



USAID | MONGOLIA

FROM THE AMERICAN PEOPLE

Visit our Website at www.usaid.gov/mn

The Mongolia Monitor

News from USAID/Mongolia

No. 69

April 2007

Mission News:

On April 3-4, Mission participated in the 3rd bi-annual Government of Mongolia-External Partners Technical Meeting. The meetings have replaced the pledging sessions of old and provide an opportunity for the GoM, donors, and others to discuss key issues and coordinate plans for further work in priority sectors. This meeting included breakout sessions for five working groups on transport, energy, private sector development, urban planning, and rural development and environment. USAID co-chaired the Energy Working Group together with the Ministry of Fuel and Energy.

USAID PROGRAM NEWS

STRATEGIC OBJECTIVE 1: PRIVATE SECTOR-LED ECONOMIC GROWTH

Economic Policy Reform and Competitiveness Project (EPRC)

Chemonics

www.eprc-chemonics.biz

Economic and Trade Policy Support

Implementation support for the new tax laws. EPRC held a training program for the General Department of National Taxation (GDNT) in April. The three-day training included one day of international accounting, followed by two days of presentations and discussion on the new tax laws. GDNT trainers presented the new tax laws and supporting regulations and provided detailed instruction on preparation of the new tax reporting statements. In addition to training GDNT personnel, the project is proceeding with planned workshops with GDNT, in conjunction with the Mongolian National Chamber of Commerce and Industry (MNCCI) and the North-American Mongolian Business Council (NAMBC). This will enable taxpayers throughout Mongolia to obtain training and detailed information on the laws, regulations and forms.

Competitiveness Support

National tourism organization (NTO). EPRC hosted a retreat for tourism professionals from the private and public sectors to discuss the proposed formation of a National Tourism Organization. The retreat took place on April 6-8 with twenty-three participants. The group defined the role of the NTO, its status, structure and activities, and considered a number of funding mechanisms. EPRC will now engage local lawyers to advise on the form of the legal entity, its articles and bylaws.

Fibermark Society. The Fibermark Society (FS) conducted an informal survey of the cashmere industry prior to an EPRC-initiated conference planned for May to discuss the roles and future structure of a reformed Society. According to the FS, since 2003 over \$15 million was invested in manufacturing (spinning, dyeing, weaving and knitting), the number of garment exporting companies expanded from four to nine, spinning capacity doubled, and the number of vertically integrated companies increased from two to seven, including one new enterprise. It is estimated that there are more than 50 companies operating in the industry. At the re-opening of their factory, EPRC client Goyo announced that 350 new jobs had been created.

Horsemeat. A Japanese food processor asked four EPRC client companies for business profiles and capacity statements prior to a planned visit to Mongolia in late spring. EPRC advisors worked with the companies and the exporters association to produce the profiles.

Finance Support

Mongolia Mortgage Corporation (MIK). EPRC continues to support MIK's work on its first securitization transaction. Khan Bank, MIK and the Bank of Mongolia (BoM) are still negotiating terms on structuring the transaction, including size, composition of the portfolio, and pricing. The transaction is expected to be completed in May.

Secondary mortgage market. The management of MIK, supported by the project, submitted a business plan to the Board of Directors supporting a requested capital increase which will allow MIK to expand its operations to include acquisition of mortgage portfolios for packaging as mortgage backed securities (MBS) suitable for investment by both international and domestic investors. The first full fledged MBS should be issued by year end.

Credit Information Bureau. Eleven commercial banks and three non-bank financial institutions signed a Memorandum of Understanding (MOU) on the organization of a private sector-controlled company to provide credit information services on a commercial basis. The project facilitated preliminary negotiations with the International Finance Corporation, the private sector arm of the World Bank Group, to provide technical assistance to organize the company and secure a contract with a recognized vendor of appropriate technology who will also provide operational assistance. It should take approximately 2 years for the new credit bureau to be fully operational with all major suppliers and users of credit information integrated into the system.

Energy Sector Support

Markets/tariffs. The project is evaluating an Energy Regulatory Authority (ERA) proposal for the design of a competitive generation market and will issue comments and recommendations in May. This effort must dovetail with the ongoing development and approval of a two-part generation tariff. The ERA and the project have begun the development of a Performance Based (Incentive) Regulation system for retail tariff development.

GoM/external partners meeting. A meeting of GoM officials and external partners was held on April 3-4. Participants discussed key issues facing five sectors, including energy, in the context of

working groups. Each working group was chaired by a GoM Ministry, with a donor representative serving as co-chair. The Ministry of Fuel and Energy (MoFE) and USAID co-chaired the Energy Working Group. USAID received positive feedback from the World Bank, other donors and some GoM officials about its very frank presentation at the WG meeting on the critical issues and problems facing the energy sector. USAID and EPRC reached agreement with the MoFE on the several critical tasks that must be addressed before the next Tech Session in September 2007.

Energy sector strategy and planning. USAID took the lead to schedule a meeting with the (MoFE) to continue this effort and implement the agreements reached with the MoFE after the April 3-4 Tech Session. The first monthly meeting was held on April 30. USAID suggested that the ERA and State Property Committee (SPC – who, together with MoFE and MoF, are the owners of all state-owned energy companies) be invited to attend this and all future meetings. The MoFE agreed, and both the ERA and SPC are enthusiastic about their participation. It is planned to include the MoF and selected donors in future meetings.

Public information program. EPRC is planning to conduct a Public Information/Public Education campaign to address the lack of awareness among GoM officials, MPs, the public and the press about the serious issues facing the energy sector. This program is now a top priority of USAID and EPRC. A public communications specialist is being recruited to develop the process and program plan in conjunction with the Press Institute of Mongolia, and the EPRC energy team will provide all background and technical input. A concept paper for the program has been developed. Three two-day retreats to launch the program are being planned for early June 2007.

Sector financial status. EPRC completed a comprehensive financial review of Central Energy System entities using the data they reported for 2006. This information will be the basis for the calculation of the two-part generation tariff mentioned above. The project is working to adjust this review for known accounting weaknesses and present a more realistic view of the sector's current financial condition. It is expected that the EPRC paper will conclude that Mongolian retail tariffs are far below the international average, that the Egiiin River HPP will dramatically worsen the sector's financial situation and require a large tariff increase over and above the increase already needed, and that the proposed social initiatives are unsustainable.

Egiiin River hydroelectric project. There is increasing resistance for this project due primarily to the large amount of funding required, projected to be between \$300 and \$380 million, and the fact that the tariff necessary to repay the investment will be at least twice the current uniform national tariff.

National Dialogue Support

GDNT website redesign nears completion. Work on the GDNT website structure and the technical aspects of website construction is now complete. Content uploading is approaching 80% completion, with plans to complete the uploading, testing and formal launch prior to National Taxpayers Week. The site will provide ready on-line access to tax laws and regulations, forms, instructions and informational materials.

CD with selected business laws of Mongolia released. The second release of the "Essential Business Laws" CD was made available to the public beginning April 3rd. The National Legal Center (NLC) held a press conference with approximately thirty individuals present, including members of the media. Sales have been good so far, with more than 150 copies sold to date at 20,000 MNT apiece. Proceeds from CD sales will be used to support the NLC.

The Gobi Initiative Phase II

Mercy Corps International and PACT

Gobi Initiative (GI) client sales approach \$500,000. Total sales in April reached MNT 75.5 million (\$64,807) for herder businesses and MNT 90 million (\$77,253) for non-herder businesses, bring the total sales for the first four months of 2007 to MNT 561.9 million (\$482,317). The sales target for CY2007 for all GI clients is MNT 1.98 billion (\$1.70 million).

GI clients continue to receive loans in April. Twenty-four loans were disbursed in April, with a total value of MNT 55.3 million (\$47,468). GI clients have accessed a total of 129 loans in 2007 worth a total of MNT 411 Million (\$154,000).

Agreement links camel herders to local and national market. Gobi Initiative facilitated a meeting between 16 camel herders and Mandalgovi Huns food processing company, which processes camel milk into curds and bottled fermented milk. As a result of the meeting the company and the herders signed an agreement on the supply of fresh camel milk to the company. This is part of a larger GI effort to develop producer-processor linkages. GI will now provide targeted training to the camel herders to ensure that the quality and quantity of raw fresh milk meets Mandalgovi Huns' requirements.

Herders will earn 30% premium on superfine cashmere. Mercy Corps has collected 14 kg of raw cashmere samples from the herders in eight aimags and has delivered this to a potential buyer in Italy. The buyer will now test the samples, and all cashmere that is less than 14.5 microns (super fine) will be purchased from the herders at a premium of 30% above market price.

Mercy Corps clients sign contracts at tourism fair. The UB Tourism Fair was organized by the Mongolian Tourism Association on March 25th – 26th in Misheel Expo, UB. Five Mercy Corps clients from Arhangai, Dundgobi, Gobi-Sumber, Umnugobi and Zavkhan aimags participated in the fair, during which they entered into 19 new contracts with tour operators, valued at MNT 7,320,000 (\$6,283).

First forage maps for 2007 sent to 94 soum and aimag governors. Gobi Forage sent the first set of 4 maps to 94 soum and aimag governors with guidance on how to read them. The GIS-based maps provide information about current forage conditions and forecast conditions over the subsequent 60 days. These will be sent every month during the growing season and be accompanied by follow up trainings that will assist in rangeland decision making. Monthly radio bulletins will inform herders of rangeland conditions in their soums.

TV and radio dramas increase public understanding of vet care, tax laws, and business. Pact carried out monitoring activities for its 'Final Destination' television series and 'Direction' radio series in Gobisumber and Dundgobi aimags this month. Almost half of the 61 survey participants stated that 'Final Destination' had increased their knowledge of veterinary care and its importance and cited specific examples such as learning about livestock vaccinations, learning how to differentiate between real and fake medications, and understanding the value of a good vet clinic. Nearly one fifth of respondents stated that Direction had helped them better understand the new tax laws, with similar percentages said the show had increased their knowledge of business and herding.

The GER Initiative

CHF International

In April, GER helped to improve or expand 90 businesses, create 17 new startups, match 124 people to jobs, and generate 125 new job placements.

Training and Consulting. GER provided consulting and training to 748 clients in April. Most of the specialized trainings were in agriculture, including pig and rabbit production, berry and fruit tree production, greenhouse construction, insect control, seedling and soil preparations, and costing and pricing of vegetables.

Financial Services. GER facilitated 113 loans worth \$132,846 and 23 Capital Augmentation Fund (CAF) loans worth \$39,006. In addition, Khan Bank and GER organized a joint workshop for GER advisors and Khan loan officers to increase loan facilitation.

Information. GER provided information services to 653 clients this month. In UB and Erdenet, GER organized meetings with the Social Insurance Department and the Professional Inspection Office (PIO) for more than 130 clients. In Choibalsan the project organized a meeting with the Dornod Tax Office for 11 clients.

Linkages. The total value of sales and input linkages was more than \$35,000 for the month. This included an order for 720 uniforms for Boroo Gold valued at \$18,000 for 19 GER clients. The project established relationships with Brilliant LLC, Altan Gobi Co. Ltd., International Uranium Mongolia and MSM. In Darkhan, GER organized the annual Agricultural Trade Fair in collaboration with the Governor's Office of Darkhan Soum, the Food and Agriculture Department of Darkhan-Uul Aimag, Darkhan Chamber of Commerce and Industry, Khan Bank and Xac Bank. Forty-six businesses from Darkhan and Sukhbaatar participated. Total sales were \$12,475. The GER Erdenet office organized a trade fair for spring planting with the Orkhon agricultural extension center at the end of April, with total sales amounting to \$5,000

Business Associations. This month, GER provided services to 51 business groups, including four new groups in textile production.

Employment Services. GER matched 124 clients to jobs in April. Surveys show that 76% of long term matches stay in the job for at least one month and 47% are staying in the job 6 months or longer. GER organized two labor fairs in UB with partner organizations and participated in the Mongolian National Chamber of Commerce and Industry (MNCCI) labor fair. The project established new relationships with Erel Construction Company, Policom company, and Darkhan tushig uul Company. Fourteen employment clients in Choibalsan started a crane operation training provided by ND Udam training center and subsidized by GER. Twenty-six clients graduated from cashmere training and are now working at Goyo Cashmere Company.

Other. Regarding the GSP and handicrafts agreement, we met with the MIT representative to define what the next steps are in signing the agreement. She is working with the MNCCI to identify who is authorized to sign and stamp shipments. We will discuss with US Embassy Economic Officer. GER currently has four partner organizations who are ready to begin exporting handicrafts.

In Erdenet, GER participated in the opening of the GTZ regional economic development program Business plan contest. The goal of the contest is to support regional economic development through supporting entities to start and grow in Darkhan Uul, Orkhon and Zavkhan aimag with involvement and support of local partners – Chambers, Employers Association, Cooperative Training and Information Center, and Khan, Xac and Mongol Post Banks. In Erdenet, GER participated in the opening of the Orkhon Chamber of Commerce Business Development Center. In Darkhan, GER participated in the "Business owners' and clients' conference" organized by XacBank for its opening of a new building in Darkhan. In Sukhbaatar, GER participated in a conference called Obstacles and Challenges to Operating Small Business, which was sponsored by the Governor of Selenge aimag.

STRATEGIC OBJECTIVE #2
MORE EFFECTIVE AND ACCOUNTABLE GOVERNANCE

Judicial Reform Project (JRP)
National Center for State Courts (NCSC)

Police training will promote adherence to human rights standards. In April, the JRP brought a police expert to Mongolia to assess the training needs of police, particularly as regards protecting the rights of the accused, and to conduct training for officials from the General Police Department (GPD). The expert spent the first two weeks meeting with the leadership of the GPD, relevant legal institutions, and representatives of NGOs. He also visited the Baganuur, Bayangol, Bayanzurkh and the Khan-Uul District Police divisions and the Police Cultural and Community Center (Computer Skills Training Center) to conduct an assessment of potential candidates for pilot automation of case management by JRP. During the third week, the police expert conducted a four day training of trainers (ToT) on Human Dignity in Policing, which covered the following topics: the role of the police and its values; ethics and professionalism; characteristics and implications of abuse of power; ensuring the rights of juvenile offenders, victims, and witnesses in criminal proceedings; and ensuring human rights standards in criminal proceedings (right to respect, fair treatment, personal dignity, etc.). At the request of the Deputy Chief of the Special Investigative Unit (SIU – which investigates abuse of power by police, prosecutors and judges), JRP coordinated with the GPD to allow 5 SIU investigators to attend the training. The police expert also conducted a one and a half hour session for the SIU investigators on investigating crimes against juveniles.

Internet access improves communications for judges and rural courts. The JRP provided financial support in setting up e-mail hosting for chief judges and court administrators in response to a request from the General Council of the Courts (GCC). This will provide chief judges and court administrators a low-cost alternative for communicating with the GCC and for sharing experiences. JRP also connected an additional 10 aimag courts and 5 intersoums courts to the Internet through ADSL and dial-up connections.

JRP leads working groups to develop course on legal analysis and trial skills. JRP held the first meeting of a working group that will develop a new course on trial skills in criminal, civil, and administrative law. The course will be implemented at Otgontenger Law School this fall. JRP also held the first meeting of a working group that will be developing a legal writing manual that will assist law schools in teaching legal analysis to students. The manual will also be part of the practical skills course.

Posters tell civil servants to submit their financial declarations on time. The JRP distributed 400 posters on the Anti-Corruption Law to the new Anticorruption Agency's Public Education and Prevention Division. The Agency will distribute the posters to administrative offices throughout Mongolia to create awareness of the upcoming deadline for government employees to submit their financial declarations.

Mongolian Electoral and Parliamentary Support Project
International Republican Institute (IRI)

Women's seminar brings together leader and members of four main parties. In April, IRI conducted a seminar in Darkhan with the multi-party Women's Partnership in Politics and Governance. Some 130 participants representing women's organizations of the DP, MPRP, CWP and Motherland Party (from Darhan, Selenge, Orhon and Bulgan aimags) were in

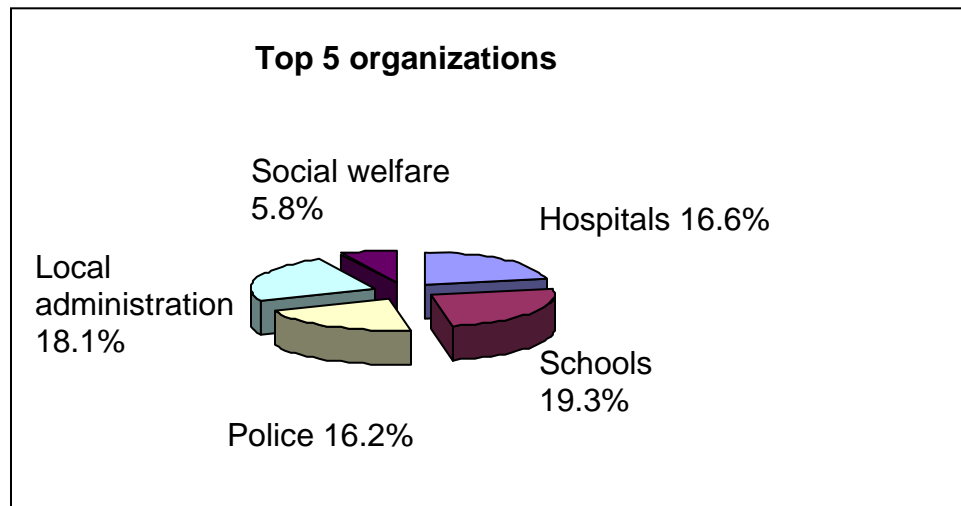
attendance. Presentations were made on Election Campaign Techniques, SGH and Local Election Laws, Campaign Fundraising, Image Perception of Female Candidates by the Electorate, Grassroots Campaigning and Campaign Media Relations. Some 8000 women's bulletins were printed and distributed at the seminar (with NED funds).

Female politicians learn from IRI Indonesia women in politics program. IRI Indonesia's Diana Bowen visited Mongolia in April to meet with the female members of Mongolia's political parties to discuss women in politics, grassroots campaigning and fundraising. Ms. Bowen met with representatives from four parties.

Mongolia Anti-corruption Support Project

The Asia Foundation (TAF)

Corruption hotlines provide means for citizen feedback on corruption. The Academy for Political Education (APE) continues to operate corruption hotlines in nine aimags in coordination with the ACA. The UB call center is staffed by three operators that field calls and refer them to the appropriate local government agency in the instance of reports of institutional corruption, and to the ACA in the instance of reports of individual corruption. Complaints of abuse of power and corruption continue to dominate the calls, with schools, provincial government officials, hospitals, police and social welfare offices among the top five reported to the hotline. In April, APE received 269 calls for a total of 1,671 calls since the hotline's inception. By region, Huvsgul (25.9%), Dundgovi (17.4%) and Uvurhangai (15.4%) received the most calls in April. Consistent with experiences in prior months, the top five complaints registered were associated with the following institutions:



Land officials attend anti-corruption course developed by TAF sub-grantee. Professors from the Management Academy conducted a training based on the Corruption curriculum developed by TAF sub-grantee Gender Center for Sustainable Development. Forty-five officials from the Administration of Land Affairs, Geodesy and Cartography attended.

Third corruption survey shows little movement on public perceptions. On April 26th, TAF presented the results of its third anti-corruption benchmarking survey at a press conference at the Academy of Political Education. Representatives from both government and non-government organizations were invited to speak, including Mr. Radnaased, Head of the ACA Prevention and Public Education Department, and Mr. Batsaikhan, Head of Income and Asset Disclosure. NGO presenters included Mr. Sumati from Sant Maral and Mr. Ganbat from APE. The third survey

results did not reveal any significant changes concerning public attitudes toward corruption. In contrast to Mongolia's temperamental politics, corruption attitudes have remained stable and consistent, with some slight improvements. Through all three surveys, around 90% of the sample population considers corruption to be common in Mongolia. The number of those who think that only government institutions are capable of fighting corruption fell from 61.1% to 53.1%, which is to say, the public views NGOs and themselves as having increasingly substantial roles to play. The same proportion of the population had paid a bribe over the three-month recall period. Bribes were again paid mostly (66.4%) for services to which citizens were entitled, with administrative level civil servants topping the list of recipients. These results track closely with hotline results. The proportion of respondents reporting that corruption had increased over the prior three years fell modestly, and sentiments regarding future prospects were also more positive.

Donor Coordination

In mid-April Transparency International established a local office for a pilot three-month period. The office will work to promote anti-corruption awareness and education in a variety of ways. TI staff are developing a work plan that it will circulate to donors for funding.

OTHER USAID/MONGOLIA PROJECTS

Eastern Steppe Living Landscape Project

Wildlife Conservation Society (WCS)

Policy and Action

WCS participates in GoM-Donor Technical Meeting. In April, WCS/USAID Eastern Steppe Living Landscape Project (LLP) staff attended the Government of Mongolia (GoM) and External Partners Technical Meeting and participated in the "Rural Development and Environment" working group sessions. The meeting was held to present and comment on the GoM's "National Development Strategy" and provided an opportunity to bring livelihood and wildlife conservation issues on the Eastern Steppe to the attention of national and international policy makers and the development community.

Conference focuses on preserving crucial habitat for birds and other species. On April 18-19, 2007, WCS/USAID LLP staff attended a workshop entitled Towards the Identification and Safeguarding of Important Areas of Natural Habitat in Mongolia, convened by the Mongolian Ministry of Nature and Environment and the World Bank and organized by BirdLife International and the Wildlife Science and Conservation Center. The focus of the workshop was on updating the current list of 41 Important Bird Areas (IBAs) in Mongolia and producing a list of additional IBAs which need to be investigated further. The WCS/USAID LLP project contributed significantly by providing data collected during the 2004 important bird area surveys of the Eastern Steppe and by providing information on bird counts, species and lakes surveyed during the 2005 and 2006 avian influenza field seasons. This information is considered key to understanding the potential impacts of development in Mongolia and will serve as a means of safeguarding key areas for birds, wildlife and overall biodiversity in the Eastern Steppe region and beyond.

WCS outputs to be key components of national action plan for conservation. On April 19th the WCS/USAID LLP staff attended a meeting called by WWF-Mongolia and The Nature Conservancy (TNC) to discuss and coordinate conservation activities on the Eastern Steppe. WCS Country Director, Amanda Fine, will serve on the steering committee of this initiative which is designed to assist the Ministry of Nature and Environment and the Government of Mongolia in

the creation of a “National Program of Action” for conservation of the Eastern Steppe region. Outputs from the Eastern Steppe LLP will be key components of this conservation action plan.

Living Landscapes Program (LLP)

In April the WCS/USAID Eastern Steppe LLP team finalized the conservation landscapes for three of the Eastern Steppe Landscape Species: the Mongolian Gazelle, Saker Falcon and White-Naped Crane. The Mongolia LLP program will present the models and conservation landscapes for the Eastern Steppe at a semi-annual Living Landscapes Program conference in New York in May. The models are used to set specific targets levels (population levels) for selected Eastern Steppe Landscape species and design conservation interventions and actions that address the threats currently facing these wildlife populations. The Landscape Species Approach is a conservation planning tool used to identify conservation opportunities and priorities based on the diverse ecological needs of key wildlife species and the geographic location and severity of wildlife/human conflict.

Avian Influenza-GAINS

The WCS avian influenza team conducted a preliminary field survey on April 6-17 in Central Mongolia. The team focused on Erkhel Lake in Hovsgol Aimag, where highly pathogenic avian influenza (HPAI) was confirmed in wild migratory birds in 2005 and 2006. The team completed a live bird survey of the lake and removed and buried any dead birds from the previous season in preparation for the season-long (May until October) monitoring that will be conducted at Erkhel Lake in 2007. The team also surveyed a complex of lakes in the Darkhat Valley region of Hovsgol Aimag, where they plan to capture live migratory water birds in 2007 for avian influenza sampling, marking and release. This work is being conducted in collaboration with the Mongolian State Central Veterinary Laboratory and the Ornithology Laboratory at the Biology Institute of the Mongolian Academy of Sciences. The work is funded by USAID as a component of the WCS Global Avian Influenza Network for Surveillance (GAINS) program. Through these efforts WCS is contributing to the implementation of Mongolia’s “Strategy for Prevention and Preparedness for Avian Influenza” drafted in 2006/2007.

Training, Advocacy and Networking (TAN) Project *Mercy Corps International*

Training of the Trainers (ToT). Marketing training was organized for 28 ToT trainers in Arkhangai, Bulgan and Khenti aimags. After the training, ToT trainers conducted a marketing survey of over 120 people and found that the most likely users of the training services include government agencies, NGOs, various community groups, secondary schools, students and children. They also found that the types of training that are most in demand are communication skills, management, laws and legislation, use of the internet, English, ethics, customer relations, income generation, accounting, and health and beauty. Moreover, individuals are prepared to pay Tg 3000 (\$2.58) per day for training, while agencies could pay Tg 5000-8000 per day (\$4.30-6.88). The trainers are now planning to advertise their services via TV and radio.

Participation Research and Technical Assistance. TAN project officers and a participation consultant traveled to Bulgan, Arkhangai and Khenti aimags to support the activities of working groups that were established to promote citizens' participation. This was the third time the working groups, which consist of CSO, government and khural representatives, have met since December of last year. In Bulgan aimag, all 11 representatives of the working group attended the meeting. Moreover, members of Citizens' Representative Khural (CRK – provincial legislative body) met separately and made the following changes to Khural by-laws, based on the Participation Research recommendations and subsequent discussions:

- The CRK will seek public input on issues or decisions it makes;

- Citizens or CSO representatives can be involved in CRK working committees, and citizens can be invited to discuss certain sector issues;
- Government, non-government organizations, citizens, and private entities can propose issues to be discussed at CRK meetings;
- CRK representatives will organize meetings every quarter with the staff of government organizations;

TAN plans to cooperate with Peace Corps. TAN Mongolia plans to submit a proposal in cooperation with the Peace Corps to Nike Corporation to support community mobilization efforts. The project would match existing funding and would focus on environmental protection activities, HIV/AIDS awareness and promotion of sports and a healthy lifestyle. Project proposals are being collected from aimags, and these will be collated into one proposal for Nike.

Eccentric road race will raise funds for TAN. Mercy Corps Mongolia was chosen by Mongol Rally as a single recipient of the funds that the organization aims to raise this year. The rally is an adventure travel event in which participants drive one-liter cars from London to Ulaanbaatar to raise money for various causes. Last year, Mongol Rally provided funds for eight community mobilization projects implemented by TAN.