

# Energy saving from replacement of construction vehicles for operations



## CLIENT

- A large company in Mongolia operating in different sectors such as energy, mining, construction, training and trading. The company owns a wide fleet of construction vehicles utilized at different construction sites.

## PROJECT

- The company decided to invest in new vehicles to be utilized at construction sites. The new equipment have to replace different vehicles utilized by the company. The modern and updated technology proper of new equipment allows a considerable saving of fuel and CO2 emission in comparison with the equipment to be replaced, being characterized by outdated technology and considerable life age.

## FINANCIAL STRUCTURE

- Loan USD 356,900

## TECHNICAL ASSISTANCE

- The MonSEFF team visited the company and, based on the gathered data, calculated the energy and cost savings related to the investment.



## EXPECTED IMPACT

- Payback period: 8 years
- Internal rate of return (IRR): 12%
- Energy saving: 416 MWh/year
- Costs Saving: 67,000 USD/year
- Carbon emission reductions: 110 tonnes per year
- Other benefits: Reduction of pollutants emission; increased reliability of vehicles; increased efficiency and quality in the different operations; reduced maintenance costs; reduced use of polluting lubricants.

**DONOR:** EBRD Special Shareholder Fund



**European Bank**  
for Reconstruction and Development