

# EBRD helps build top-class cement plant in Mongolia

## EBRD supports mother and daughter firm, Senj Sant

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With EBRD help, [Mongolia](#)'s Senj Sant is in the midst of constructing a technologically advanced and environmentally friendly dry process cement plant – the first of its kind so far in Mongolia - to meet rising demand generated by a rapidly growing economy.

A deal to lend Senj Sant US\$ 65 million, following an earlier US\$ 20 million equity investment for a stake in Senj Sant agreed in May 2013, was signed at a ceremony at HQ recently by [First Vice President Phil Bennett](#).

“This project represents yet another step towards the diversification of Mongolia’s economy,” Mr Bennett said at the ceremony.

The company, which is owned by Mongolia’s Monpolymet Group, is using EBRD finance to continue funding the construction, commissioning and operation of the plant, which is expected to have a total capacity of about 3000 tonnes of cement a day with the start of production planned in 2015.

The new Senj Sant plant is strategically located in southern Mongolia about 450 km from the capital Ulaanbaatar. Its product will be of higher quality than the currently available imported Chinese cement. The plant’s important diversification effect will stem from its targeting an industry which is relatively underdeveloped locally.

“The EBRD’s long term finance, including equity, is not only helping us build the first greenfield cement plant in Mongolia using environmentally friendly dry process, but also

supporting the company in raising business standards to international levels,” the CEO of Monpolymet Group, Ms Munkhnasan Narmandakh, told guests at the signing.

Underscoring the deal’s importance for Mongolia, others present included the country’s deputy ministers for economic development and mining, and its London ambassador.

Monpolymet Group today is one of Mongolia’s leading mining operations with around 700 employees and a strong reputation built on environmental rehabilitation, sustainable development and socially responsible operations.

Unusually, it is a mother-and-daughter business.

CEO Munkhnasan’s mother, Ms Garamjav Tseden, now group president, is a qualified geological engineer who established Monpolymet in 1992 with a primary focus on gold mining. Today the company has expanded into four sister companies in construction, mineral exploration, and rehabilitation and construction material production sectors.

Ms Garamjav has been working for the mining industry for 29 years, has implemented numerous profitable projects, values her company’s success in winning the “Best Rehabilitating Entity” award seven times in a row from the Mongolian government, and continues to look for ways to improve the overall business standards and sustainable development in the mining sector.

In 2012, she won an EBRD Women in Business award for outstanding achievement in industry.

A few years ago, she spotted a new gap in the market and decided to use her existing business as collateral to invest in a large greenfield cement plant.

Mongolia’s high levels of mining and infrastructure investment make investment in cement capacity key for future development. The fact that these two entrepreneurs were prepared to risk a large part of their personal wealth on such an investment is a mark of their strong commitment to their national future.

The EBRD has supported this investment both through the 2013 equity deal and the \$65 million loan to the project company. The Bank’s backing has been crucial to arriving at a bankable and technically robust structure for the project.