DEVELOPMENT AGENCY

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USTDA ESTABLISHES PARTNERSHIP TO SUPPORT THE DEVELOPMENT OF MONGOLIA'S CEMENT PRODUCTION INFRASTRUCTURE

ULANBATAAR, MONGOLIA (August 28, 2009) – Today, USTDA awarded a grant to Yalguun International, LLC to fund a feasibility study on the establishment of a dry process cement plant along Mongolia's main rail line to support domestic production. The development and implementation of the new plant is expected to open commercial opportunities for U.S. firms.

A signing ceremony to confer the \$250,000 grant was conducted at the U.S. Embassy in Ulaanbataar. U.S. Ambassador to Mongolia Mark Minton and Yalguun General Director Natsagdorj Zonorov signed the grant on behalf of the U.S. government and Yalguun International, respectively.

“Assisting with this type of infrastructure development is an important aspect of our partnership with Mongolia,” Ambassador Minton said during the signing ceremony. “Strong economic growth in recent years has boosted cement consumption in Mongolia, but the product is over 90 percent imported. Both the high demand and transportation costs have contributed to cement's high price, which in turn have impeded growth in the country's construction sector.”

Yalguun International, a Mongolian-owned company, will use the USTDA grant to fund a feasibility study on its plans to build a plant to provide cement to the Mongolian market. The plant has a projected annual capacity of 1 million metric tons, an amount roughly equivalent to Mongolia's total annual cement consumption.

“USTDA is pleased to partner with Yalguun in this effort to reduce the cost of infrastructure development in Mongolia,” said USTDA Acting Director Leocadia I. Zak about today's grant signing.

Yalguun has selected FLSmidth, based in Bethlehem, Pennsylvania, to perform the feasibility study for this project. In addition to the USTDA grant awarded today, FLSmidth will contribute resources toward the study's completion.

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The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair, open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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