

Energy saving and costs reduction through replacement of excavator machines



CLIENT

- A company in Mongolia, specialised in road construction, equipment and machinery rentals, with a mission to construct high quality road/railway basements and embankments through the use of modern and efficient equipment.

PROJECT

- The company has identified an energy saving opportunity through the replacement of three old excavator machines with new and more efficient ones. The three new machines significantly save fuel (around 20% less) compared to the old equipment in performing the same amount of work.

FINANCIAL STRUCTURE

- Loan USD 570,000

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: 6 years
- Internal rate of return (IRR): 18%
- Energy saving: 825 MWh/year
- Costs Saving: 95,000 USD/year
- Carbon emission reductions: 220 tonnes per year
- Other benefits: Reduced maintenance costs, lower failure, increased company competitiveness

DONOR: EBRD Special Shareholder Fund



European Bank
for Reconstruction and Development