



U.S. TRADE AND DEVELOPMENT AGENCY

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USTDA SUPPORTS EXPANSION OF COMMERCIAL AVIATION BUSINESS IN MONGOLIA

ULAANBAATAR, MONGOLIA – Promoting the expansion of Mongolia’s commercial aviation industry in the delivery of safe, efficient and reliable air travel is the objective of a USTDA grant awarded yesterday to Eznis Airways LLC (Eznis). The \$500,000 grant will fund expert technical services to Eznis in devising a comprehensive business strategy for its expanding domestic and international airline business that can be presented to potential investors in order to source financing.

The grant was conferred in a signing ceremony held at the U.S. Embassy in Ulaanbaatar. U.S. Ambassador to Mongolia Mark C. Minton and Eznis Chief Executive Officer Arvintsogt Ragchaa signed the grant agreement on behalf of the U.S. government and Eznis, respectively. The grant signing ceremony was witnessed by Eznis Vice President for Flight Operations Khurelbaatar Sandag and Deputy Chief of Mission at the U.S. Embassy in Ulaanbaatar Brian Goldbeck.

Eznis is a start-up airline owned by the Mongolian private consortium Newcom LLC. It began operating scheduled domestic flights in 2006 and is currently evaluating prospects for accelerated growth based on demand for growing air travel within Mongolia for its, burgeoning tourism and mining sectors, and potential privatization plans by the state-owned Mongolian Airlines. Eznis plans to procure modern jet aircraft and avionics for its operations, to initiate a helicopter operation business, and possibly to initiate international flights in the near future. To achieve these business goals, Eznis must raise capital from foreign and domestic investors to implement its long-term expansion plan.

The USTDA-funded technical assistance will include a market assessment of Mongolia’s aviation industry, the development of a business strategic plan, a study of the technical, economic, financial, legal and regulatory viability of implementing Eznis’ plan, and the preparation of an investment information memorandum. The main goal is to present the investment information memorandum to potential investors in order to source financing from equipment lessors, equity investors, commercial banks and multilateral financing entities such as the International Finance Corporation.

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The opportunity to provide the USTDA-funded technical assistance to Eznis will be competed on the Federal Business Opportunities website at www.fbo.gov. Interested U.S. firms are encouraged to submit proposals according to guidelines provided in the Federal Business Opportunities announcement. Eznis will select a qualified U.S. company to perform this technical assistance.

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, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and 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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