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COMMON COUNTRY ANALYSIS 2021

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Photo by D.Davaanyam

EXECUTIVE SUMMARY



The United Nations Country Team (UNCT) in Mongolia launched the Common Country Analysis (CCA) exercise to identify the key challenges and gaps in implementing the 2030 Agenda for Sustainable Development and the top strategic priorities to accelerate the development progress of Mongolia. The CCA serves as an analytical tool for the UNCT and prepares the ground for the setup of a new framework for sustainable development cooperation between the United Nations and the Government (UNSDCF) in 2023-2027. The CCA analyzes the historical trends to provide understanding of the development trajectory and structural challenges, and the most current data to reflect the implications of the COVID-19 pandemic to Mongolia. Therefore, CCA is a forward-looking document mainstreaming the key guiding principles of the UNSDCF, including leave no one behind, human rights based approach, gender equality and women's empowerment.

Mongolia had made significant strides towards sustainable development. The country has established the institutional mechanisms to oversee implementation of the SDGs and adopted its long-term vision document that, along with its international human and labour rights commitments, provides a roadmap for achievement of the sustainable development in the country. The country held the parliamentary elections in June 2020 with a new government formed. However, the government had to resign following the peaceful protests in January 2021 which led to changes in the Cabinet. The new government that includes leaders from a younger generation, from the same ruling Mongolian People's Party, demonstrated more decisive actions to address the COVID-19 crisis as a

broader and integrated challenge using a combination of containment policies and economic recovery policies in addition to already existing social welfare measures. Yet, structural weaknesses, including governance challenges, continue to be persistent and threaten progress towards the SDGs achievement.

Despite efforts in maintaining macroeconomic stability after the economic difficulties in 2016-2017, Mongolia's economic growth has been volatile and remained factor driven. The high dependency on instable mining sector and mineral resources endowment at the cost of very few job opportunities and value addition in non-mining sectors has made the country vulnerable to shocks, such as the decline of copper and coal prices and inconsistent demand from China. Unemployment remains high and quality of available jobs is low, leading many rural households to move to the urban areas and many young and educated Mongolians to work abroad. Debt vulnerability is amongst the highest in Asia and the Pacific region, posing risks to the country's financial sustainability. The added pressure brought about by the pandemic has further compounded the macroeconomic environment, and impacted livelihoods and social wellbeing.

Since early 1990s, Mongolia gradually made great inroads towards democracy with a vibrant civil society and relatively free media. However, these have been undermined by political instability and significant systemic and structural challenges. Government institutions are challenged by weak accountability mechanisms, while effective administration of justice is hampered by limited institutional capacity and the limited application of the rule of law. Pervasive corruption and allegations of

mismanagement of public funds continue to permeate. Despite the acclamation of the elections being peaceful, they are still characterized by heightened political tension, and diminishing social cohesion. The government's strict restrictions related to the pandemic have also caused frustrations in the Mongolian society, raising concerns around fundamental rights and freedoms.

Climate change is one of the key factors that threatens sustainable development in Mongolia. The projected increase in the frequency and severity of climate related natural disasters, such as dzuds, droughts, floods, windstorms and sand and dust storms, is expected to have an adverse impact on agriculture and livestock, water and land resources, infrastructure development, human health, well-being and survival, and often causing displacement as for many people migration remains the preferred coping mechanism. While the Government announced the new ambitious carbon emissions targets, the current fossil fuel subsidies continue to encourage overconsumption of coal and investment in renewable energy and green development remains at a very low level. Mongolia suffers from heavy air and water pollution, especially in its urban areas, affecting public health, in particular children and maternal health, and results in an increase incidence of respiratory and cardiovascular diseases. Also, the livestock population tripled since the nineties when Mongolia embarked on market economy. It vastly exceeds the carrying land capacity and has resulted in severe overgrazing and land degradation that highlights the urgent need for better livestock management.

Despite strides towards social inclusion, more than a quarter of the Mongolians remains monetary poor, food insecure and the most vulnerable groups continue to face barriers in accessing social services,

including education, health, food, sanitation services, protection from harm and violence, public representation, and public infrastructure. Intergenerational transmission of poverty and vulnerability remains as major concern and children are consistently more likely to be found poor both monetary and other deprivation dimensions. Rapid uncontrolled urbanization caused the expansion of ger areas^[1], which represent structural concentrations of poverty and vulnerability. Since 2015, there has been stagnation in prevalence of undernourishment and food insecurity levels despite positive economic growth. While Mongolia is outperforming its regional peers on gender development indicators, female participation in labour force and politics is relatively low. COVID-19 has further increased already high inequality in income, wealth, and access to education which risks becoming long-lasting legacies of the crisis. The pandemic also exacerbated the challenges of the marginalized groups who are most at risk of being left behind, including children; women and girls; persons with disabilities (PWDs); youth; ethnic minorities; residents of ger area; informal workers; victims of trafficking; and stranded and unregistered migrants, impeding their participation and contribution to the country's sustainable development.

The interconnected nature of the political, economic, social and environmental challenges necessitates a multi-dimensional and well-coordinated approach to accelerate progress towards the sustainable development. The structural challenges and underlying causes of poverty and inequality in Mongolia need to be addressed in a decisive and sustainable manner during the Decade of Action, while ensuring inclusion of the most vulnerable populations.

The COVID-19 pandemic worsened the underlying challenges of sustainable devel-

1 Fringe sectors of the capital Ulaanbaatar and other urban areas in Mongolia where internal migrants tend to settle.

opment in Mongolia, by pushing the government to prioritize financial resources for the immediate health and socio-economic response^[2], which have significantly reduced a fiscal space for development investments. Yet, it also created opportunities for economic diversification, digitalization, regional cooperation, improving emergency preparedness of education and health sectors. The Vision-2050 provides a framework for the Government of Mongolia and its partners to implement strategic and inclusive programmes in a better integrated and coordinated way and in line with the SDGs, with availability of adequate financial resources and monitoring mechanisms. Success of the SDG implementation will also depend on further commitment to improve governance and increase institutional capacity to deliver on the adopted laws and policies and ensure that no one left behind, as well as engagement of all relevant stakeholders, including all levels of government, parliamentarians, private sector, civil society, workers' and employers' organizations, development partners and stakeholders, to ensure that the Mongolia's development path is sustainable and leaves no one behind.

2 Overall, investments in human rights and social protection during shocks provide a solid foundation for recovery and help mitigate the challenges of sustainable development. For example, a study of 8 countries shows that an investment of 1% of GDP in social protection policies has a multiplier effect on GDP of between 0.7 and 1.9. Development Pathways 2021, INVESTMENT IN SOCIAL PROTECTION AND THEIR IMPACTS ON ECONOMIC GROWTH



Photo by D. Soyolmaa /
UNRCO Mongolia

INTRODUCTION



The United Nations Development Assistance Framework for Mongolia 2017-2021 was extended until the end of the year 2022 by the request of the Government of Mongolia and the UN Country Team due to the COVID-19 pandemic. The new UN Sustainable Development Cooperation Framework (UNSDCF) covering 2023-2027 will be designed during the end of 2021 and early 2022. The UN Country Team initiated its new generation of the CCA aiming to serve as a core integrated analytical tool for the UN development system in Mongolia. The UN Country Team in Mongolia has established an Inter-Agency Task Force for CCA preparation (Annex 1), including technical senior officers from resident and non-resident UN agencies, that has collected relevant background documentations, information and data required for desk review from both UN and non-UN sources; provided substantive inputs to the relevant CCA chapters and ensured the quality, in terms of reviews and comments with evidences, analytical support and recommendation on the draft; and secured effective engagement and participation of in-house UN experts. The current CCA version reflects several rounds of extensive consultations and discussions among the CCA Taskforce and UNCT members, including both resident and non-resident UN agencies. The CCA was developed keeping in focus the Guiding Principles for the UNSDCF - a human rights-based approach, gender equality and women's empowerment, resilience, accountability, sustainability and leave no one behind

This CCA has been prepared based on the desk review of existing data sourced from the strategic documents of the UN entities, reports from the country's international commitments, national strategic

documents and, key knowledge products of international organizations, among others. UNCT had consultations with the World Bank and the Asian Development Bank (ADB) on their strategic plans to support the country in coming years, which have been used to inform the current document, specifically, stakeholders and partnerships analysis. The CCA incorporates results of the UN-75 national dialogues in July-September 2020 involving representatives from government, private sector, CSO, academia, youth, older persons, people with disabilities, herders and local communities. In addition, virtual consultation was held with the key government counterparts including the National Development Agency (NDA) as a main government body that oversees nationalization of the SDGs and the National Statistics Office (NSO) that ensures SDGs data availability for results monitoring in Mongolia. The CCA also extensively consulted the reports and studies of the international financial institutions (IFIs) and other development partners. A core output of the CCA process was also to establish a UNCT Data and Analysis Repository, which would provide source materials for more frequent analytical products as well as generate evidence that is responsive to emerging needs and changing conditions in the country.

The new generation of the CCA reflects the integrated nature of the SDGs, key thematic aspects in terms of trends and risks opportunities and challenges for achieving them. These thematic aspects were analyzed under the main four pillars of the sustainable development on economic, social, environmental and governance. During the preparation of the CCA, UN Mongolia identified prioritized nine vul-

nerable groups and focused group discussions (FGDs) were held with seven groups to identify challenges and root causes of their vulnerabilities. The detailed reports of the FGD with LNOB groups are attached in Annex 2. The UNCT intends to identify the underlying structures and root causes of obstacles and gaps such as gap between policy intent and implementation, revealing silos in policy planning and budgeting for implementation of SDGs in Mongolia. To meet the ambition of successful achievement of the SDGs in Mongolia, the CCA examined the country's financial landscape to identify the greatest opportunities for redirecting resources towards sustainable development. The CCA identified multidimensional risks that could impact the development trajectory of the country, covering a full spectrum of development, humanitarian and human rights issues. Additionally, the CCA took into account the multiple assessments available on the impact of COVID-19 on the lives and livelihoods of people, as carried out by various stakeholders in their respective areas of mandate, as well as the UN Socio-Economic Response Plan (SERP) to COVID-19.

The CCA is not a one-off event, it will rather be a continuous process to inform the UN system in Mongolia on tracking dynamic changes in the development process in the country. This first new generation of the CCA will inform the preparation of the new UNSDCF, and is envisaged to present the CCA findings to wider stakeholders during the prioritization exercise for preparation of the new UNSDCF.

PROGRESS TOWARDS 2030 AGENDA AND SDGs IN MONGOLIA

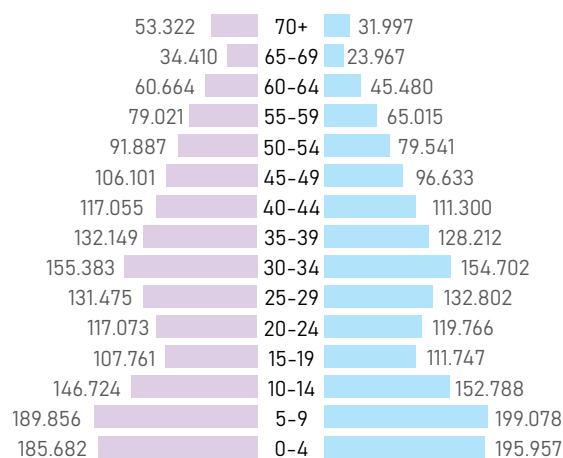


3.1 OVERVIEW OF POPULATION GROUPS (AT RISK OF BEING) LEFT BEHIND AND MAIN DRIVERS OF EXCLUSION

By 2020, Mongolia has a total population of 3,357,542^[3] inhabiting a territory of over 1,566,500 square kilometres, making it the lowest densely populated country in the world^[4]. The country's population settlements are extremely unevenly distributed. About half of the total population lives in Ulaanbaatar, a capital city that was originally built for a population of about 300,000 people^[5]. The other half lives in lightly settled nomadic communities in rural areas. There is relative gender parity of 1:1 between males and females across age groups (Figure 3.1.1).

The Mongolia's demographic structure was dramatically affected by rapid decline in fertility rate during the economic transition in 1990s, which increased only in 2005 due to the government pro-natalist policies. As a result, in 2020 the population under 14 age constituted the largest proportion at almost 32 percent while the current cohort of 15-24 age accounted for approximately 15 percent. Overall, Mongolian population is highly affected by various shocks. During the five years preceding 2018, 36 percent of the population was affected by any one or more types of shocks^[6]. However, demographic imbalances, geographical locations, eth-

Figure 3.1.1: Mongolia's population distribution by 5-year age groups



Source: National Statistics Office, 2020

nicity, access to services and sources of livelihoods, which are interrelated, create multiple deprivations for certain groups of population and challenges in meeting the country's pledge of leaving no one behind (LNOB).

The UNESCAP analysis^[7] shows that the furthest behind groups generally belong to the bottom 40 of the wealth distribution and often live in rural areas or have

3 National Statistical Office of Mongolia (n.d). *Population*. Retrieved from <https://www.1212.mn>

4 *Population Density Mongolia*. (n.d.). Retrieved from <https://www.populationpyramid.net/population-density/mongolia/2020/>

5 ADB. (June 2020). *Mongolia's Economic Prospects*. Retrieved from <https://www.adb.org/publications/mongolia-economic-prospects>

6 The World Bank. (2020). *Policy Note: Maximizing Returns on Human Capital Investment in Mongolia*.

7 ESCAP. (2021). LNOB in Mongolia. *Social Development Policy Paper*. Retrieved from <https://www.unescap.org/resources/leaving-no-one-behind-lnob-country>

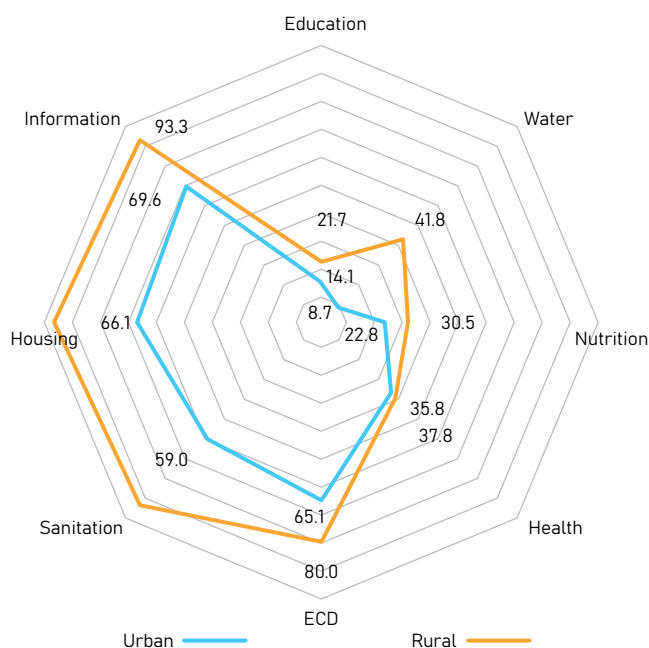
lower education. Additionally, a review of the available UN analytical documents, including the Socio-Economic Response Plan for COVID-19, focus groups discussions (FGD) with the LNOB groups identified in the 2019 Voluntary National Review (VNR)^[8], and the state and non-state stakeholders as well as analysis of international human rights reporting and respective recommendations and the ILO supervisory bodies (Annex 3) suggests that the groups, who are most at risk of being left behind are the following:

3.1.1 CHILDREN AND ADOLESCENTS

Two in five poor people in Mongolia are children under the age of 15, which means that poverty is highly associated with the number of children and dependency ratio, reflecting the inadequate number of income earners to support the children at home and undermining prospects for human capital formation. In addition to monetary poverty, child deprivation is high in many dimensions, highest in access to information, housing, sanitation and ECD and the deprivation headcount ratio is especially high for rural children (Figure 3.1.2). Approximately two in three children simultaneously experience at least three deprivations, with significant variations by wealth quintile and location. Children in the poorest quintile are deprived in 4.3 dimensions, while children in rural areas face 3.8 deprivations on average.

The child labor rate of 17 percent has not changed since 2013. There is a serious concern that children continue to be engaged in dangerous and hazardous work, notably in agriculture, mining, construction and horseracing. Particularly, children continue to be used as jockeys, which exposes them to risks such as physical and mental abuse by horse owners, school dropout, injury and death. FGDs with the

Figure 3.1.2: Deprivation headcount ratio for children age 0-17 years by dimension and area, %



Source: MLSP & UNICEF, Multiple Overlapping Deprivation Analysis of Children in Mongolia, 2021

local authorities reveal that the issue of assigning children as jockeys is more a matter of financial interest between parents and horse trainers than a matter of heritage, which urges the need to increase responsibilities and accountabilities of parents and horse trainers. The Committee on the Rights of the Child urges enforcement of the prohibition of participation of children under 16 years of age in horse races that was removed from the national legislation in 2017^[9]. FGDs with adolescents show that during school closure and shift to online learning due to the COVID-19 pandemic, many teenagers in rural areas, in addition to helping with herding, also worked at construction sites and engaged in trade services, hence failing to timely complete assignments, skipping classes, and being injured or working hard under unsafe conditions, especially

8 United Nations Department of Economic and Social Affairs. (2019). *Mongolia: Voluntary National Review Report*. Retrieved from <https://sdgs.un.org/documents/mongolia-2019-vnr-report-english-24388>

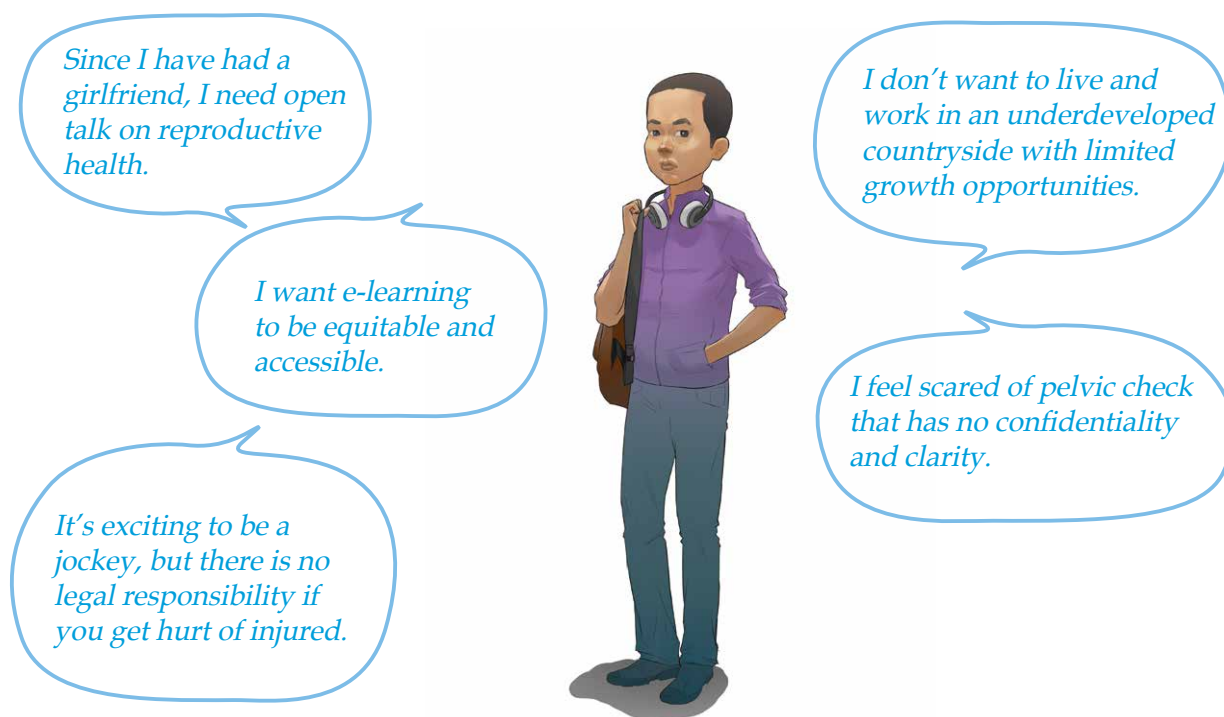
9 UN. Committee on the Rights of the Child. (75th sess.:2017: Geneva). *Concluding observations on the fifth periodic report of Mongolia*. CRC/C/MNG/CO/5 (CRC 2017)

boys working as construction assistants.

Violence against children significantly increased in 2020. Number of reports to the Child Helpline on violation of child rights to protection including abuse, exploitation, violence and neglect has increased significantly. For example, number of reports requiring case management services increased from 3,407 in 2017 to 9,192 in 2020. Number of victims and survivors of violence against children and domestic violence who were accommodated in the One Stop service centres and protection shelters increased from 1,875 in 2019 to 3,472 including 2,019 children in 2020. About 1,000 children without adequate parental care live in residential care facilities. In addition, many more cases are directly reported to and/or identified and handled by the multi-disciplinary teams, district and provincial departments for children and families, health facilities and schools. Although, the government has been making efforts to strengthen the protective environment for children, there are still gaps in

laws and practice that must be addressed for provision of a continuum of child protection services across Social Welfare, Justice, Health and Education for better protecting the children, strengthening social service workforce for child protection including formalization of social work supervision and licensing procedures and roll out of case management and referral systems. This has been linked to the prolonged stay of children at home due to school closures during the COVID-19 pandemic and is observed to be causing more relationship problems between parents and children. Harmful alcohol use is a risk factor across all types of interpersonal violence including violence against children and women, which require effective strategies and interventions for lowering levels of drinking in the population by reducing alcohol availability and increasing alcohol prices and for reduction of violence by improving connections between child welfare services and alcohol treatment services.

Figure 3.1.3: Children's Voices from the Focus Group Discussions



In addition, child protection violations are pervasive in the digital environment with social media platforms accounting for the largest share of screen time as well as the default platform for sexual solicitation and exposure to sexual content. Mongolia is currently the first in Asia and 49th in the world in terms of highest number of Facebook accounts. This is alarming figure given the low population in Mongolia^[10]. Children have been shouldering the burden of dealing with the increasing incidence largely by themselves; they have greater risk awareness than parents or professionals but are reluctant to report out of shame, fear, and the disregard of children's voice. Parents are insufficiently aware of the online-offline relationship and associated risks including grooming and other forms of exploitation. To address risks and harms linked to children's use and offenders misuse of digital technologies, there is a need for increased understanding and familiarity of Child Sexual Exploitation and Abuse (CSEA) issues by the government, industry, parents and other caregivers and educators, children and young people. Also, investigation and prosecution of the newer CSEA-related offences has been impeded by lack of familiarity on the part of law enforcement and prosecutors. Lack of digital forensic capacity and lack of a legal basis for data preservation and retention are also significant law enforcement challenges^[11].

The quality of education has become a major concern in the sector over the past decades, starting from the primary level. MICS 2018 indicated that only 33 percent of girls and boys attending grade 2 and 3

have foundational numeracy skills while the percentage hits 44 percent for reading skills. The situation is even more serious for children from ethnic minorities as they are often tend to be left out^[12]. Children from herder families in remote areas, children with disabilities and those with less parental care are at the highest risk of being left behind in terms of learning during distance learning.^[13]

There is also a huge gap between rich and poor households in access to formative pre-school education crucial for children's development, with a low enrolment rate of 48 percent for the poorest quintile, versus 69 percent for the richest quintile. The number of pre-school institutions seems also below the needs, with only 1435 institutions and 7843 teachers in 2018 for about 405 thousand children aged 2 to 6, hence a ratio of about 52 children per teacher^[14]. The nomadic and pastoral children are deprived of quality educational opportunities because of multiple social, cultural and economic factors^[15].

3.1.2 WOMEN AND GIRLS

One in every two women experiences gender-based violence at least once in their lifetime, while one in every three had suffered violence in the year prior to the survey^[16]. Gender-based violence are visible and serious concerns during the lockdown due to the COVID-19 pandemic. Domestic violence cases which increased by 30 percent in the first half of 2020 compared to the first half of 2019^[17]. This particularly relates to the number of serious crimes due to domestic violence that increased by 15.5 percent in 2020 comparing to 2019.

10 UNICEF Mongolia. (2019). *Situation Analysis: Understanding Integrated Adolescent Development in Mongolia*. p. 109.

11 UNICEF. (2019). *Situation Analysis on Risks and Responses to Child Sexual Exploitation and Abuse*.

12 UNICEF. (n.d.). *Mongolia Social Indicator Cluster Survey 2018 – Infographic*.

13 UNICEF Mongolia. (2020). *Assessment of the Effectiveness of TV lessons*.

14 The World Bank. (2020). *Policy Note: Maximizing Returns on Human Capital Investment in Mongolia*.

15 UNESCO. (2019). *Global Education Monitoring Report -Mongolia Case Study-The evolving education needs, Realities of Nomads, and Pastoralists*. Retrieved from <https://unesdoc.unesco.org/ark:/48223/pf0000266056>; UNESCO (2019). *Global Education Monitoring Report*. Retrieved from <https://en.unesco.org/gem-report/report/2019/migration>

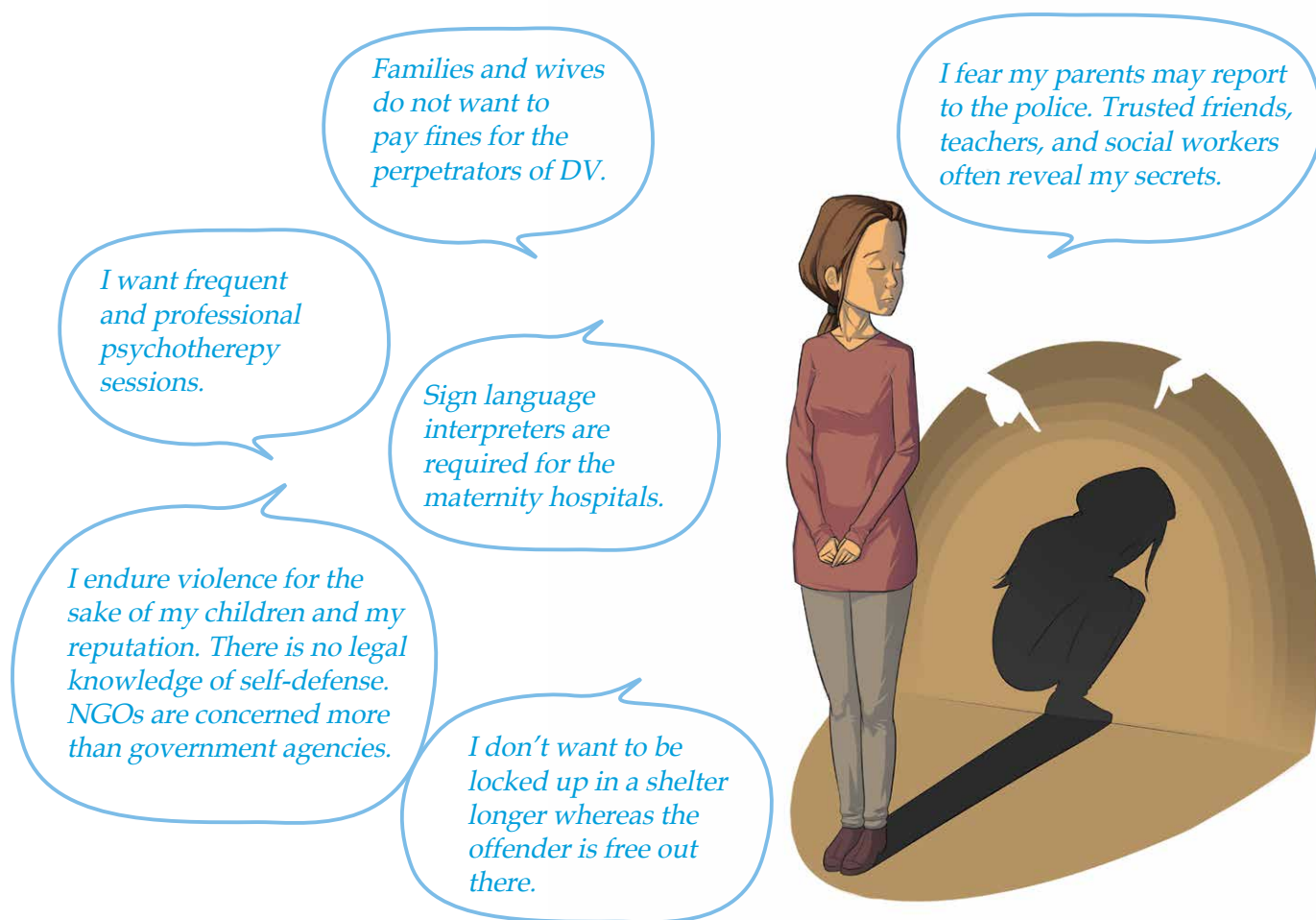
16 National Statistics Office of Mongolia and the UN Population Fund. (June 2018). *2017 National Study on Gender-based Violence in Mongolia*.

17 UNICEF. (2020). *No More: End Gender-based Violence at Home, in the Workplace, and in Public Spaces: 16 Days of Activism against Gender-based Violence*. Retrieved from <https://www.unicef.org/mongolia/press-releases/gender-based-violence>

Although number of reports on minor misconduct has decreased, it is linked to limited opportunity to report of minor acts of domestic violence to the police as survivors must stay under the control of perpetrators during the strict lockdown periods. According to the National Police Agency data, nature of the domestic violence became more violent and a new pattern was seen where women tend to harm themselves and their partners. Whilst there is the Law on domestic violence in Mongolia adopted in 2017, the government has not allocated sufficient funds to enforce the law on domestic violence^[18]. According to

the UNFPA study, Mongolia annually loses MNT 601.2 billion because of intimate partner violence. Survivors of intimate partner violence tend to receive 35 percent fewer wages than non-victims as absenteeism and other physical and psychological challenges can impact their performance at work. This is the significant yet invisible productivity loss to the economy due to this violence that amounts to an estimated MNT 540.65 billion, or 1.68 percent of the 2020 GDP^[19]. There is also a prevalence of harassment and violence at workplace, which should be addressed by labour law enforcement.

Figure 3.1.4: Women's Voices from the Focus Group Discussions



18 Civil Society parallel or spotlight report on indicator 16.2.2. (n.d.). Retrieved from <https://action4sd.org/>

19 UNFPA. (2020). *GBV Economic Costing study*.

Young women and girls face reproductive health challenges. The adolescent birth rate (births per 1,000 women aged 15-19 years) was estimated at a striking 31 in 2019^[20], which was almost 3 times as high as in Europe. The rate is particularly high in Central and Eastern regions, estimated at 51 and 89 per 1,000 girls, respectively. It can be attributed to the higher unmet need for family planning in this group (32 percent) in comparison with the national average of 23 percent, and low awareness about sexual and reproductive health. In schools and dormitories, girls are made to undergo mandatory sexual health check-ups despite objections voiced by local human rights organisations in the aimag. The proportion of females aged 20-24 married or in a sexual union before the age of 18 has been increasing, including increase in early marriage from 5.2 percent in 2013 to 12 percent in 2018. Almost 80 percent of young people cannot identify the HIV-related misconceptions^[21].

While Mongolia is outperforming its peers in East Asia and the Pacific on Gender Development Index and has 91.5 percent of adult women who have reached at least a secondary level of education compared to 86.1 percent of their male counterparts, female participation in labour force is lower at 53.4 percent compare to 68.3 for men^[22]. Boys, especially in rural areas, tend to leave school earlier to help their family financially, while girls are more likely to study for longer and attain a higher level of education. However, 46.7 percent of working-age women (aged 15 and over) are still economically inactive and female labor force participation has barely improved over the last decade^[23]. Lower labor participation rates reflect in part a trade-off between household and market work: women in Mongolia are the

primary caregiver for children as well as the primary household member responsible for other domestic work. Gender norms related to household work typically reduce the amount of time that women can devote to labor market activities and impact the type of labor market activity that they can be involved in. Wealthier females are more likely to participate in labor force, partly because female workers from the better-off households can more easily afford childcare services and their high education and skillset can meet the labor market needs for better-paying jobs. Likewise, in the countryside, female participation tends to be high since they can do agricultural work and meet family responsibilities at home. In contrast, in the urban areas where industry and services sectors dominate, female participation is lower, in part because many services and industry sector jobs are located away from home and are difficult to combine with family responsibilities^[24].

The COVID-19 pandemic has led to job losses in several sectors and labor force participation rate marked the lowest level in a decade (Figure 3.1.5), particularly affecting women. The rise in unemployment was faster for women than for men (Figure 3.1.6). More women dropped out of the labor force, thus reducing the number of women actively seeking jobs due to increased household and childcare responsibilities caused closure of kindergartens and schools^[25]. The pandemics mostly affected informal workers and small businesses due to consecutive lockdowns from November 2020. Particularly, women entrepreneurs reported increase in their unpaid domestic and care burdens due to school closure, with children sharing the care burden for their younger siblings or more likely to care for themselves and be

20 National Statistics Office of Mongolia. (2020). *Inequalities in income and expenditure risks on inequalities*.

21 *Ibid.*

22 National Statistics Office of Mongolia (2019). *Data*. Retrieved from 1212.mn

23 The World Bank and National Statistics Office of Mongolia. (2018). *Poverty Update*.

24 *Ibid.*

25 The World Bank. (Feb 2021). *Mongolia Economic Update*.

Figure 3.1.5: Change in employment (Q3 2020–Q3 2019, y/y percent change)

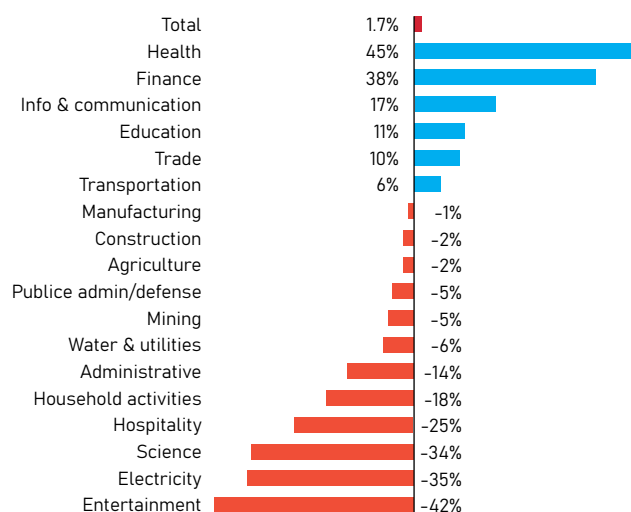
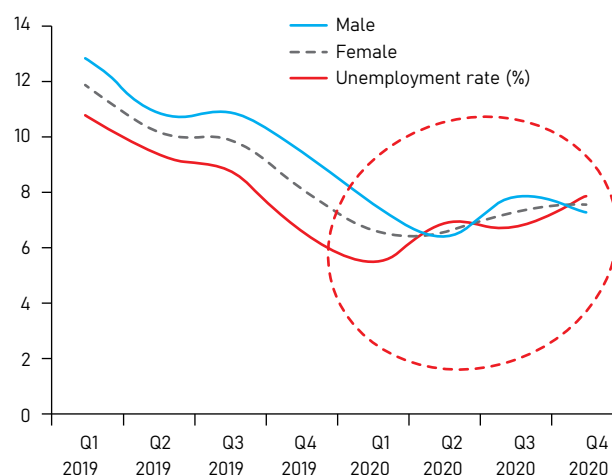


Figure 3.1.6: Unemployment rate by gender



Source: World Bank, Mongolia Economic Update, February 2021

more independent, with some also helping in packaging products for sale^[26]. Also, women make up 82 percent of all health workers in Mongolia being exposed and exposing their dependents to high risks of the COVID-19 infection^[27].

Overall, Mongolia has a unique history of gender dynamics that requires an understanding of gender norms as an outcome of the complex interaction between hegemonic nomadic cultures and the modern state. Nomadic communities practice a patriarchal system where men own and control their main wealth, i.e. livestock, while women are the primary care-givers of the family offspring. These norms are still largely adhered to within the domestic space. However, state policies during the socialist and post-socialist periods have created new manifestations of gender inequality. While education is the pathway to formal employment, thereby enabling the socioeconomic mobility of women in the public space, gender norms in traditional

spheres have never been adequately challenged. This has led to a double burden on women and girls, and has marginalized men within the family unit^[28]. According to the national statistics, out of total 86,525 single-headed households 70,304 (82 percent) households are reported as headed by female, and only 16,221 (18 percent) households headed by male^[29].

3.1.3 PEOPLE WITH DISABILITIES

People with disabilities estimated at 106,400 people (2020), out of which 55.4 percent are men and 44.6 percent are women^[30], remain the most marginalized and vulnerable group of population. The number of persons with congenital disabilities increased by 13.9 thousand or 37.7 percent since the 2010 census. It may indicate results of enhanced screening efforts and also that for the last 10 years, more children were born with disabilities due to air, environmental pollution and other factors.

26 The Asia Foundation. (2021). COVID-19 Impact Assessment on Micro and Small-scale Women Business Enterprises in Mongolia.

27 UNDP/ADB. (Mar 2021). Covid-19 Impact on Women and Girls in Mongolia study. Retrieved from <https://www.mn.undp.org/content/mongolia/en/home/library/-covid-19-impact-on-women-and-girls-in-mongolia--study.html>

28 UNICEF Mongolia. (2020). Family and Fatherhood: A Gender-Transformative Approach.

29 National Statistical Office of Mongolia. (n.d.). Retrieved from <https://www.1212.mn>

30 National Statistical Office of Mongolia. (2020). Population data. Retrieved from <https://www.1212.mn>

People with disabilities are still stigmatized and thus marginalized in Mongolian society, owing to a) negative cultural and religious beliefs on disability that are common to many parts of Asia and b) the dominant medical discourse of impairment that problematizes all forms of disability, which fuel the belief that one's work capacity and well-being is permanently reduced if not cured. The exclusionary social norms further exacerbate a sense of shame borne by parents of children and adolescents with severe disability, who often prefer to keep them at home either to protect them or 'hide' them, especially if they have a severe disability. Further, disability intersects with gendered risks and vulnerabilities, with women and girls with disability more at risk of experiencing gender-based violence especially sexual violence, being denied basic freedoms and access to services^[31].

Children and adolescents with disabilities are often unable to attend school due to physical access barriers^[32]. Studies show that the likelihood of a child with disability not attending school increases with increasing distance between home and school. For example, the physical inaccessibility to toilets within schools was a concern for adolescents that have difficulty walking or are using a wheelchair. Students with severe disabilities are often made to undergo costly medical assessments to determine whether or not they

are 'fit' to learn. Even when they are able to enroll, FGDs have revealed that students with disabilities face systemic discrimination and emotional and physical abuse by their non-disabled peers tolerated by teachers and social workers.

While there is the legislative requirement for public and private entities with more than 25 personnel to have 4 per cent of personnel consisting of persons with disabilities, the sanctions for non-compliance are not commensurate and result in most of such entities choosing to pay the low fines for non-compliance rather than employ persons with disabilities.

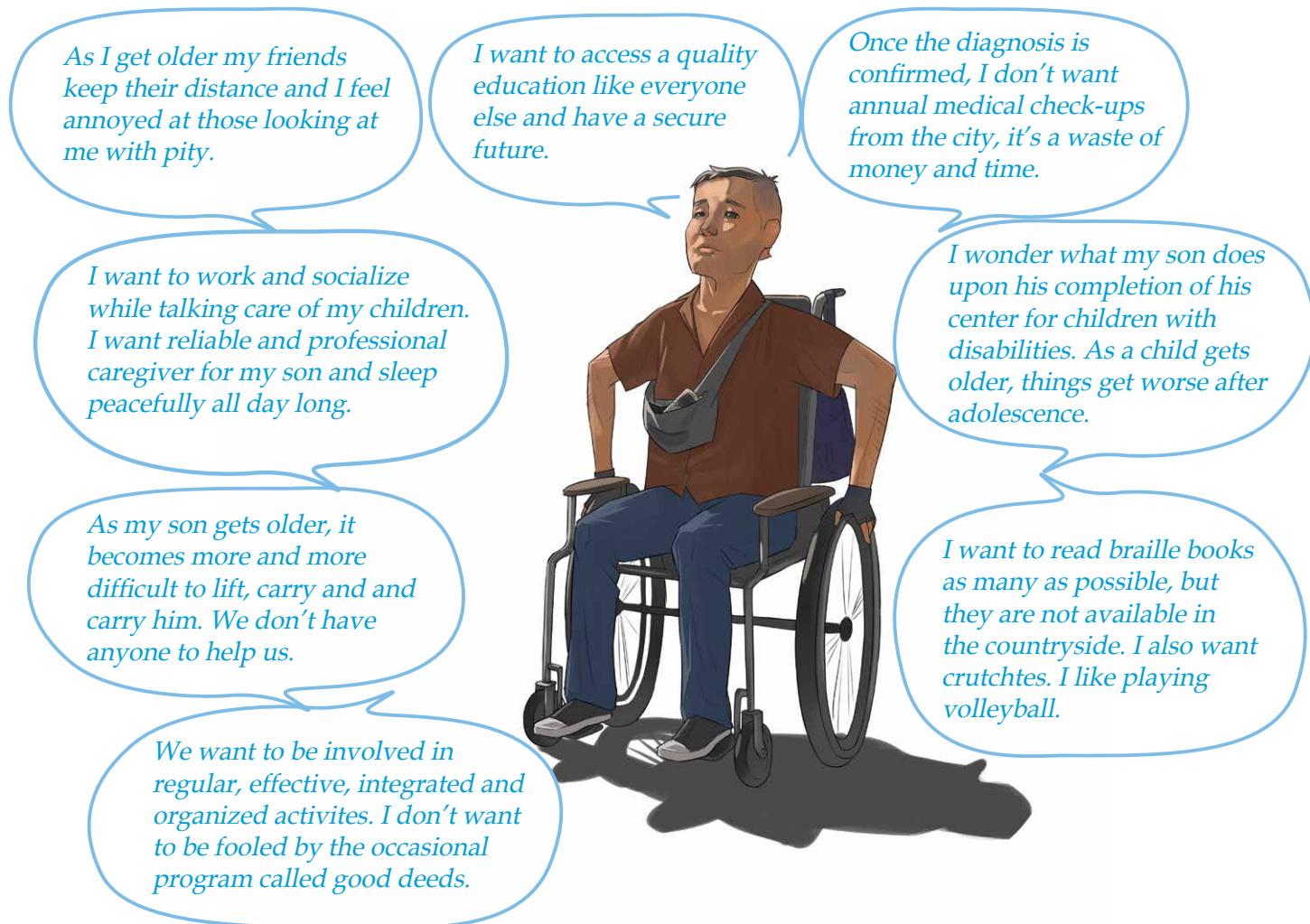
Mongolia ratified the Convention on the Rights of Persons with Disabilities (CRPD) in 2009. Ever since, there have been significant positive changes at the policy level: passing the Law on the Rights of Persons with Disabilities and approving by-laws, which specify the government's commitment to extend equal opportunity to people with disabilities in terms of social services and labour. However, the country still needs to harmonize the national legislation and policies to ensure full compliance with CRPD and adopt the human rights model of disability, which should be further reflected in the implementation of social welfare services, social development sectors such as education and health, employment and others^[33].

31 UNICEF Mongolia. (2019). *Situation Analysis: Understanding Integrated Adolescent Development in Mongolia*.

32 Human Rights Committee. (22 Aug 2017). *Concluding observations on the sixth periodic report of Mongolia*. CCPR/C/MNG/CO/6 Retrieved from https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=CCPR/C/MNG/CO/6&Lang=En

33 Committee on the Rights of Persons with Disabilities. (May 2015). *Concluding observations on the initial report of Mongolia*. Retrieved from <https://undocs.org/CRPD/C/MNG/CO/1>

Figure 3.1.7: Voices of People with Disabilities from the Focus Group Discussions



3.1.4 UNEMPLOYED AND UNSKILLED YOUTH

As shown above, Mongolia is one of the youngest countries in the region, in terms of the demographic structure, with one-third of the total population being children. As more of the youth population enter the labor force, the country will need to create a sufficient number of opportunities for productive employment and decent work in not only the capital-intensive mining sector but in a wide variety of productive sectors in order to absorb these new workforces. Young people were already in a vulnerable labour market situation compared to adults prior to the COVID-19 crisis. In

2020, the youth unemployment rate (15-24) in Mongolia was 18.2 percent, while the unemployment rate for adults (25+) was 4.7 percent^[34]. The share of youth not in employment, education or training (NEET) was 19.7 percent in 2019 (21 percent for young women; 18.4 percent for young men)^[35]. In absence of well-paying jobs, a significant share of well-educated and skilled Mongolians emigrates abroad for better job opportunities. This particularly concerns young people who go for study in OECD countries and try to stay there.

34 National Statistical Office of Mongolia. (n.d.). Retrieved from <https://www.1212.mn>

35 ILOSTAT. (n.d.). Retrieved from <https://www.ilo.org/shinyapps/bulkeexplorer57/>

Figure 3.1.8: Youth's Voices from the Focus Group Discussions



FGDs with young people suggest that in rural areas there are few employment options and concentration of jobs only in low-paid or livestock sectors. Many young people complained about age discrimination and harassment by older/more experienced staff at work place, who take advantage of lack of experience, knowledge and awareness of young employees about their labour rights. As a result, young people work longer hours and sometimes remain not compensated for their work. According to SICA, 38.2 percent of young people feel in some cases their work is undervalued^[36]. For young people who work at their parents 'or acquaintances'

place of work or where they used to work, they are less likely to experience problems, such as failure for timely payment, or workplace pressure or harassment. In general, acquaintances and backdoors are important element in finding a job. Lack of opportunities causes many young people to move to urban centers and Ulaanbaatar, and sometimes leave the country to look for better livelihoods abroad which picked up in the last years.

Alcohol use, especially of vodka is an integral social and cultural practice that was acquired under the Soviet influence. Even today, large quantities are consumed with heavier use in winter months. The con-

36 SICA. (2020). *Mongolian Generation Study*.

sumption of alcohol, especially amongst boys, begins at 16-17 years of age, and is twice as more prevalent in urban areas than in rural areas^[37]. There is increased prevalence of non-communicable diseases (NCD), including blood pressure amongst those 15-24 years, with 15 per cent having to take medication^[38]. Yet, there is a general lack of awareness about NCD prevalence being related to lifestyle habits and behaviours, including tobacco use, an unhealthy diet, physical inactivity and the excessive alcohol consumption.

While there is an acknowledgement and progress to engage youth in decision-making process, including establishment of the Youth Parliament and organization of annual Youth Forums, FGDs participants have pointed to limited channels for them to participate in community life, or to participate in decisions affecting their lives. For example, only few of the FGD participants were aware of the government initiative, Youth Participation project, and could become a part of it, mainly due to their personal contacts.

3.1.5 URBAN POOR AND INTERNAL MIGRANTS

In 2020, 48 percent of the country's total population resided in Ulaanbaatar, with less than 4 percent residing in each of the aimags^[39]. Ulaanbaatar generates 65 percent of the country's GDP, 85 per cent of power and 50 per cent of investments. As a consequence, both high-skilled and low-skilled economic migrants are drawn to the city. According to the IOM study, the core group of migrants are economically active individuals of age 20-34, single, and have completed secondary education. The sur-

vey suggests that migrant's employment conditions have improved after movement into the capital city^[40]. However, nearly 42 percent of the urban population living in the Ger districts, many with limited access to employment opportunities, housing and basic services such as health, safe water and sanitation^[41]. There are three Ger zones on the basis of location and connectivity and quality of housing - central, middle and fringe - spatially demarcating and distributing the varying tiers of the urban poor, with nearly 60 percent of them living in Gers^[42].

The Municipality of Ulaanbaatar has now adopted a closed migration policy that favours influx of fewer high-skilled labour into the city, in violation of the International Covenant on Civil and Political Rights^[43]. This has led to a decrease in the official number of registered migrants in the capital city from 25,000 in 2017 to 6,800 in 2019, however, adversely impacted poorer households that continue to flood in but are unable to access civil registration that allow them to access services, such as education enrollment, basic health services, land ownership, etc. This creates grave risks for young children and adolescents. Among the unregistered internal migrants, several sub-groups were found to be more vulnerable, including households whose main income earner is female, older, less educated (high school or lower), or households with more members of retirement age and children ages of 14 and below. FGD participants mentioned the difficulties of tracking newborn infants among unregistered migrants. Parents of school-going adolescents on the other

37 UNICEF Mongolia. (2019). *Situation Analysis: Understanding Integrated Adolescent Development in Mongolia*.

38 *Ibid*.

39 National Statistical Office of Mongolia. (n.d.). Retrieved from <https://www.1212.mn>

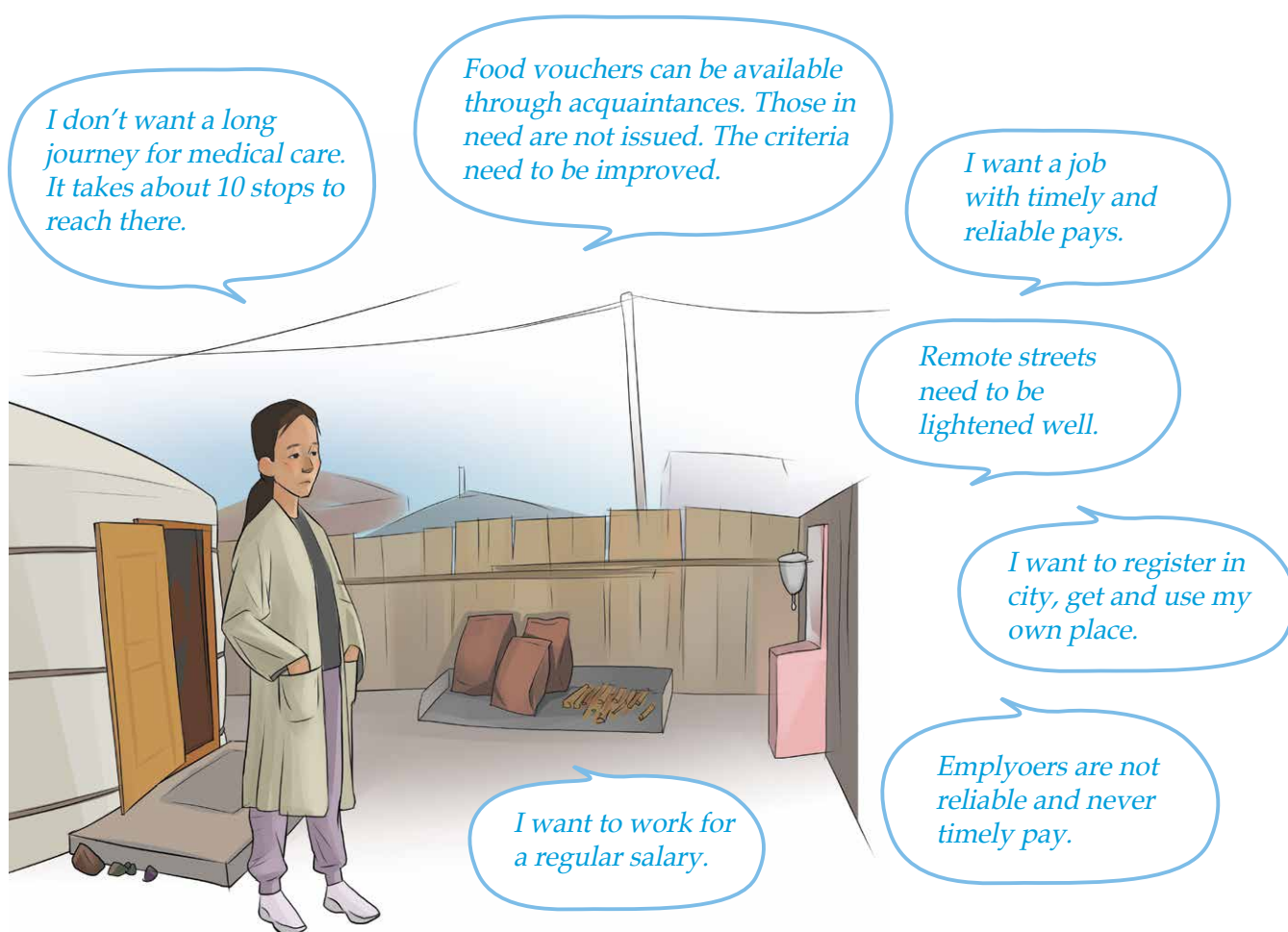
40 While average monthly income grew by USD127 on average after migration in the capital city, labor force participation has increased by 24 percentage points and the employment rate increased by 27.4 percentage points.

41 IOM. (2020). *Research study on Assessing the Effectiveness of Migration Restrictions on Ulaanbaatar city and Migrants' Vulnerability*.

42 UNICEF Mongolia. (2019). *Situation Analysis: Understanding Integrated Adolescent Development in Mongolia*.

43 UNICEF Mongolia. (2019). *Situation Analysis: Understanding Integrated Adolescent Development in Mongolia*. *International Covenant on Civil and Political Rights*. Article 12: Every citizen of a country is entitled to the freedom of movement and to choose their own residence within their state's territorial jurisdiction.

Figure 3.1.9: Voices of Urban Poor and Internal Migrants from the Focus Group Discussions



hand are forced to register them as temporary residents with their city relatives in order to access education. Discrimination by urban citizens against internal migrants have increased with migrants blamed for the traffic congestion, air pollution, environmental degradation, and insufficient public services.

Indeed, urban poverty in Mongolia manifests not only in income but access to services. A Ger district, present in each urban centre across the country, is typically congested and concentrated, putting pressure on social infrastructure such as schools and healthcare centres^[44]. Economic opportunities attract working age

adults to other urbanized aimag centres or bigger soums, such as Zamiin Uud or Uyananga which have respectively developed due to cross-border business and mining, which is not surprising, given the lack of appropriate rural infrastructure and public investment in agro-processing industries on one hand, and on the other the concentration of education and economic opportunities in urban centres.

In the last few years, there is a new emerging trend for reverse (urban-to-rural) migration, which intensified in 2020 during the COVID-19 pandemic as a coping strategy. According to NSO, in 2020, a total of 43,478 people moved from Ulaanbaatar to

44 *Ibid.*

rural areas such as Tuv, Orkhon, Selenge, Darkhan, Khentii, Uvurkhangai, Dornogovi, etc. Migrants engaging in reverse migration are largely economically active; around 35 percent of the migrants had obtained bachelor's degree and over 57 percent were married and mostly employed. According to IOM, migrants mostly moved to the rural areas for better living conditions, job opportunities and to reunite to live among friends and family, and were satisfied with the decision.

Weak migration governance is also a major cause of vulnerability to human trafficking and modern slavery. Studies suggest that girls and young women from migrant and poor households are engaging in sex work. Much of this is localised to mining areas, border areas with active trade/business routes and the capital city. There is, for example, a rise in so-called 'fuel girls' that work in and around the southern border. However, the inhabitants often do not perceive this as a 'local' problem as the majority of these girls come from Ulaanbaatar and other provinces. In urban areas, mainly Ulaanbaatar, sex workers include women and girls from as young as 8 years up to 27 years of age. They are mostly young migrant Mongolian women and girls, and often residents of the Ger district^[45]. Currently, services to protect and assist victims of trafficking are mainly provided by I/NGOs. The government lacks experience in providing such protection services and does not allocate budget. Prevention activities are mainly focused on I/NGO initiatives as well.

3.1.6 RURAL POOR AND HERDERS

Livelihood of around 30 percent of the population or 169,706 nomadic or semi-nomadic^[46] herder households is highly vul-

nerable, depending on severe weather conditions with livestock often their only source of income. Alternate job opportunities are scarce in rural areas. They are exposed to external shocks caused by climate change and natural disasters such as dzud, dry summers and pasture degradation. The poor herder households with less than 200 livestock (42.3 percent of the total herder households) and middle-income households with 201-500 livestock (34.4 percent)^[47] are particularly at adverse risks to fall deeper into poverty in the year when dzud hits hard.

Dzuds now occur at least once every four-five years, whereas it historically occurred approximately once a decade. They typically have devastating impacts. For example, in 2009-2010, a dzud led to a direct loss of approximately 9.7 million animals or 22 percent of the country's livestock. Over twenty schools reported that absenteeism had increased, with some students hospitalised and unable to attend for more than 10 days. Dzuds are therefore linked to a decrease in school attendance due to the detrimental health impacts, together with increased difficulty of access^[48]. FGDs with herders reveal an increased inequality amongst herder communities. Poor herders typically suffer from inadequate winter preparation and lack of winter shelter for their livestock, being exposed to a risk of losing their livestock during a single event that may lead to food shortages in their families.

The loss of grasslands is a major threat to traditional livelihoods. Herders are losing their grasslands due to overgrazing by the bulging livestock population and to the mining sector, which has the license over 7 percent of the territory. Mining operations particularly affect Tsaatan herding com-

45 *Ibid.*

46 UNDP. (May 2020). *Environmental and Social Management Framework: Improving Adaptive Capacity and Risk Management of Rural Communities in Mongolia*. FAO. (Jul 2020). *Development Of Vulnerability and Risk Assessment (VRA) Tool in Livestock Sector and Piloting in Mongolia* Final Report.

47 FAO. (Sep 2020). *Establishment of Agriculture Disaster Damage and Loss (D&L) Information Management System to Inform Sector VRA and reporting on Sendai Framework in Mongolia* Final Report.

48 *Ibid.*

munities who are traditionally practicing reindeer herding. Herders are also losing their grassland because of droughts which exacerbate water scarcity in rural areas and lead to health-related issues, such as water-borne infections and diseases, as well as increased salmonella and dysentery rates.

After transitioning to a market economy that led to dissolution of agricultural collectives known as *negdels*, herders have been left without a safety net when they needed emergency fodder, veterinary care and other resources. Risk has been no longer assumed by the state but by the individual. Need for more enhanced state support to herding communities was mentioned by several FGD participants.

Given the urban-centric education, household splitting among herding families has become an integral part of the social fabric in Mongolia. This phenomenon is unique, whereby mothers move with their children to urban centres for the children to attend school and complete their basic education, while men are left alone and isolated in remote locations, often tending to livestock in extreme winter conditions with no support. Women and children form single-mother households in urban centres – with the burden of work falling on both – and become vulnerable to income and food insecurity and the risk of violence⁴⁹. The household splitting process places extreme economic and psycho-social stress on both men and women in herding communities.

Figure 3.1.10: Voices of Rural Poor and Herders from the Focus Group Discussions



49 Committee on the Elimination of Discrimination against Women (2016). *Concluding observations on the combined eighth and ninth periodic reports of Mongolia*. CEDAW/C/MNG/CO/8-9.

3.1.7 ETHNIC MINORITIES

Mongolia faces another challenge of integrating ethnic minorities that are spatially and geo-politically segregated. The majority are the Khalkha-Mongols making up almost 82 percent, with other Mongol ethnicities making up another 13 percent - for example, the Buriat-Mongols in the north, and other minority ethnicities, such as the Turksics, constituting the remaining 5 percent.

While the Mongol identity is bound by a nomadic lifestyle, common language, spirituality and way of life, the integration of 'other nationalities' in particular the Kazakhs and Tsaatans has been challenging due to linguistic and cultural differences, and their concentration in the remote locations. The Kazakhs are in fact the majority population in Bayan-Olgii, one of the western-most aimags. The integration challenges manifest in socio-economic outcomes, with the western region being the least developed region in the country. Children from this region consistently far worse in terms of nutrition, school readiness, primary education completion in comparison to their counterparts in other part of the country.

While the Constitution of Mongolia prohibits any form of discrimination, yet there are no specific provisions on other forms of discrimination such as ethnic discrimination. The Committee for the Elimination of Racial Discrimination (CERD) brought to attention the absence of comprehensive legislation against racial discrimination and questioned the validity of Mongolia's claim, according to its combined 19-22nd Periodic Report, that there was no discrimination as there were no official complaints. Mongolia adopted international recommendations to include provision in the New Criminal Code to expand the framework for protection against racial

discrimination; amendments to the Law on Social Insurance, 1994 to extend social protection coverage to the Tsaatan herding populations along with other herding communities and increased investments in bilingual schools for Kazakh children^[50].

However, situation of ethnic minorities and indigenous people in Mongolia still raises concerns. Particularly, the CERD Committee is still concerned with a low number of Kazakhs, Tuvas and Tsaatans (Dukhas) who have completed primary, secondary and higher education compared with the national average due to obstacles in accessing education in their native language. Unemployment rate among the Kazakhs, Tsaatans (Dukhas) and Tuvas is higher than the national average. While the Law on Civil Service contains provisions prohibiting discrimination on the basis of ethnicity, ethnic minorities continue to face discrimination in accessing employment, including in public service in Bayan-Ulgii Province. There are also continued reports that mining licenses and exploration permits continue to be issued without any consultation with the affected ethnic minorities, in particular those practicing reindeer herding, thus negatively affecting their traditional forms of livelihoods and cultural practices.

Situation of the Tsaatan (Dukha) people was of a particular note in the CERD 2019 concluding observations, concerning the restrictions on fishing and hunting in the Tengis Shishged protected area may negatively affect and endanger the traditional livelihoods and the cultural rights of the Tsaatan people, and obstacles faced by the Tsaatans, in particular, the older persons, sick and persons with disabilities, in accessing medical facilities.^[51]

Finally, ethnic minorities are almost invisible in the national statistics with absent reliable and comprehensive socioeconom-

50 UNICEF Mongolia. (2019). *Situation Analysis: Understanding Integrated Adolescent Development in Mongolia*.

51 Committee on the Elimination of Racial Discrimination. (17 Sep 2019). *Concluding observations on the combined twenty-third and twenty-fourth periodic reports of Mongolia*. CERD/C/MNG/CO/23-24. Retrieved from https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=CERD/C/MNG/CO/23-24&Lang=En

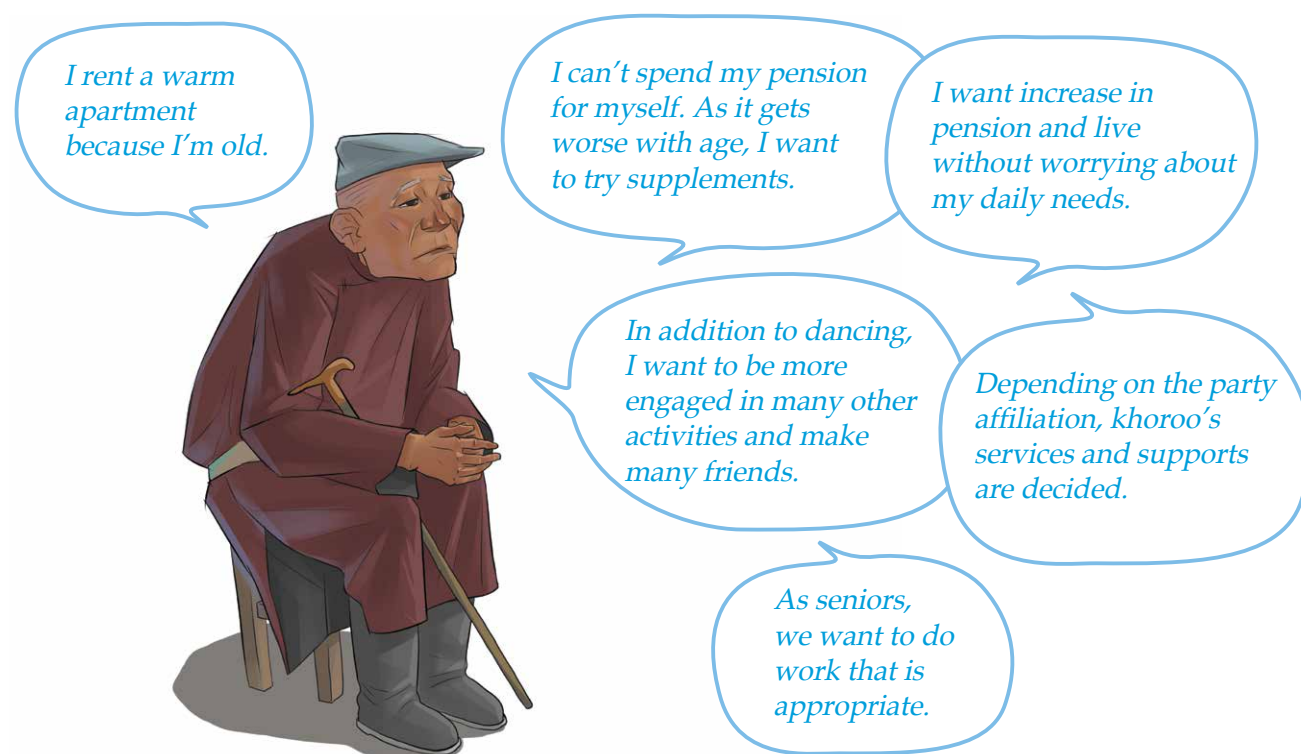
ic data for all ethnic groups. the small sample size often associated with the marginal ethnic groups means that statistically significant findings cannot be gathered, and conclusive statements are therefore not made. Also, most 'nationally representative' surveys are conducted only in the Mongolian language making the marginal ethnic groups excluded. Thus, the barriers to creating evidence affect efforts towards equitable policymaking^[52].

3.1.8 OLDER PERSONS

Mongolia's age pyramid has not yet reached the "coffin-shape" that populations in the developed countries have attained, but the process is underway. Mongolia's population is expected to increase by at least 1.4 million people by 2040, compared with 2010. The proportion of older persons in the population is grow-

ing particularly rapidly, from 5.2 percent in 2000 to an expected 16.7 percent by 2040. With a rising life expectancy, older persons are facing physical and health challenges that make them dependent on help from others. According to the health statistics, among persons aged at least 60, 25 percent were moderately or severely dependent on others for basic daily living activities in 2016, those severely dependent on others amounted to 7 percent. Older women were more likely than older men to need help with activities of daily living. Almost one in five older adults was either overweight or obese, which indicates a high risk of NCD, including hypertension. Older women were almost twice as likely as older men to be obese or overweight^[53]. NCDs will particularly affect older population over 65 years, causing disability and morbidity.

Figure 3.1.11: Voices of Older Persons from the Focus Group Discussions



52 UNICEF Mongolia. (2020). *Policy Brief: Monitoring and Evaluation for Equitable Policymaking: Realizing the Rights of Children and Adolescents in Mongolia*.

53 ADB. (Nov 2020). *Country Diagnostics Study on Long-Term Care in Mongolia*.

Focus group discussion with older persons have revealed that older population is facing a number of challenges that prevent from realization of full rights and potential. Traditionally, older persons have relied on income of their own earnings, family transfer payments and government handouts both in the form of old-age pensions and social allowances. Though the tradition of adult offspring and other relatives providing support for older persons remains strong, this support is rapidly shrinking as a result of declining family sizes and increasing internal and external migration. With widespread unemployment and underemployment in the country, it is becoming increasingly more difficult for older persons to find productive employment and rely on pension as the major source of income and safeguard from poverty. Due to low pensions and insufficient living standards, there is a high demand for employment even if they retire. This is especially viable for those with higher education, especially lawyers/accountants/teachers. Older persons with no education or primary education have very limited opportunities. Traditionally, older women bear more responsibilities to take care of their grandchildren with disabilities, older parents/parents-in-law and siblings.

Older people living in ger districts do not have access to clean water, central heating and suffer from malnutrition. According to the health statistics, 16 percent of older persons were at risk of malnutrition in 2018^[54]. Some studies show that older persons are increasingly being affected by alcoholism, crimes and violence – every third older person is affected by domestic violence one way or another^[55]. FGDs have revealed that older persons suffer from economic and emotional violence, such as being forced to sell their homes for fear of loneliness, becoming homeless, and not being able to spend their pensions on their own.

While there is the Law on the Older Persons adopted in 2017, its provisions are poorly implemented. There is no explicit policy or strategy regarding long-term care in Mongolia, which will become very important with a growing number of older persons with impairments, many of them older women. The long-term care concept and elements appear to be fragmented, straddling the social and health sectors, and to exclude other important systems such as infrastructure and housing.

3.1.9 SEXUAL MINORITIES

There is limited data and information about the situation of sexual minorities in Mongolia. According to the UN human rights treaty bodies, lesbian, gay, bisexual, transgender and intersex persons face persistent discrimination in the areas of employment, housing, health care and education. There is the lack of recognition of same-sex couples, however, the SICA Generation Study shows that sexual values are changing with generations with young people accepting same-sex marriages^[56].

Mongolia has ensured a legal basis to protect people from discrimination and harassment based on their sexual orientation, gender identity, intersex status or gender expression within the scope of the provision of crime of “discrimination” in the new Criminal Code 2015 and terms of “hate crime”. However, further training and awareness raising activities for investigators and prosecutors are required to combat stereotypes and prejudices and to ensure that acts of discrimination and violence directed against sexual minorities are investigated, that perpetrators are prosecuted and, if convicted, punished with appropriate penalties.

Also, violence and discrimination at home and in schools appeared common and had been identified as a major barrier to the

54 *Ibid.*

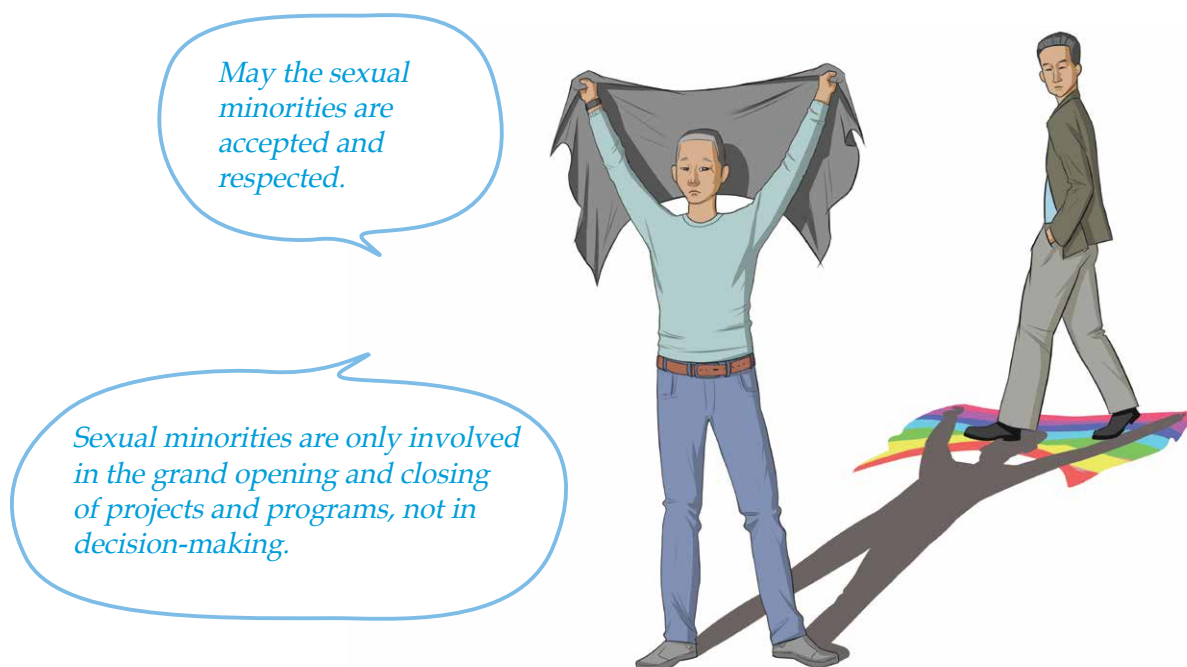
55 OHCHR. (n.d.). Retrieved from <https://www.ohchr.org/Documents/Issues/OlderPersons/Submissions/Mongolia.pdf>

56 SICA (2020). *Mongolian Generation Study*.

realization of rights for LGBTI children and youth. LGBTI people also lack access to social services and needs-based health-care. Many healthcare providers are not

aware of physical and psychological issues that pertain to sexual minorities, and do not follow ethical standards in the provision of healthcare.

Figure 3.1.12: LGBTIQ's Voices from the Focus Group Discussions



3.2 SOCIAL DEVELOPMENT AND EXCLUSION ANALYSIS

There are several challenges which emerge as main drivers for exclusion of the various population groups described in the above section. First, prevailing social norms, stereotypes, traditions and rules of behavior, leading to entrenched discriminatory attitudes and practices, but also undermining the confidence of more disadvantaged groups especially women and girls to use services, demand rights, and adapt behaviors. Second, the capacity limitations faced by duty-bearers to deliver policies aimed at inclusion, due to the disconnect between legislative frameworks, sector programmes and pub-

lic finance and the way in which budget allocations are planned and monitored. Institutional capacities in the government entities expected to transform declared policy commitments into actual services for end-users remain weak in many aspects. This concerns the generation and use of sufficiently disaggregated data to identify those at risk of being left behind, and to monitor the impact of policies in promoting their inclusion. Third, the fact that right holders do not systematically participate in decision making, due to lack of institutional arrangements and mechanisms for their inclusion, means that their

perspectives are not considered and, as a result, national policies are not as effective in addressing gaps and in supporting them. Fourth, there are issues related to the capacity of service providers to deliver public services, especially in rural and remote areas. The uneven implementation of social service reforms, for example, means that there may be improvements in coverage, but not necessarily in the quality of social care. Finally, lack of arrangements for ensuring cooperation between policymakers and civil society organizations working with vulnerable groups, means that vital support to enable and facilitate inclusion processes is curtailed.

Mongolia's spending on education, health and social protection are significant, yet budgeting methodology, allocative efficiency and equity in quality of social services need to be improved. Public pension spending on old age contributory pensions and other social security benefits of more than 7 percent of GDP is relatively high compared to Mongolia's regional peers, especially given that over 2 percent of GDP is the deficit of the system primarily driven by the insufficiency of contributions, relatively low retirement ages and (55 for women, 60 for men) and extensive early retirement provisions, covered by the government subsidy^[57], urging the need for strengthening the social insurance system. Just over 4 percent of GDP in public spending are financing public health sector. Education sector overall has similar level of spending. Over 2 percent of GDP are spent on social assistance. While overall social spending ratios are average when compared with similar countries^[58] and equivalent to minimum levels recommended for developing countries^[59], effi-

ciency improvement should be the main priority of social spending for the country to meet the sustainable development goals related to poverty elimination, ensuring inclusive education, universal health coverage and adequate social protection.

As a result, Mongolia has one of the highest coverage levels of social protection in the Asia and Pacific region^[60]. Its social protection system provides support to a range of life cycle contingencies, while others are focused on various population groups and categories. The social welfare policies have, however, been greatly affected by economic cycles and political promises. With the mining boom, transfers to households have increased. The Government introduced a cash transfer for all citizen (MNT 21,000 a month), including children, from a fund called the Human Development Fund from mining revenue in 2010 through July 2012. This was intended to signal that the cash transfer should be regarded as a development transfer from the natural wealth of the country, rather than a welfare benefit. In October 2012, the country introduced the current Child Money Programme to redistribute the mining wealth of the country, under which the benefit was universal and provided MNT 20,000 (approximately USD\$14.40) for all children younger than age 18.

Yet the pace of poverty reduction was not commensurate with the robust economic growth. According to the joint World Bank and NSO survey, poverty declined by 0.5 percent for every one percent growth in GDP per capita during 2016-2018, and remained relatively high, with more than a quarter of the population living below the poverty line in 2018. The poverty head-

57 The World Bank. (2020). *Policy Note: Maximizing Returns on Human Capital Investment in Mongolia*.

58 The World Bank. (2018). *Growing Without Undue Borrowing: Enhancing Efficiency of Spending and Revenue, Mongolia Public Expenditure Review*.

59 The Education 2030 Framework for Action proposed two benchmarks as 'crucial reference points': allocate at least 4% to 6% of GDP to education, and/or allocate at least 15% to 20% of public expenditure to education. In terms of health spending, Mongolia spent 3.79% of its GDP in 2018, while the GDP share was 9.8 for the world (according to The World Bank). There is WHO recommended benchmark of 5% - often subject to arguments. OECD countries spend 10+ %. Retrieved from: <https://unesdoc.unesco.org/ark:/48223/pf0000245656>.

60 ESCAP. (Oct 2020). *The Protection We Want: Social Outlook for Asia and the Pacific*. Retrieved from <https://www.unescap.org/publications/protectionwe-want-social-outlook-asia-and-pacific>

count ratio stands at 28.4 percent in 2018, which means that almost 905 thousand of Mongolians cannot afford to buy essential goods. In addition to the poor, 14.9 percent of the population or 474.8 thousand people live between the poverty line and 1.25 times the poverty line^[61]. If any unanticipated shock hits, these vulnerable households could easily fall into poverty. In addition, the CEDAW Committee had concerns about poverty among rural women and their property rights^[62].

In order to protect households during the COVID-19 pandemic, the government significantly increased child money amounts paid to all children below 18 age, which accounted for MNT 1.1 trillion or 3 percent of GDP and nearly 8 percent of budget expenditures in 2020^[63]. The ADB assessment of increased transfers for the child money programme (CMP) and the food stamp program, waivers for social security contribution and personal income tax, indicates that poverty rate in Mongolia would have increased from 28.4 percent in 2018 to 36.7 percent in 2020 without government's measures. The analysis argues that the social protection measures have potential to reduce the poverty rate to 17.6 percent in 2020. The ADB assessment found that the CMP top-up alone could compensate the poverty effect of the pandemic, as the percentage of poor would fall to 24.9 percent. Moreover, only with the CMP top-up, the Gini coefficient would decrease to 0.307. The MLSP and UNICEF assessment demonstrates that the CMP top-up helped the households with chil-

dren in meeting their basic needs during the pandemic period^[64]. At the same time, the UN analysis^[65] warns that poverty and inequality are likely to increase in 2020 due to the declined economic activity during the COVID-19 pandemic. Mongolia faces strong growth of population (around 2 percent per year) and the GDP per capita is not growing strongly enough to bring poverty down. In 2020 the real GDP per capita amounted to USD 4,194 from USD 4,440 in 2019, which may generate 90,000 additional poor at the national poverty line equivalent to almost 3 percentage points increase in 2020 compared to the 2018 poverty level under the baseline scenario (Figure 3.2.1).

Despite the strongly shared perception among the public that inequality has increased considerably in recent years, the Gini coefficient estimates do not capture this sentiment. The Gini coefficient was estimated at 32 in the 2020 HSES. The data indicate that no significant progress has been made in tackling inequality over time. Mongolia's Human Development Index (HDI) when discounted for inequality falls from 0.737 to 0.634 in 2019 with a loss of 14.0 percent which is lower than average loss for Eastern Asia and the Pacific. The loss was mainly contributed by income inequality HDI dimension^[66].

According to the NSO study, 30 percent of the participants in the social security programmes, including social welfare (non-contributory) and social insurance (contributory), were poor and 70 percent non-poor in 2018, against which 19 per-

61 The World Bank and the National Statistics Office of Mongolia. (2018). *Poverty Update*.

62 CEDAW

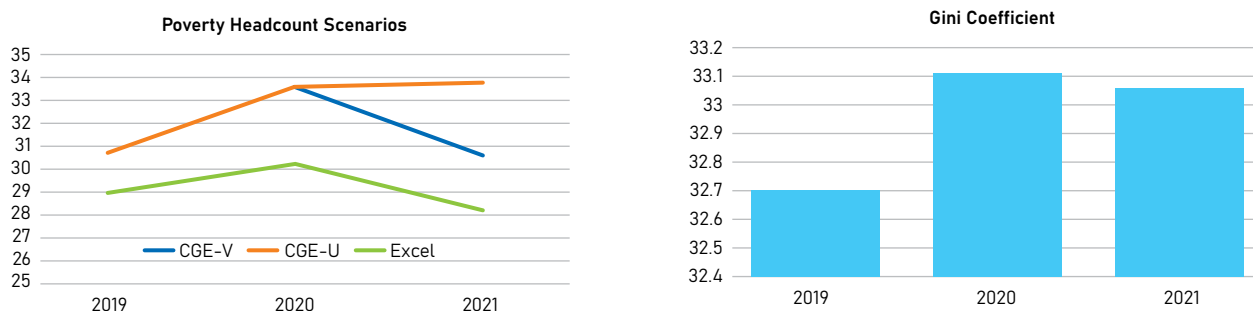
63 National Statistics Office of Mongolia. (n.d.). *Note: Share of GDP is calculated based on the 2019 GDP level*.

64 According to the UNICEF and MLSP study, over 60 percent of households spent the top-up to buy food for their family. The study finds that almost 80 percent of the households used their CMP top-up to cope with the financial losses caused by the pandemic. It also shows that CMP has reached 98% of total households with children benefiting them more than any other measures implemented by the Government in response to COVID-19 pandemic. For instance, the equally costly measures such as the social security contribution and personal income tax waivers reached only less than 30% of the households with children.

65 Analysis is based on simulations made using three models: local computable general equilibrium (CGE) model for the Mongolian economy, ESCAP Excel-based model and World Economic Forecasting Model (WEFM-e). CGE model considered one baseline scenario for 2020 and two (U-shaped and V-shaped recovery) scenarios for 2021. All the values in the model are in 2017 prices (i.e., inflation adjusted). Before simulating the scenarios, the SAM is updated for 2019 to replicate real GDP, final consumption, investment, net exports, budget deficit and government debt. The 2020 baseline scenario factored the Government interventions.

66 *Ibid.*

Figure 3.2.1: Poverty and Inequality



Source: CGE Model of Mongolia, WEFM-e, ESCAP Excel-based Model.

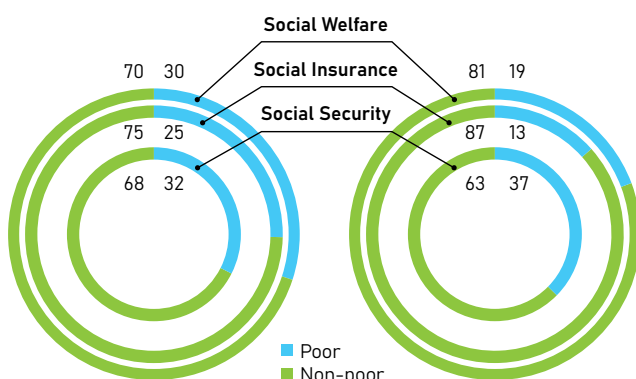
cent of the total amount of social security programmes went to the poor and 81 percent to the non-poor (Figure 3.2.2). The ADB analysis shows that for the child money program, the bottom 20 percent of population receives 26.4 percent of the budget and only 13.2 percent goes to the top 20 percent of population. The World Bank and NSO survey also indicates that nearly 84 percent of poor households and 60 percent of the non-poor households received child money program, and only 11 percent of those with low food security

were able to receive proxy means tested food stamps compared to 21 percent of the poor^[67].

According to the 2018 Household Socio-Economic Survey, the unemployed and economically inactive individuals are the poorest among the working age population. Of the working-age population (aged 15 and above), poverty headcount rate for the unemployed population is 44.9 percent. One in five working people falls into the category of working poor, including 23.2 percent of working men and 21 percent of working women are poor^[68]. Poverty is highest at 35.9 percent for person working in the agriculture sector (Figure 3.2.3). During the COVID-19 pandemic, rural herders faced significant earning loss due to supply chain disruptions and decreased demand for livestock products, such as cashmere, wool, and hides, which significantly affected their income and consumption^[69]. It was detrimental because income growth among the herder group was the biggest driver of the recent poverty reduction^[70].

This indicates large wage disparity be-

Figure 3.2.2: Distribution of social protection programmes, number of beneficiaries (left) and amounts (right)



Source: National Statistics Office, 2020

67 National Statistics Office of Mongolia and The World Bank. (2020). *Household-based survey to determine the effect of the*

COVID-19 pandemic.

68 National Statistics Office of Mongolia. (2020). *Inequalities in Income and Expenditure Risks on Inequalities.*

69 National Statistics Office of Mongolia and UNDP. (Jul 2021). *"Mongolia: Poverty and Inequality during COVID-19 using big data" study report.*

70 The World Bank. (Feb 2021). *Mongolia Economic Update: From Relief to Recovery.*

tween economic sectors, and prevalence of low-skilled and low-end service jobs in Mongolia.

Figure 3.2.3: Poverty level by employment status of the head of the household

		Poverty coverage and percentage				
		2010	2012	2014	2016	2018
National average		38.8	37.4	21.6	29.6	28.4
	Total	37.5	25.9	20.2	27.6	27.0
Em- ployed	Agri- culture	56.1	39.3	27.9	39.1	35.9
	Industry	38.	27.4	24.0	31.7	30.0
	Service	25.8	16.7	12.8	19.8	20.9
	Others	42.4				
	Unemployed	51.2	44.0	42.2	48.7	44.9
Outside the labor force	34.6	25.4	20.0	30.6	29.3	
Not clear		34.3				

Source: Labour Force Survey, National Statistics Office

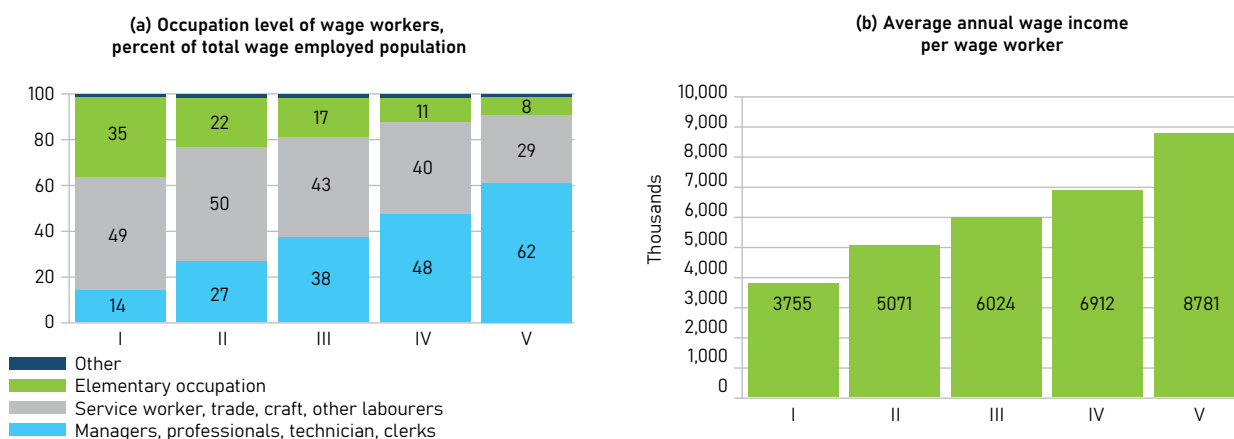
The World Bank study shows that more than 30 percent of the poor wage workers are engaged in elementary-skilled jobs and an additional 40 percent of those are working as handicraft, trade or service workers. By contrast, only about one in ten

non-poor wage workers are working for low-skilled jobs and more than four in ten non-poor workers are working for managerial, professional or technical positions, and it contributes to a wage disparity between the poor and non-poor (Figure 3.2.4).

In line with the global trend, poverty in Mongolia is highly related to education. Although the country's gross enrollment rates in secondary education are close to 100 percent, and over 70 percent of youth complete upper secondary education, education attainment varies by socioeconomic group. Only 10 percent of the poor have completed university-level education. Children from wealthy households, on the other hand, start school earlier and stay longer, and they are much more likely to be exposed to information technology, which could further widen the gap in human capital among the children between the poor and non-poor households. COVID 19 has exasperated the already existing issue of provision of quality education for all. According to 21 percent of sampled children did not watch TV lessons. Variations in educational attainment affect the transitions of youth from school into the world of work^[71].

The latest survey of TVET graduates re-

Figure 3.2.4: Type of occupation-level among wage workers, average wage income, 2018



Source: Mongolia Poverty Update, World Bank/NSO, 2018

71 UNICEF Mongolia. (2020). *Assessment of the Effectiveness of TV lessons*.

veals that less than one third of graduates were employed in jobs relevant to their study at TVET institutions. The main reasons include: i) low pay and inadequate work conditions associated with jobs that employ TVET graduates; ii) skills mismatch as result of insufficient on the job experience of trainees and lack of qualified teaching resources; iii) relatively better welfare provision for unemployed and low-income families which have deterred young people from being employed; iv) preference of employers to hire graduates from higher education over TVET graduates^[72]. The higher education sector faces a number of challenges, there are many private universities that have contributed to the poor quality of graduates and not aligned with needs of the labor market^[73]. Life skills education is a common strategy to address the “mismatch” between adolescent skills (in managing risks, and vulnerabilities) and the challenges and opportunities they find in the emerging economy of Mongolia^[74]. Investments in both foundational and transferable skills through all levels of education will allow access to further training and employment that requires higher-order thinking; however, adolescent girls and boys left behind and not acquiring these skills will be excluded from the benefits of future work opportunities^[75].

Malnutrition and food insecurity remain a concern in Mongolia. According to FAO, nearly 700,000 people (22 percent of population) do not have access to sufficient

food for leading an active and healthy life and nearly one in four Mongolians experience moderate or severe food insecurity^[76]. Food insecurity is higher in the capital city compared to smaller towns and rural areas who have higher reliance on markets for meeting food needs and vulnerability to market shocks^[77] given that 38 percent of food is imported^[78]. During the COVID-19 pandemic, for example, food CPI inflation rate (YoY) surged to 8 percent^[79]. This led to deterioration of the food security situation particularly for the poor. A rapid survey carried out by FAO estimated that many households compromised on food (72 percent), were worried about not having enough food (47 percent) or had to reduced their quantity (34 percent)^[80]. The major reasons for disruption in food consumption seem to originate from a lack of economic and to a lesser extent from physical and social access to food. Similarly, the World Bank COVID-19 household phone survey results show that nearly half of the poor participated in, were uncertain about their ability to obtain enough food, obtain healthy food and obtain enough kinds of food^[81].

Mongolia has made some progress in reducing child malnutrition over the last 20 years. Between 2000 and 2018, the percent of children under five-years-old underweight decreased from 12.7 percent to 1.8, and the stunting (height for age) rates also decreased from 24.6 percent to 9.4 percent. Despite these advancements, the country still experiences a double burden

72 UNESCO. (2019). *TVET Policy Review in Mongolia (English version)*. Retrieved from <https://unesdoc.unesco.org/ark:/48223/pf0000374199?posInSet=2&queryId=44cedc2c-c698-42bb-b5fd-cba0f2aa9dad>

73 UNESCO. (2020). *Education Sector – Mongolia Education Policy Review Report (English version)*. Retrieved from <https://unesdoc.unesco.org/ark:/48223/pf0000373687>

74 ILO. (2008). *School-to-work transitions in Mongolia*. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_105100.pdf

75 UNICEF. (2018). *Improving Second-Decade Education and Learning in East Asia and the Pacific*. Retrieved from <https://www.unicef.org/eap/reports/improving-second-decade-education-and-learning-east-asia-and-pacific>

76 FAO, IFAD, UNICEF, WFP and WHO. (2020). *Transforming food systems for affordable healthy diets*. The State of Food Security and Nutrition in the World. Retrieved from <https://www.fao.org/documents/card/en/c/ca9692en>

77 FAO in Mongolia. (2019). *Malnutrition - A crisis in the making?* Retrieved from <https://www.montsame.mn/en/read/203944>

78 World Food Programme. (n.d.). *Hunger Map*. Retrieved from <https://hungermap.wfp.org/>

79 The World Bank. (Jan 2021). *Results of Mongolia COVID-19 Household Response Phone Survey (Round 3)*.

80 FAO Mongolia. (2020). *Rapid assessment on food & agricultural among Herders and Farmers*.

81 *Ibid*.

of malnutrition. The National Nutrition Survey 2017 revealed marked regional disparities in nutritional indicators and food security status, with generally poorer conditions in Khangai and Western regions and in the ger districts of Ulaanbaatar. Micronutrient deficiencies are prevalent in all population groups, though children under 5 have the highest prevalence, with 27 percent classified as anaemic, 21 percent as iron-deficient, 70 percent as insufficient in vitamin A and an alarming 90 percent identified as insufficient in vitamin D. Vitamin D insufficiency is universally high in all populations in Mongolia – 95 percent among pregnant women, and 82 percent among men, as well as 90 percent among children.

Child and adult overweight and obesity is on the rise. The prevalence of overweight and obesity amongst school age children (age 6 to 11 years) has dramatically increased. Overweight prevalence increased from 3.7 percent in 2010 to 22.2 percent in 2017, and obesity prevalence increased from 0.6 percent to 6.4 percent. More than half of the adult population is overweight (Body Mass Index ≥ 25), and approximately 20 percent are obese (Body Mass Index ≥ 30).

Child feeding practice is commonly poor. Breastfeeding rate is declining in recent years, from 57 percent in 2005 to 50 percent in 2018. Frequency and composition of complementary food is also inadequate. Only 28 percent of children aged 6-23 months received minimum acceptable complementary feeding. Knowledge of healthy diets and feeding practices is poor in Mongolia with seven in 10 mothers having as insufficient knowledge on young child and infant feeding practices^[82]. Therefore, educating both adults and children on their nutritional needs, improving their knowledge of the benefits of consuming a more diverse diet is extremely important for preventing their health risks.

To address food security issues, there is a need for transitioning to sustainable food

systems that will require technological innovation, strategic use of economic incentives, cohesive and participatory governance, and behavioural changes. Sustainable intensification of agriculture and strengthening agriculture value chains can help to meet food demand for a growing population and sustain rural jobs. Policy and institutional coherence are essential to address the linkages across food systems, climate change and natural resource management. Recognizing these trends and challenges, the Government of Mongolia approved a national program 'Healthy Food-Healthy Mongolian' in 2019 that aims to provide citizens with healthy and safe foods.

Mongolia has achieved significant progress on health indicators. The under-five mortality rate decreased from 42.4 per 1000 live births in 2000 to 16.1 in 2019. The infant mortality rate decreased from 32.8 per 1000 live births in 2000, to 13.3 in 2019. While mortality indicators have largely decreased over the last decades, under-five mortality and infant mortality are still high compared to neighboring countries (e.g. respectively 8.6 and 7.4 per 1000 live birth in China and 9.9 and 8.8 in Kazakhstan). The maternal mortality rate decreased from 155 per 1,000 livebirths in 2000 to 45 per 1,000 livebirths in 2017. Mongolia became one of the only 9 countries that successfully met the target to reduce maternal mortality by 2/3 globally.

According to the Health Indicator 2019, 58.7 percent of all deaths were due to cardiovascular diseases and cancer, and over 70 percent of the health sector budget were spent on expensive diagnostic and treatment of NCDs at chronic and late stages. NCDs are also the main reason for the widening gap in life expectancy between men and women and the short life expectancy of men, which increased from 4.2 in 1992 to 2.3 times in 2018 to 9.7 with the age of 66.1 for men and the age of 75.8 for women. Tobacco

82 FAO, UNICEF and UNDP. (2007). *Joint Food Security Assessment*.

use, harmful and excessive use of alcohol, unhealthy diets, lack of physical activity, and overweight/obesity are the major risk factors of NCDs related deaths among men. According to the 4th National STEP Survey in 2019, 39.5 percent of men surveyed aged 15-69 years were current daily smokers and 44.9 percent of men consumed alcohol in the past 30 days. Other reasons for men's mortality are injuries and suicides. Adolescent health, including reproductive and sexual health, mental health, nutrition, injury, and substance abuse, is now a recognised priority within the health sector. Many issues exist with supply side limitations, mainly lack of human resources such as specialized adolescent health specialists, trained mental health professionals and psychologists. There are also demand-side challenges: underreported poor health outcomes, uncommon help seeking behavior, insufficient socio-emotional skills that helps adolescents resist health risks. According to National Health Statistics, Mongolia observed four times increase in percentage of suicide from all types of mortality among adolescents aged 10-14 since 2003 (increased from 3.3 per cent in 2003 to 13.6 per cent in 2018). Suicide mortality among adolescent boys, aged 10-19 years in Mongolia was highest among 14 countries in East Asia and Pacific Region in 2018.

According to the World Bank estimates, out-of-pocket expenditure as a percentage of current health expenditure was 32.3 percent in 2018^[83]. While the level is above the average level in Eastern Asia and the Pacific, it is likely to penalize access of the vulnerable groups to health care, who are not covered by health insurance programme and to lead to inequalities in access and quality of care. For instance, access to health services is one of the concerns especially for internal migrants who have no

formal registration in Ulaanbaatar city and thus are not entitled to health insurance as well as those people living in remote areas including herders.

Important challenges remain in service delivery, particularly with regards to proper sanitation and reliable heating source for ger dwellers. In 2018, seven in ten poor people lacked access to one of the basic infrastructure services (improved drinking water, sanitation or sustainable heating source). This is predominantly driven by their dwelling type (gers) and location (remote rural areas or urban ger districts). Even in the richest quintile or in the capital city, around 40-60 percent of individuals suffer from poor sanitation or traditional heating source. There is also substantial variation in the access to these services across aimags, highlighting a profound level of deprivation in the Khangai and Western regions^[84]. Overall, the country is worse off in comparison to its regional counterparts, with approximately 15 percent of the population drinking surface or unimproved water and 10 percent openly defecating. Access to lavatory facilities is particularly limited in rural areas, with only 50 percent having access to a facility that is not communally shared. The UN Special Rapporteur on the human rights to safe drinking water and sanitation, has also highlighted various layers of inequalities in access to drinking water and sanitation services and reiterates that disparities in access to water and sanitation require legal, policy, institutional and technical solutions from a human rights perspective. The Rapporteur has also suggestion various measures to address the institutional arrangements in the water and sanitation sector that currently limits the implementation of the human rights to water and sanitation.^[85]

Poverty in urban areas (27.2 percent) is con-

83 The World Bank. (n.d.). *Out-of-pocket expenditure (% of current health expenditure)* Retrieved from <https://data.worldbank.org/indicator/SH.XPD.OOPC.CH.ZS?locations>

84 *Ibid.*

85 *Report of the Special Rapporteur on the human rights to safe drinking water and sanitation on his mission to Mongolia.* (18 July 2018). A/HRC/39/55/Add.2. Retrieved from <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G18/222/08/PDF/G1822208.pdf?OpenElement>

siderably lower than in rural areas where 30.8 percent of the population are poor^[86], however, their living condition is far worse than the vulnerable herder households. MICS 2018 estimates that only 31 per cent of the population nationally use clean fuel and technologies for cooking, heating and lighting. Around 45.8 percent of the poor lives in Ulaanbaatar and faces multiple deprivations. The peri-urban informal settlements, or ger areas, home to three-fifths of Ulaanbaatar's residents (primarily internal migrants), were not served by the city's heating, water supply, and sanitation network. In the winter months, residents had to burn coal for heating, and the resulting smog turned the city into the world's most polluted capital city in the winter. The poor condition of unplanned and unstructured earthen roads in ger areas was a major problem for residents, as

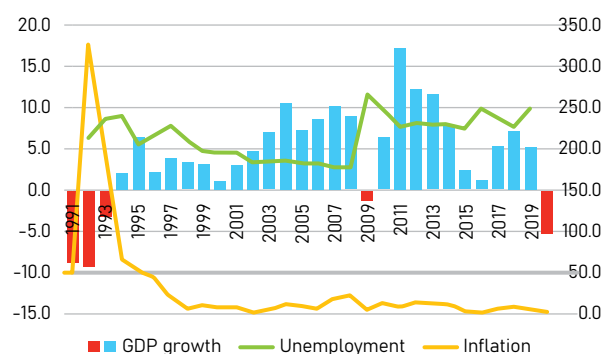
many portions of the roads were impassable for vehicles, had drainage problems, posed traffic safety hazards, and were the source of a substantial amount of dust. Solid waste collection from ger areas was unreliable and infrequent—once a month or even once in 3 months—with obvious unpleasant consequences and health hazards.

The COVID-19 pandemic has once again demonstrated an importance of increased investment in social protection, education and health urging the need to reform these sectors to improve their preparedness for emergencies and to ensure equitable access to all levels of population, especially those who are most affected and left behind by the current systems.

3.3 ECONOMIC TRANSFORMATION ANALYSIS

The first wave of economic transformation in Mongolia started in the early 1990s when the country embarked on transition from a centrally planned and Soviet-dependent economy to an independent market economy. It adopted a 'big bang' liberalization and 'shock therapy' reform strategy^[87] that severely hit the economy and living standards. Public social services, including education, health, and pensions, were significantly curtailed. Large-scale privatization followed by closure of many small and medium-sized state-owned enterprises (SOEs) contributed to the rising unemployment rate (Figure 3.3.1). Policy decisions taken during the early 1990s continue to be felt, and poverty and in-

Figure 3.3.1: Main Economic Indicators, 1991-2020



Source: ADB, Mongolia's Economic Prospects, June 2020

equality became prominent features of the country's socio-economic landscape. The ADB study argues that the country's transition was chaotic and rapid with little advance preparation, including absence of

86 National Statistics Office of Mongolia and The World Bank. (2018). *Poverty profile of Mongolia*. Retrieved from <https://www.worldbank.org/en/country/mongolia/publication/mongolia-poverty-update>

87 The essence of 'shock therapy' strategy was the transformation of property by privatizing state enterprises, a process begun in 1991, accompanied by dismantling administrative controls (price liberalization).

institutions to manage market economy^[88]. According to the EBRD Transition Report 2020-2021, Mongolia is performing better than many Central Asian countries to implement structural reforms towards a sustainable market economy^[89]. However, despite a respectable progress in transition to a market economy, the country's growth process remains widely dominated by the exploitation of natural capital, which raises growing concerns that the Mongolian economy has not yet undergone the structural transformation that is needed for self-sustained growth and prosperity^[90]. This particularly relates to governance and institutional capital issues which have been deteriorating over the period 2016-2020^[91], notably in the context to corruption, political instability, and sustained drop in FDI inflows. In essence, the Mongolian economy retains many of the features of a country in transition even though it has been three decades since the transition from a centrally

Another feature of the Mongolian economy is abundance of mineral reserves, which are estimated at USD 1 trillion to USD 3 trillion (IMF 2015). According to the ADB calculations, the country ranks 11th in the world by coal reserves and 14th for copper^[92]. Following the discovery of major new coal deposits and gold-copper ore in the early 2000s, the economic significance of the mining sector has increased. Particularly, the country's largest mining project—the Oyu Tolgoi copper mine - launched in 2009, marks an important juncture in transformation from a largely agricultural economy to becoming a highly resource-dependent economy. Today, mining accounts for nearly one-quarter of GDP, up from one-tenth in 2000. Foreign direct investment (FDI) inflows are mainly concentrated in the mining sector, whose share has gone up from 44 percent of total FDI in 2000 to 73 percent in 2019. Mineral exports represent around 90 percent of total exports and 26 percent of fiscal revenue. Mongolia's resource rents

Figure 3.3.2: Share of mining sector in the Mongolian economy

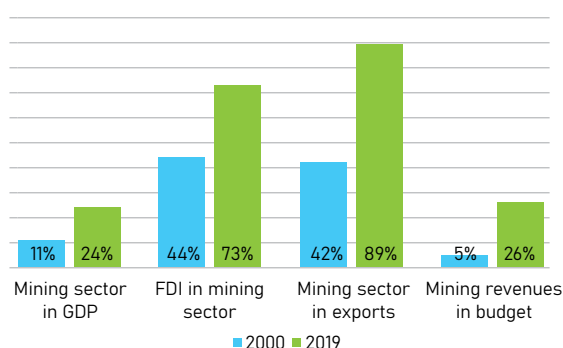
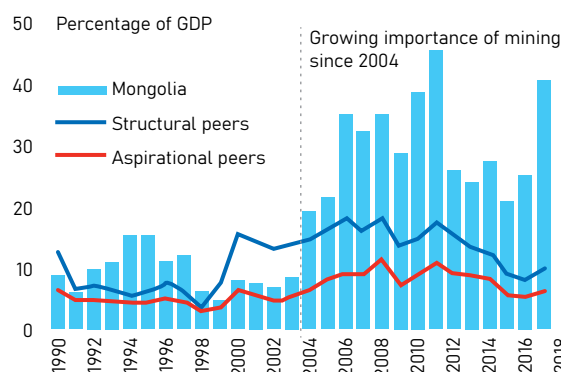


Figure 3.3.3: Mongolia's mining sector as % of GDP relative to its peers



Source: World Bank, Mongolia Country Economic Memorandum, September 2020

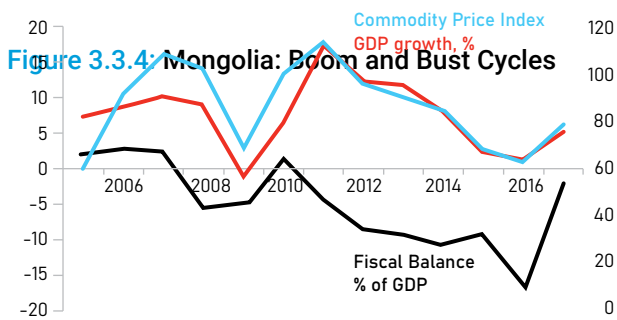
planned to a market economy started.

have increased significantly since 2004

88 ADB. (Jun 2020). *Mongolia's Economic Prospects*. Retrieved from <https://www.adb.org/publications/mongolia-economic-prospects>
 89 Assessments of Transition Qualities (ATQs) are composite indices combining information from a large number of indicators and assessments in a consistent manner. It is a new approach a sustainable market economy adopted by EBRD in 2018, that is characterized by six qualities: Competitive, Well-governed, Green, Inclusive, Resilient and Integrated
 90 *Ibid.*
 91 EBRD. (n.d.). *Transition Report, 2020-2021*.
 92 ADB. (Jun 2020). *Mongolia's Economic Prospects*. Retrieved from <https://www.adb.org/publications/mongolia-economic-prospects>

and exceed its structural and aspirational peers^[93] (Figures 3.3.2 and 3.3.3)^[94].

The high reliance of the Mongolian economy on mineral resources makes it extremely vulnerable to external shocks, such as volatility of commodity prices and business cycles of major trading partners. Since 2009, the annual GDP rate has fluctuated between a contraction of 1.3 percent and growth of 17.3 percent, which must be one of the widest ranges in the world. The Government has repeatedly failed to pursue appropriate countercyclical fiscal policies, especially saving mineral wealth during boom times to be used during periods of commodity price busts^[95], and typically run fiscal deficits by increasing borrowing during commodity booms (Figure 3.3.4).



Source: World Bank, Public Expenditure Review, 2018

Also, the fact that the country has signed on to six IMF rescue plans^[96] indicates not only the challenges it faced in the transitions of the early 1990s but also a failure to effectively manage the macroeconomics of resource abundance^[97].

After sizable fiscal consolidation during 2017–2019, the fiscal deficit and public debt worsened significantly in 2020–2021 due to the large fiscal support provided to mitigate the impact of the COVID-19 pandemic. Fiscal expenditure grew to 38 percent of GDP in 2020 from 32 percent of GDP in 2019, which are primarily driven by increase in universal social transfers from 8 percent of GDP in 2019 to 13 percent in 2020, far exceeding similar spending in peer economies (Figure 3.3.5). The share of universal unconditional cash transfer and social pension programs remains large relative to other countries, 69 percent and 24 percent of total social assistance spending, respectively (Figure 3.3.6)^[98]. The IMF and World Bank argue that while the emergency response measures during COVID-19 prevented poverty from increasing, these measures have been extremely expensive and undermined future fiscal sustainability^[99].

- 93 The World Bank. (Sep 2020). *Mines and Minds: Leveraging Natural Wealth to Invest in People and Institutions*. According to the The World Bank, the structural peers are considered Armenia, Kazakhstan, Columbia, Russia, Peru, Guyana and Ecuador, while the aspirational peers are Australia, UAE, Canada, Malaysia and Chile. The peers are selected on the basis of several factors including economic structure, size of population, economic development, income per capita, etc. Retrieved from <https://openknowledge.worldbank.org/handle/10986/34551>
- 94 The World Bank. (Sep 2020). *Mines and Minds: Leveraging Natural Wealth to Invest in People and Institutions*. Retrieved from <https://openknowledge.worldbank.org/handle/10986/34551>
- 95 The World Bank. (2018). *Mongolia: Growing without Undue Borrowing - Enhancing Efficiency of Spending and Revenue*. Public Expenditure Review.
- 96 Mongolia entered into six IMF Lending Programs since it joined in 1991. The first was the stand-by arrangement in 1991; followed by enhanced structural adjustment facility in 1993 and 1997; Poverty Reduction and Growth Facility in 2001; a stand-by arrangement in 2009; and Extended Fund Facility (EFF) in 2017 (IMF 2009, 2019b)
- 97 ADB. (Jun 2020). *Mongolia's Economic Prospects*. Retrieved from <https://www.adb.org/publications/mongolia-economic-prospects>
- 98 *Mongolia: IMF Staff Report for the 2021 Article IV Consultations*. (3 Nov 2021).
- 99 The World Bank. (2020). *Policy Note: Maximizing Returns on Human Capital Investment in Mongolia*.

Figure 3.3.5: Total Fiscal Measures for COVID-19 Response (in % of GDP)

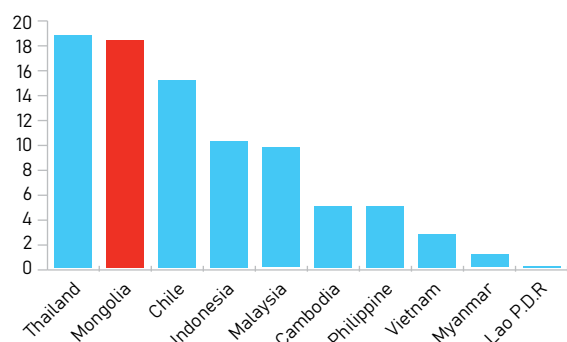
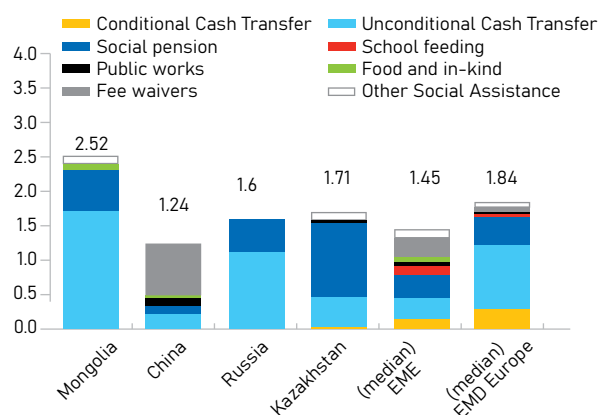


Figure 3.3.6: Total Social Assistance Spending (in % of GDP)



Source: IMF Staff Report for the 2021 Article IV Consultations, November 3, 2021

Mongolia's fiscal revenue has been already volatile due to its dependence on mining revenue and lower tax base. During the COVID-19 pandemic, the country's revenue share to GDP dropped from 30 percent in 2019 down to around 26 percent in 2020. A decline in investment and coal exports has negatively affected taxes on production and consumption. Direct taxes dropped sharply, led by corporate income tax (CIT) and the associated dividend and capital gains taxes. The revenue loss was particularly severe in mining revenues (royalties, CIT, oil revenues). As a result, Mongolia's consolidated budget deficit expanded alarmingly to 12 percent of GDP in 2020 against its 2019 level of 2 percent¹⁰⁰ leading to accumulation of significant public debt in 2020 estimated at 77.4 percent of GDP which continued to rise in 2021. According to IMF, fiscal balances are expected to deteriorate over the medium term despite the planned consolidation in 2022. The main impetus for widening deficits comes from public expenditures: the permanently higher social transfers proposed in the 2022 budget; high capital spending given persistent difficulties

in public investment management; and a gradual increase in pension, education, and health spending¹⁰¹.

Mongolia, as many resource-rich countries, suffers the resource curse effects failing to transform its natural resource wealth into economic success. While the economy has been experiencing high GDP growth income per capita remains low, at about MNT 11.6 million or USD4,128¹⁰² in 2020, which is 7.8 percentage points lower than the 2019 level due to the COVID-19 socio-economic impact. Employment has risen at a lower rate than the economy grew, specifically, for every 1 percent of growth, employment increased 0.5 percentage points between the years 2000 and 2017¹⁰³. Economic growth has almost entirely come through capital accumulation and the intensive use of natural capital rather than through sustained productivity growth. Poverty reduction from 29.6 percent in 2016 to 28.4 percent in 2018 owes more to the universal social transfer system rather than to the creation of abundant well-paid jobs¹⁰⁴.

Following the sectoral reallocation pat-

100 National Statistics office of Mongolia. (n.d.). Retrieved from <https://www.1212.mn/>

101 *Mongolia: IMF Staff Report for the 2021 Article IV Consultations*. (3 Nov 2021).

102 National Statistics office of Mongolia. (n.d.). Retrieved from <https://www.1212.mn/>

103 *Ibid*.

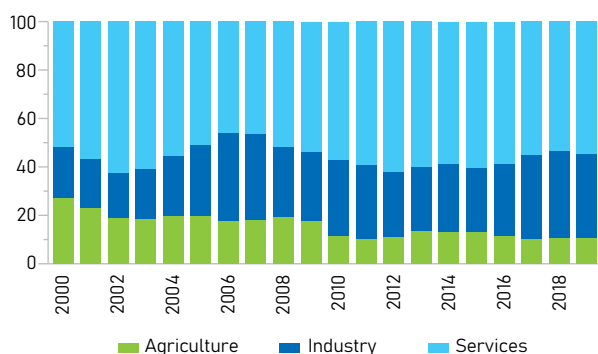
104 The World Bank. (Sep 2020). *Mines and Minds: Leveraging Natural Wealth to Invest in People and Institutions*.

terns (Figure 3.3.7), labor has been moving out of the low-productive agriculture sector, with the share of employment in agriculture declining from 48.6 percent in 2000^[105] to 25 percent in 2019. One of the major contributing factors was the dzud^[106] in 2000–2002, which led to large-scale livestock losses, displacement of populations in rural areas and subsequent migration of herders to cities to look for other livelihoods. Labor has been mostly absorbed by relatively low-productive service sector whose share in the labour force increased from 37.2 percent in 2000 to 62 percent in 2019^[107]. In fact, for more than two decades, Mongolia has experienced the decline of the pastoralist economy owing to the phenomenon of “pastoralist drop-out” – which refers to a cessation of traditional livestock herding activities either driven by economic or ecological factors or voluntarily in favour of joining the market economy. The high levels of migration from rural to urban areas has been symbolic of this forced or purposeful shift in livelihoods. On the other hand,

increasing commercialisation of the pastoral economy - to fuel the export quality cashmere and leather industry as well as the domestic dairy and meat industry - has led to total number of livestock more than tripling within a short period of time^[108].

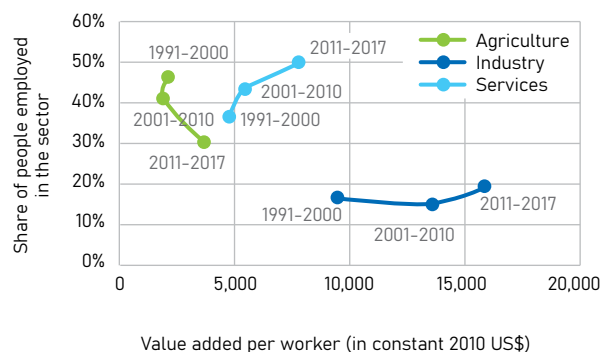
At the same time, commodity cycles and macroeconomic mismanagement has determined a resource allocation pattern in the country with the mining sector absorbing a significant portion of the gross investments in Mongolia^[109], while the employment share in the industry sector has remained nearly unchanged. This has resulted in a comparatively high labor productivity in the industry sector - value added per worker about two times that of services and four times that of the agriculture and livestock production sector (Figure 3.3.8). In 2019, less than one-fifth of the labor force was employed in the industry sector, including 5 percent of total employment produced by the mining sector and 8 percent - by the manufacturing sector^[110] that is typically considered as a traditional source of high-quality pro-

Figure 3.3.7: Change in sectoral structure of GDP



Source: National Statistics Office of Mongolia, Statistical Information Database, www.1212.mn

Figure 3.3.8: Change in sectoral structure of employment



Source: World Bank, Mongolia Country Economic Memorandum, September 2020

105 ADB. (Jun 2020). *Mongolia's Economic Prospects*. Retrieved from <https://www.adb.org/publications/mongolia-economic-prospects>
 106 A dzud is a Mongolian term introduced by the Government of Mongolia in July 2015 (Resolution No.286) for a severe winter in which large number of livestock die, primarily due to starvation due to being unable to graze, in other cases directly from the cold.
 107 National Statistics Office of Mongolia. (n.d.). *Statistical Information Database*. Retrieved from www.1212.mn
 108 UNICEF Mongolia. (2019). *Situation Analysis: Understanding Integrated Adolescent Development in Mongolia*.
 109 The World Bank. (Sep 2020). *Mines and Minds: Leveraging Natural Wealth to Invest in People and Institutions*. Retrieved from <https://openknowledge.worldbank.org/handle/10986/34551>
 110 National Statistics Office of Mongolia. (n.d.). *Statistical Information Database*. Retrieved from www.1212.mn

ductive jobs. According to the UNIDO, the COVID-19 crisis significantly hit the manufacturing firms in Mongolia with 92 percent of a total of 110 firms expecting a loss of revenue and more than half of the firms considering layoffs. Expected reduction of jobs were highest among small and exporter firms^[111].

There are stark gender differences in industry and services sector employment. Women are more likely to be engaged in wholesale and retail trade, hotels, restaurants, education and health sectors while men are far more likely to be engaged in physical labor-intensive industries such as mining, construction and transportation. As a result, women account for 75 percent and 81 percent of all workers in education and health sectors respectively, and more than 80 percent of all workers in mining, construction and transportation sectors are occupied by men^[112]. The average monthly wage income that female workers can earn (1,021 thousand tugrugs) is almost 20 percent lower than what the male receives (1,223 thousand tugrugs)^[113].

Almost half of the employed, including agricultural sector, are in informal work, both in formal and informal sectors. Working conditions can be described with long hours without or with limited access to social protection including sickness and unemployment benefits. Research on working conditions and labour rights in SMEs that was carried out under the supervision of the National Human Rights Commission of Mongolia (NHRCM) in 2016-17 reveals a range of unacceptable forms of work, including work without contracts, extended working hours, unpaid apprenticeships, harassment of workers and unfair dismissal. In addition, there is a particular concern about the low level of health and

safety standards in the road construction, energy and mining industries, and about the prevalence of fatal accidents. Despite the fact that some legislative measures have been taken to address the issue, the labour inspection capacity is still limited^[114].

According to the Asian Productivity Organization, total productivity factor growth significantly declined from 2.4 percent in 2010-2015 to 1.2 percent in 2015-2017, contributing negatively to labor productivity growth (Figure 3.3.9), which was also linked to declining innovative behaviors among Mongolian firms which focus more on the domestic market with limited technology diffusion.

Consequently, Mongolia's total factor productivity registered at only around 35 percent of the U.S. total factor productivity level in 2017, considerably lower than all structural and aspirational peers^[115]. As it is shown in Figure 3.3.10, the economic growth of Mongolia has been driven by capital accumulation more than assimilation of existing technologies from the advanced economies. This development model may be too expensive for the country to maintain in the future. There is a high potential to increase IT capital contribution to the economic growth, which is currently estimated at 2 percent only. Unlike technological advancements in the past, which were largely confirmed to manufacturing, IT technologies can bring significant production gains in the service and agriculture sectors of Mongolia, which currently has low productivity. Given the largest share of the service sector in the Mongolian economy (55 percent of GDP in 2019), the potential and implications of advancement of IT technologies in the service sector could be immense for economic development and produc-

111 UNIDO. (n.d.). *Survey report on the impact of COVID-19 on manufacturing firms in Mongolia*, April – June 2020.

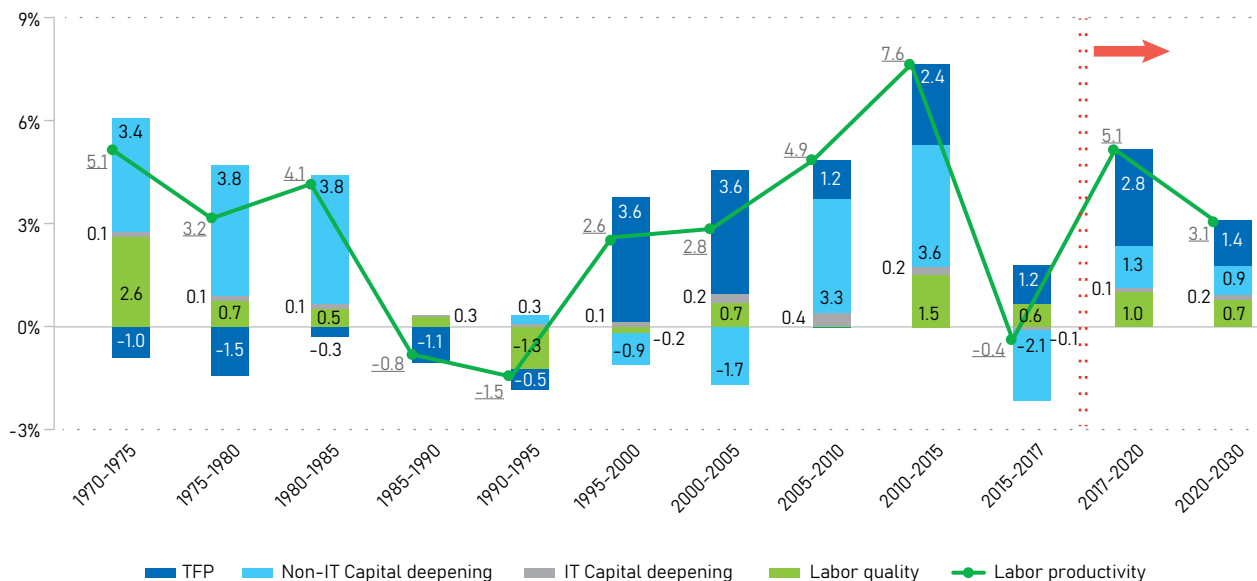
112 The World Bank and National Statistics Office of Mongolia. (2018). *Poverty Update*.

113 National Statistics Office of Mongolia. (n.d.). Retrieved from www.1212.mn

114 CESCR Committee (n.d.).

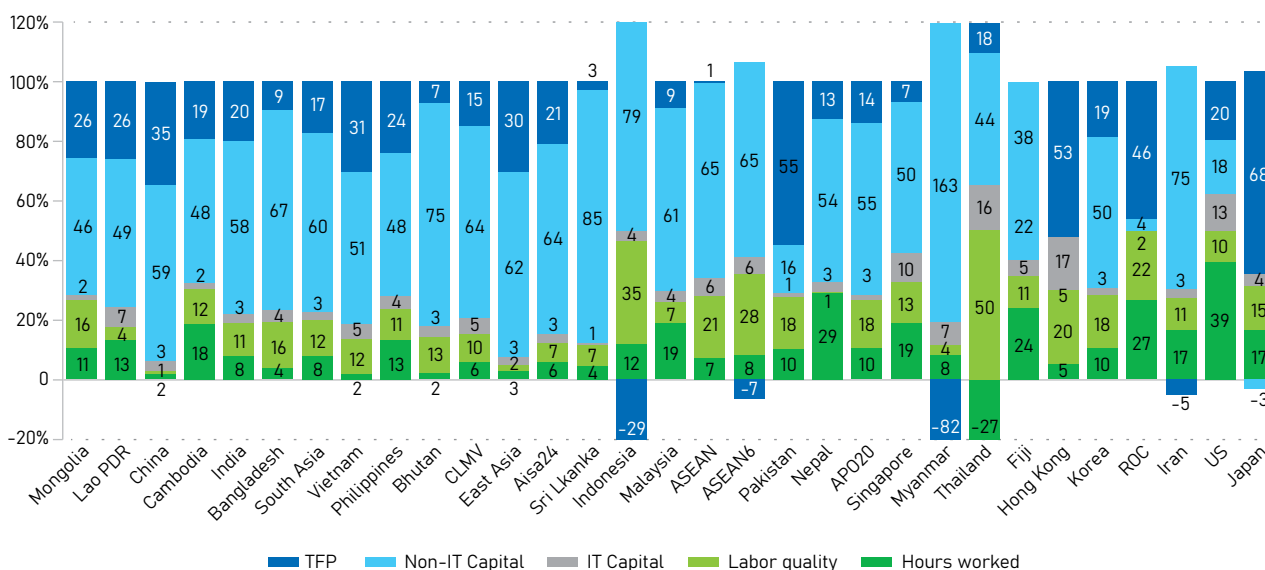
115 The World Bank. (Sep 2020). *Mines and Minds: Leveraging Natural Wealth to Invest in People and Institutions*. Retrieved from <https://openknowledge.worldbank.org/handle/10986/34551>

Figure 3.3.9: Decomposition of labor productivity growth



Source: APO Productivity Databook, 2019

Figure 3.3.10: Contribution shares of economic growth, 2010-2017



Source: APO Productivity Databook, 2019

tivity gains. Technology infusion, industrialization^[116] and promotion of innovations will also help to create decent jobs outside traditional agriculture including in agri-business sector while also accelerat-

ing sustainable intensification of agriculture sector and increasing its productivity.

Mongolia has the most open trade regime compare to the Central Asia economies in

116 UNIDO. (2020). *Industrial Development Report*. Retrieved from https://www.unido.org/sites/default/files/files/2019-11/UNIDO_IDR2020-MainReport_overview.pdf

transition There are no non-ad-valorem tariffs^[117], tariff rate quotas, or specific trade safeguards. About 6 of 11 sectors are very open, including business, communication, and financial services. Mongolia has also made full commitments under the WTO's General Agreement on Trade in Services (GATS) on tourism and travel services.

As a result, the degree of the Mongolian economy's trade orientation, as measured by the standard trade-to-GDP ratio, increased from an average 40 percent in 1980s to about 110 percent during 2010–2019. It has been mainly driven by imports, with periodic fluctuations mostly reflecting the level of mineral exports^[118] (Figure 3.3.11). In the late 1980s, more than 90 percent of Mongolia's exports went to the Soviet Union, with China accounting for less than 4 percent. This pattern of exports underwent a dramatic transformation in the following two decades (Figure 3.3.12). By 2019, China accounted for almost 90 percent of total exports, with the Russian Federation's share at a mere 1 percent. Moreover, 90 percent of total exports to China is copper ore, coal, and crude petroleum^[119].

Mongolia is the second largest by its geographical size landlocked country in the world after Kazakhstan. Being landlocked between China and Russia whose economies 600 and 100 times respectively larger than its own^[120], creates both opportunities and challenges for the Mongolian economy and its cross-border cooperation. Despite its high potential to provide easy passage of goods between the two countries, relatively small volumes transit through Mongolia, because of poor rail and road infrastructure. In 2014, the three countries formalized their intentions to forge closer economic ties and develop infrastructure and industrial projects through the China-Mongolia-Russia Economic Corridor (CMREC). The potential benefits of the CMREC have not yet accrued to Mongolia, largely because China and Russia would need to finance the bulk of the required investments, as the benefit-cost ratio from Mongolia's perspective alone is not high^[121]. Also, there are concerns about the CMREC's effect on the country's balance of trade and transit freight.

Figure 3.3.11: Trade Openness, 1980-2017

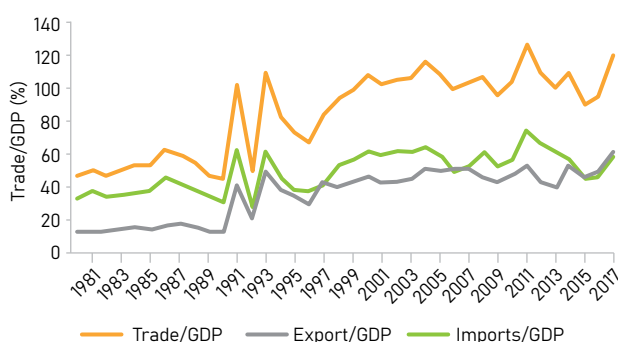
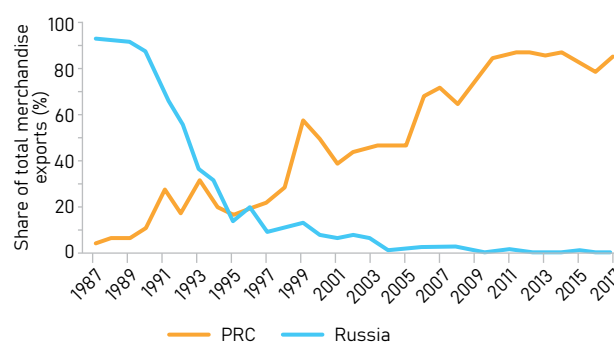


Figure 3.3.12: Export to China and Russia, 1987-2017



Source: ADB, Mongolia's Economic Prospects, June 2020

117 WTO. (n.d.). *Non-ad-valorem tariffs are referred to tariffs which are not expressed as a percentage of the price or value. According to WTO, imports entering Mongolia are subject to an ad valorem duty rate of 5% (compared with a uniform rate of 15% in 1997). In 2004, the simple average applied MFN (most-favored-nation) tariff was 5.0%.* Retrieved from https://www.wto.org/english/tratop_e/tariffs_e/tariff_profiles_e/mng_e.pdf

118 ADB. (Jun 2020). *Mongolia's Economic Prospects.* Retrieved from <https://www.adb.org/publications/mongolia-economic-prospects>

119 National Statistics Office of Mongolia. (n.d.). *Statistical Information Database.* Retrieved from www.1212.mn

120 With GDP of just USD 13 billion (2019), Mongolia is a small economy equivalent in size to a small city in a rich country.

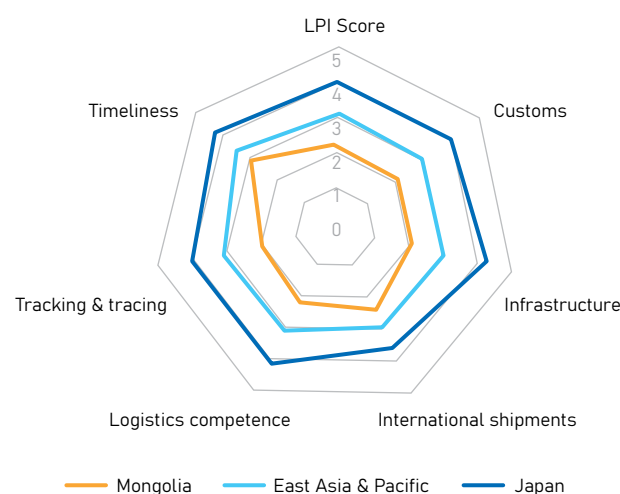
121 The World Bank. (Nov 2020). *Mongolia InfraSAP: Infrastructure for Connectivity and Economic Diversification.*

Cross-border cooperation became particularly important during the COVID-19 pandemic that led to significant movement restrictions and disruptions of cashmere and meat value chains. Only 13 of 52 points of entries were operational through 2020 whilst the number of flights decreased has by 64.4 percent and the number of trucks decreased by 72.7 percent and 63 percent at Altanbulag (Mongolia-Russia border) and Zamiin-Uud (Mongolia-China border) ground crossings, respectively.^[122] This negatively affected export of coal to China in the first half of 2020 leading to significant contraction of the Mongolian economy at 9.7 percent in the first six months of 2020. On 1 August 2020, Mongolia and China agreed to establish a “Green Gateway” a temporary regulation that allowed greater access to both countries. This measure helped rebound the coal export and produce positive economic growth in the last two quarters of 2020 putting the contraction for the year as a whole at about 5.3 percent.

According to the 2018 Logistics Performance Index (LPI) published by the World Bank, Mongolia was scored at 2.37 ranking 130 out of 160 countries^[123]. Mongolia poorly performs on indicators related to quality of trade- and transport related infrastructure and ability to track and trace consignments (Figure 3.3.13).

With average transport distances of more than 600 kilometers logistics costs are about 30 percentage of GDP^[124]. Poor storage facilities and inefficient distribution mechanisms are major hindrances for the distribution, transport, and storage of do-

Figure 3.3.13: Mongolia’s LPI in comparison with the region and its top performer (Japan)



Source: World Bank

mestically produced goods in Mongolia, particularly in the livestock sector. This inefficient logistics system leads to high-priced goods and creates congestion and pollution in cities, especially Ulaanbaatar. Although infrastructure development can help reduce economic distance and thus make economic activities in remote locations viable, Mongolia with its vast territorial expanse and low population density^[125], cannot afford to connect the whole country with infrastructure, because the economic return is too low. This imposes the necessity to be selective in making investments in infrastructure based on a careful assessment of the economic opportunities such investments would leverage^[126].

122 The risk assessment team is established by the order No. 13 (2021) of Deputy Prime Minister of Mongolia to conduct risk assessment at the border crossings in the context of COVID 19 pandemic.

123 The World Bank. (n.d.). *LPI overall score reflects perceptions of a country's logistics based on efficiency of customs clearance process, quality of trade- and transport-related infrastructure, ease of arranging competitively priced shipments, quality of logistics services, ability to track and trace consignments, and frequency with which shipments reach the consignee within the scheduled time. The index ranges from 1 to 5, with a higher score representing better performance.* Retrieved from. <https://lpi.worldbank.org/international/scorecard/radar/254/C/MNG/2018/C/JPN/2018#chartarea>

124 For comparison, in Uzbekistan, another landlocked country, logistics cost represent just 17 percent of GDP.

125 Of its 3.2 million people, 1.4 million live in and around the capital, Ulaanbaatar. Other large urban areas are Bayan-Undur (population 98,000) and Darkhan (population 83,000). The rest of the population lives in herder households in the countryside, at a density of 120 people per 100 square kilometers.

126 The World Bank. (Nov 2020). *Mongolia InfraSAP: Infrastructure for Connectivity and Economic Diversification.*

There are over 190 thousand Mongolians are reported to be living abroad, although the real number of the diaspora would be much higher than the official records. The largest population of them resides in South Korea, the United States, the Czech Republic, and China, where those countries account for the largest share of direct investment in the agriculture sector as well.^[127] Most notably, every 9 in 10 Mongolians abroad are economically active aged individuals.^[128] With its social, financial, cultural, knowledge and networking potentials, Mongolian nationals abroad – Mongolian diaspora – have become economically and socially significant for the development of Mongolia.

Global climate action and China's commitment to reduce carbon emissions may cause a challenge to the economic outlook of Mongolia unless it takes drastic measures to diversify the economy. The World

Bank simulation using a Computable General Equilibrium (CGE) model suggests that a steady decline in China's coal demand would reduce Mongolia's exports by 1.1 percent and economic growth by 0.7 percentage points on average each year if the country continued to rely significantly on mines^[129]. Also, the COVID-19 pandemic has demonstrated that the current development path based on a single product and single market is neither sustainable^[130] nor inclusive; and reinforced the need to diversify the Mongolian economy away from minerals to avoid excessive instability in its macroeconomic environment. Availability of sound macroeconomic policies, strong institution and infrastructure are particularly important for Mongolia to build its international competitiveness and maximize a positive impact of trade liberalization on growth and structural change in the economy.

3.4 ENVIRONMENT AND CLIMATE CHANGE ANALYSIS

Environmental protection is gaining a stronger relevance in the policy framework of Mongolia, with the country adopting its Green Development Policy in 2014, complemented in 2017 by the adoption of 38 green development indicators, as well as Mongolia Sustainable Development Vision-2030 in 2016 replaced by Vision-2050 in 2020. Despite this progress, much of the SDG progress relating to 'Planet' cannot yet be measured due to lack of data.

The country's ecosystems and ways of life are highly threatened by climate change. Changes already evident include an increase of 2.24°C in average temperature

between 1940 and 2015, increased dust storms, shifts in precipitation patterns, and an increase in drought conditions. Winter months, with erratic extremes in winter temperatures, have reduced, with a registered decrease in frost days of 15 days between 1961-2010 and a corresponding increase in summer duration of 24 days in the same time period^[131]. The already extreme climatic conditions of the country, with average temperatures below freezing from November through to March and lows of almost -50°C, and summer temperatures reaching peaks of 36°C, are projected to be further exacerbated.

127 National Development Agency. (n.d.). *Plan to Attract Foreign Direct Investment in the Food, Agriculture and Light Industry of Mongolia*.

128 National Statistics Office of Mongolia. (2020). *Population and Housing Census*. p.153.

129 The World Bank. (Sep 2020). *Mines and Minds: Leveraging Natural Wealth to Invest in People and Institutions*. Retrieved from <https://openknowledge.worldbank.org/handle/10986/34551>

130 Since the start of the COVID-19 pandemic, the Mongolian economy contracted by 7.3 percent in 9 months of 2020 mainly because of suspension of coal export to China.

131 UNFCCC (TNC). (2018). *Third National Communications of Mongolia under UNFCCC (TNC)*.

Climate change impacts and climate-related disasters, such as dzuds, exacerbate already existing environmental challenges. This specifically relates to dust- and sandstorms which constitute one of the major transboundary environmental health concerns in the region^[132]. Temperature increase, declining precipitation and other climatic factors, including an increase in extreme wind events, have increased aridity in some areas, and caused more frequent and severe drought that last for longer periods. All of these factors together have resulted in greater sand and dust storm activity originating from Mongolia over the past three decades that arrives to the Korean Peninsula^[133] Mongolia, already a country with a high incidence of natural disasters, is expected to witness an even higher incidence in climate-related disasters such as dzuds and sand and dust storms^[134]. Transboundary dust and sand storms can have profound environmental and climate impacts as well as impacts on transportation, human health and economic livelihoods and have caused significant loss of lives and livestock, with the most recent dust storm in March 2021 causing 10 casualties^[135].

Climate change affect men and women differently with coping opportunities, capacities and mechanisms strongly dictated by the prevailing socio-cultural norms, gender stereotypes and poverty level, including control over productive assets and resources. According to UNDP, young men are more exposed to immediate climate-related disaster and women are more susceptible to climate disaster with long-term effects. Men can be portrayed in the post-disaster situation being less

affected in terms of labour division and workload. Women's role and workload considerably increase in their households when their family members are affected by any forms of disaster. The gender aspects are not always considered in the policies, strategies on Disaster Risk Reduction (DRR) and climate change adaptation at national and local level^[136].

At the same time, the government lacks sufficient funding and effective coordination mechanism among agricultural, DRR, statistical and environmental management agencies. This relates to damage and loss data management and overall risk management causing duplication, gaps, failures to improve overall risk management performance. For example, dzud relief programmes are mainly focused on animal health and short-term measures to improving herder livelihoods, but not necessarily on building a long-term climate resilience, nor on ensuring that livestock practices are in the long-term climate resilient or sustainable. Also, while existing computing and storage capacity is sufficient to use the data for current application, investment is needed for improved accuracy of monthly and seasonal forecasts and to generate models needed to inform longer term climate-informed planning.

Mongolia suffers from heavy air, soil, and water pollution in its urban areas. During the long cold season, air pollution levels in Ulaanbaatar are among the highest in the world. For example, an average concentration of PM 2.5 levels in the air during December 2020 was 113 µg /m³ and 104 µg /m³ in January 2021^[137], whereas the WHO guideline is maximum 25 µg /m³ (daily average) Burning coal in individual hous-

132 UNESCAP. (2018). *Sand and Dust Storms in Asia and the Pacific: Opportunities for Regional Cooperation and Action*.

133 Middleton, 2018

134 UNDRR. (2019). *Disaster Risk Reduction in Mongolia: Status Report*.

135 IFRC. (2021). *Mongolia: Sandstorm - Emergency Plan of Action (EPoA) DREF Operation n° MDRMN014*. Retrieved from <https://reliefweb.int/report/mongolia/mongolia-sandstorm-emergency-plan-action-epoa-dref-operation-n-mdrmn014>

136 Green Climate Fund. (Nov 2020) *Gender Assessment: Mongolia*.

137 National Agency for Meteorology And Environmental Monitoring. (Dec 2020 and Jan 2021). *Air quality situation in Ulaanbaatar during cold season*. Retrieved from <http://tsag-agaar.mn/>



A blanket of smog hovering over Ulaanbaatar City in winter.
Photo UNICEF Mongolia / Bayarsaikhan

es (ger districts)^[138] and thermal power plants for heating and energy production are the major causes of air pollution which expose habitants in Ulaanbaatar and other urban areas across the country, particularly children and pregnant women, to serious health consequences^[139].

Mortality attributed to air pollution is 155.9 deaths/100,000 people, placing Mongolia among the most severely affected countries. In 2018, pneumonia accounted for 20.2 percent of the total respiratory diseases among patients. This figure was higher in children aged under 5 (70.9 percent)^[140]. Global evidence also shows air

pollution impacts on cognitive development, already during pregnancy, which will likely affect Mongolia's human capital and productivity. In addition to adverse health impacts, air pollution also places a heavy burden on the economy with costs estimated at 6.9 percent of GDP globally^[141]. In 2018, 50 percent of the population was estimated to have primary access to clean cooking facilities and 2 million people continue to rely on biomass and solid fuels for cooking^[142].

The total volume of carbon dioxide emissions from fossil fuels more than doubled from 2010 to 35.9 million metric tonnes in

138 According to the 2019 Voluntary National Review, poor households tend to burn whatever is available – tires, used oil, lubricants, old clothing and shoes, which have inevitable impact on air pollution.

139 United Nations Department of Economic and Social Affairs (2019). *Mongolia: Voluntary National Review Report*, Retrieved from <https://sdgs.un.org/documents/mongolia-2019-vnr-report-english-24388>

140 National Statistics Office of Mongolia. (2019). *Air pollution and health concerns in Ulaanbaatar*, Retrieved from http://1212.mn/BookLibraryDownload.ashx?url=air_pollution_health_concerns_UB.pdf&ln=En

141 The Ministry of Health, Asian Development Bank, UNICEF. (2020). *Reducing the impacts of air pollution on maternal and child health: The Scientific evidence & key messages for the public*

142 IEA, IRENA, UNSD, The World Bank and WHO. (2020). *Tracking SDG 7: The Energy Progress Report*. The World Bank, Washington DC.

2019^[143]. While Mongolia contributes only to a small fraction of the total global emissions (0.1 percent). It is of note, however, that Mongolia's per capita GHG emissions at 11.51 tonnes CO₂ e/person are above the global average of 4.8 tonnes per capita in 2019^[144]. The coal-based energy sector contributes 50 percent of Mongolia's emissions, while agriculture contributes almost 49 percent. Focusing on energy production (renewable energy and production efficiency), and energy consumption (transportation, industrial energy saving and urban building), GHG reduction potentials are estimated at 11.2 Mt CO₂-eq by 2030. At the recent Climate Ambition Summit 2020, the country announced a new conditional NDC pledge with the target of 27.2 percent emission reduction by 2030, if mitigation measures such as the carbon capture and storage and waste-to-energy technology are implemented^[145]. The full implementation of these measures would lead to an estimated 12 percent reduction in black carbon emissions, 9 percent reduction in primary fine particulate (PM_{2.5}) emissions, and a 10 percent reduction in nitrogen oxide (NO_x) emissions in 2030 compared to a business-as-usual scenario.^[146]

Agriculture sector is increasingly becoming the second largest GHG emitting sector due to increased livestock. The GHG emissions of the agriculture sector reached 27.3 million Gg CO₂-eq. in 2017, increasing from 10.5 million Gg CO₂-eq. in 1990, driven by the sharp increase of livestock from 25.9 million headcounts in 1990 to

67.1 million in 2020, out of which, enteric fermentation contributed roughly 57.3 percent of the GHG emissions, followed by aggregated sources and non-CO₂ emissions sources from land with 41.2 percent. By undertaking measures to reduce and regulate the livestock headcount and improve livestock manure management, GHG emissions from the sector can be reduced by 5,283.4 Gg CO₂-eq. or 23.4 percent by 2030.

The Government of Mongolia has been implementing the measures to reduce air and environmental pollution^[147] such as banning the use of raw coal other than in thermal power plants; encouraging the supply of improved fuel to ger areas; subsidizing electricity in the ger districts to encourage electric heating; replacing coal fired heat only boilers at schools with gas- or electricity based heating; reestablishing an anti-air pollution fund; collecting air pollution fees; and expanding air quality monitoring and conducting air pollution monitoring in ger districts. The expenditure of 147.3 billion MNT from the state budget and \$60.7 million equivalent in foreign aid on air pollution measures had taken place annually from 2008 to 2018^[148]. These policies resulted in the 40 percent decrease of the average concentration of PM_{2.5} levels in Ulaanbaatar in the cold season of 2019-2020, compared with the previous season when the PM_{2.5} level in the peak months (December 2019-January 2020) was 2 times higher than the air quality standard^[149].

At the same time, the role of economic in-

143 ESCAP (n.d.). *SDG database*. Retrieved from [https://dataexplorer.unescap.org/vis?dq=MNG..FOSSIL_CO2_EMISSIONS.A&p-d=2010%2C2020&frequency=A&lc=en&fc=datasource_id&fs\[0\]=datasource_id%2CFossil%20CO2%20emissions%20%28EDGAR%29%-23FOSSIL_CO2_EMISSIONS%23&pg=0&df\[ds\]=ESCAP_KEYS&df\[id\]=DF_ESCAP_THEME_Dataflow&df\[ag\]=ESCAP&df\[vs\]=1.0&vw=tb](https://dataexplorer.unescap.org/vis?dq=MNG..FOSSIL_CO2_EMISSIONS.A&p-d=2010%2C2020&frequency=A&lc=en&fc=datasource_id&fs[0]=datasource_id%2CFossil%20CO2%20emissions%20%28EDGAR%29%-23FOSSIL_CO2_EMISSIONS%23&pg=0&df[ds]=ESCAP_KEYS&df[id]=DF_ESCAP_THEME_Dataflow&df[ag]=ESCAP&df[vs]=1.0&vw=tb)

144 World Resources Institute. (n.d.). Retrieved from <https://www.wri.org/blog/2019/12/co2-emissions-climb-all-time-high-again-2019-6-take-aways-latest-climatedata>

145 Ministry of Environment and Tourism. (2020). *Mongolia's Nationally Determined contribution to the UNFCCC*.

146 Climate and clean air coalition. (Mar 2020). *Mongolian increases climate change ambition with actions that improve air quality and human health*. Retrieved from <https://www.ccacoalition.org/en/news/mongolia-increases-climate-change-ambition-actions-improve-air-quality-and-human-health>

147 National Programme on Reduction of Air and Environmental Pollution for the period 2017–2025.

148 AARC/UNDP. (2019). *Air pollution in Mongolia: Opportunities for further actions*. Retrieved from <https://www.mn.undp.org/content/mongolia/en/home/library/air-pollution-in-mongolia--opportunities-for-further-actions.html>

149 ESCAP (Apr 2021). *Background Paper on the Policy and Technology Cooperation*. Retrieved from https://www.neaspec.org/sites/default/files/Background%20Paper%20on%20PTC_%20SPC-3_Apr9_format.pdf

struments in creating effective incentives for changes in the polluters' behavior has remained modest. While the magnitude of energy subsidies in Mongolia has not been determined yet, it appears that local coal consumption is being heavily subsidized with energy tariffs are well below cost recovery level, and local coal price below than the average border price^[150]. The water pollution tax has been awaiting the adoption of secondary legislation required for its implementation. The air pollution tax rate is too low, and the excise duty on motor fuels has not been used as an instrument for more rational use of petrol and diesel. At present, Mongolia imports 95 percent of all fuel, and the current Sulphur content is one of the highest in the region^[151].

Having 230-260 sunny days during the year and windy steppe and desert-steppe regions, Mongolia has a vast potential for wind and solar energy^[152]. Also, its strategic location between the two major economies and along major regional economic corridors connecting to Central Asia and beyond that, creates large market opportunities for renewable energy and the country's green development. Analysis by ESCAP found that increased regional connectivity linked to sustainable energy development could bring a number of potential benefits, including increased economic development, reductions in heavy air pollution, reduced energy import dependency and opportunities to export power based on renewable energy resources.^[153] Mon-

golia also has a long tradition of livestock herding, and produces good quality cashmere products. Despite such strategic opportunities, Mongolia's development path is characterized by its heavy reliance on mining and, unsustainable use of natural resources, including of water, forest, biological resources, minerals and pasturelands, resulting in poor livestock farming, unplanned and inefficient urban development, and poor infrastructure connectivity with associated urban congestion and higher cost of infrastructure services^[154].

The country has ratified the major conventions on chemicals management and hazardous waste, including Basel, Stockholm and Minamata, however, reporting obligations are often not fully met due to limited human resources and technical capacities. While it is estimated that the country generates between 27,000–54,000 tonnes of hazardous waste on a yearly basis, reliable information is limited^[155]. While mining is a sector of great economic importance for the country, as evidenced by the fact that 6,2% of the country's territory in 2017 was under outstanding exploration licenses, there is limited information on the full extent of the environmental impacts of the sector^[156], with reports of lack of implementation of the legal and policy frameworks integrating environmental concerns^[157]. Illegal mining is also present, with surface and underground water and soil contamination with mercury occurring in regions where there are illegal gold mining operations^[158]. Eutrophication

150 The average annual border price for Mongolian thermal coal amounted to US\$38.5 per ton in 2015, which was US\$25 above the local price. Source: UNECE. (2018). *Environmental Performance Review of Mongolia*

151 UNECE. (2018). *Environmental Performance Review of Mongolia*.

152 Third National Communications of Mongolia under UNFCCC (TNC), 2018.

153 ESCAP. (n.d.). *Regional Power Grid Connectivity for Sustainable Development North-East Asia policies and strategies*. Retrieved from <https://www.unescap.org/sites/default/d8files/knowledge-products/Regional%20Power%20Grid%20Connectivity%20for%20Sustainable%20Development%20in%20North-East%20Asia.pdf>

154 The World Bank. (2020). Policy Note: *Towards Sustainable Management of Natural and Built Capital for a Greener, Diversified, and Resilient Economy*.

155 *Ibid*.

156 *Ibid*.

157 Report of the Special Rapporteur on the human rights to safe drinking water and sanitation on his mission to Mongolia (18 Jul 2018). A/HRC/39/55/Add.2 Retrieved from <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G18/222/08/PDF/G1822208.pdf?OpenElement>

158 According to the National Action Plan for Reducing Mercury Pollution caused by Artisanal and small-scale Gold Mining in Mongolia 2019- 2023 submitted to the Secretariat of Minamata Convention on Mercury in 2020, there are 11,962 artisanal and small-scale miners engaged in operations of 332 sites.

of smaller lakes is expanding, mostly due to uncontrolled livestock husbandry waste discharge into watercourses, threatening the viability of fish, amphibian and reptile populations^[159].

Mongolia has no reliable data on the total amount of waste generated in the country, but the amount of waste transported to landfills in 2018 was 3,353,548.73 tonnes, a sharp fourfold increase compared to the amount of waste transported to landfills in 2008.^[160] Collection rates in the country are relatively low, and estimated at around 70 percent in urban areas, falling to 40 percent in rural areas.^[161]

Even though there are no accurate statistics on the households using an open-pit latrine, it is believed that the majority of the population living in the ger districts use open-pit latrine which is not connected to the central sewage system. In case of flood hits Ulaanbaatar, there is a high risk of open-pit latrine flooding which may lead to numerous air-borne diseases, soil pollution, and water pollution. In turn, it will affect around half of the Mongolian population. Thus, a detailed study on the subject matter is important for evidence-based decisions. In addition, due to the lack of management for coal ash disposal in the ger area, residents are disposing of coal ash in illegal and unregulated points such as public waste points and ravines near the ger area. As a result, coal ash is becoming one of the main sources of soil pollution in the ger area of Ulaanbaatar city. The coal ash contains a high concentration of heavy metals compared with other geological materials as the concentration of heavy metals is enriched four to ten times after combustion and is harmful to human health^[162].

76.8 percent of country's total territory was affected by some degree of desertification and degraded, and of which 22.9 percent of land were affected severe and very severely degraded (Figure 3.4.1). Increased livestock headcount has negative impacts on the carrying capacity of pastureland. In November 2020, the Parliament re-introduced the Law on Livestock Tax for improving livestock and pasture management, however, its implementation has been delayed until 1 July 2021 due to the ongoing economic downturn caused by the COVID-19 pandemic.^[163] The enforcement of the tax collection mechanism should be aligned with the pasture management activities at the herder community level, since the tax revenue will have to be spent for sustainable pastureland management and reduction of risks associated with drought and dzud. Therefore, agriculture sector adaptation activities are to be continued by improving efficiency of livestock breeding, supporting livestock products access to the market to reduce pressure on land, while increasing livelihood of the community. Best practices of improving soil and water condition planned to be applied in coordination with community's livelihood support, biodiversity conservation activities in different ecological regions. Not only tax or compulsory measures will have an impact on the livestock sector adaptation, but social aspects should be taken into consideration when it comes to the sustainable agriculture development. Herder groups, which are also playing similar role as a Forest user group, need a clear definition.

Although dominated by grasslands, Mongolia also has a significant area of forest, consisting of boreal forests in the north covering approximately 14.2 million hect-

159 UNECE. (2018). *Environmental Performance Review of Mongolia*.

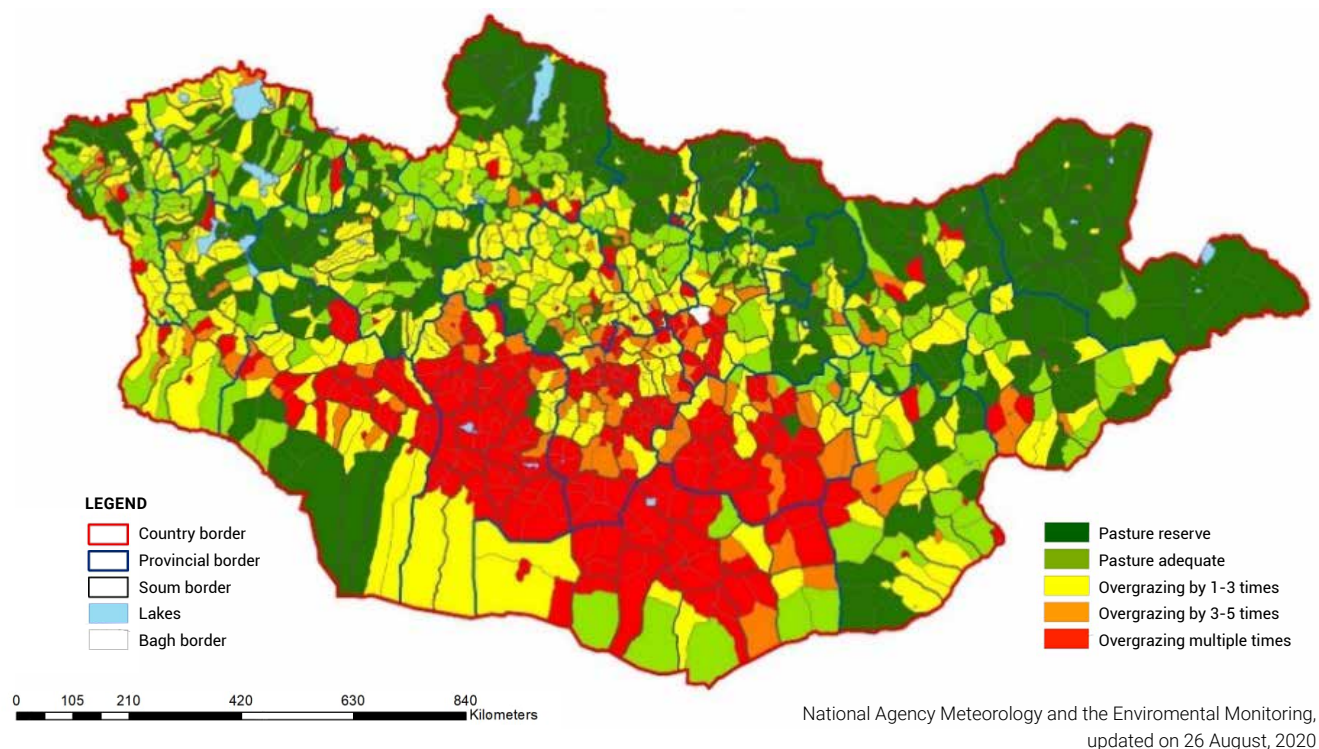
160 The Asia Foundation. (2019). *Report on the Current State of the Waste Management Sector (Mongolia)*.

161 UNECE. (2018). *Environmental Performance Review of Mongolia*.

162 Battseengel E, Murayama T, Fukushi K, Nishikizawa S, Chonokhuu S, Ochir A, Tsetsgee S, Davaasuren D. (2020). Ecological and Human Health Risk Assessment of Heavy Metal Pollution in the Soil of the Ger District in Ulaanbaatar, Mongolia. *International Journal of Environmental Research and Public Health*. Retrieved from <https://doi.org/10.3390/ijerph17134668>.

163 FAO. (Jan 2021). *Mongolian Agriculture: Prospects and Priorities for Sustainable Growth*.

Figure 3.4.1: Pasture degradation in Mongolia, 2020-2021



Source: The data is generated by 26 August 2020 at NAMEM

ares, and saxaul forest in the south of 2 million hectares, which provide important ecosystem services that support rural livelihoods and local economic development, as well as protecting water sources in arid environments.^[164] Deforestation and forest degradation rates are increased. Approximately 140,000 hectares of forests are degraded annually due to the frequent anthropogenic forest fires and pest insect infestations associated with climate warming, and unmanaged logging. Due to climate change and the increased rate of dryness, numerous rivers, springs, and

lakes are receding and the permafrost and glaciers are drastically melting. The deforestation figures amount to forest-related net emissions of 3.5 million tCO₂e per year.^[165] In addition, although the forest sector accounts for only 0.5 percent of Mongolia's GDP, activities such as afforestation, reforestation, forest cleaning, and wood processing are essential sources of rural employment and income for local communities^[166]. Since forests are home to terrestrial wildlife, sustainable (boreal and saxaul) forest management, and pastureland management will contrib-

164 CCPIU and MET. (2017). *National Strategy and Action Plan for Reducing Emissions from Deforestation and Forest Degradation*. Retrieved from https://redd.unfccc.int/files/national_strategy_and_action_plan_redd_mongolia_eng.pdf

165 The Ministry of Environment and Tourism; and UN-REDD Mongolia National Programme (2018). *Mongolia's Forest Reference Level submission to the United Nations Framework Convention on Climate Change*. Retrieved from https://redd.unfccc.int/files/mongolia_2018_fr_l_submission_modified.pdf

166 Approximately 500 Forest User Groups have rights to collect non-timber forest products (NTFPs) including pine nuts, berries and medicinal plants. An estimated total value of around US\$ 12.18 million) a year. Source: Narangerel, Z., Nandin-Erdene, G., de Lamo, X., Simonson, W., Guth, M. and Hicks, C. (2017) *Using spatial analysis to explore potential for multiple benefits from REDD+ in Mongolia*. Joint report of

ute to the biodiversity conservation activities. Mongolia needs to improve national regulatory system for monitoring the utilization of the Genetic resources, and associated traditional knowledge, since the Parliament ratified the Nagoya Protocol on Access and Benefit Sharing in 2013.

Mongolia's peatlands, which are estimated to cover around 1 percent of the land area, represent an important wetland type in the country, which maintain hydrological ecosystem services, support pastureland, and protect permafrost.^[167] Peatlands also store large amounts of carbon, and so their degradation can contribute significantly to GHG emissions.^[168] However, Mongolia's peatlands are also highly threatened due to factors such as conversion, overgrazing, fires, and climate change. Similarly, permafrost in Mongolia is retreating, with its southern boundary moving north and permafrost coverage decreasing from an estimated 63 percent of the country in 1971 to 29 percent in 2015.^[169] It is evident that it causes damages to infrastructures and buildings, which will have significant cost implications in the coming years. For instance Altai soum of Khovd province was relocated in 2009 to a non-permafrost area because cracking and deformation were occurred and most of the buildings and engineering structures in old soum center became impossible to be used. In many other soums, kindergartens, hospitals and other buildings became impossible to be used due to cracks in buildings^[170]. Despite the significant challenge of land degradation, there is also strong potential for example, changes to grazing manage-

ment could result in recovery, or progress toward recovery, within ten years.^[171]

As there are no transboundary water inflows into Mongolia, internal renewable water resources are the same as total renewable water resources (estimated at 34.6 KM³/year), with a total water withdrawal 560 million m³ per year in 2018, a significant increase from 534 million m³ per year in 2014.^[172] It is estimated that 60 percent of Mongolia's renewable water resources flows into Russia and China, with only 1,200 million cubic meters stored in dams and reservoirs within Mongolia.^[173] Agriculture is the biggest user of water (40 percent), followed by industry (25 percent), and domestic (16 percent) sectors. Most of the water used in agriculture is lost by evapotranspiration of plants. In general, domestic and industrial water treatment is inadequate in Mongolia. Wastewater treatment plants in Ulaanbaatar are not able to treat water to required water quality standards^[174]. Concerns over lack of adequate water treatment often center on the mining sector, where inadequate management of tailings, spoils and wastewater are leading to serious water pollution concerns. A recent report to the Human Rights Council indicates that although mining contributes greatly to the economy, it "causes serious environmental problems, including pollution of air and water, overuse of underground water resources and destruction of pasturelands"^[175]. The planned expansion of water-intensive activities such as mining, hydropower dams, export oriented thermal power plants and coal-to-gas conversion

the Information and Research Institute of Meteorology, Hydrology and Environment (IRIMHE), UNEP-WCMC and Mongolia National UN-REDD Programme, Ulaanbaatar.

167 ADB & MET. (2017). *Assessment Report: Strategic Planning for Peatlands in Mongolia*. Retrieved from <https://www.mne.mn/wp-content/uploads/2017/11/Peatlands-Mongolia-Assessment-Report-ilovepdf-compressed.pdf>

168 Globally peatlands cover approximately 3% of the land surface but contain 20 to 25% of the world's soil organic carbon (IPCC, 2014).

169 *The importance of Mongolia's boreal forest*. (n.d.). Retrieved from <https://www.unep.org/ru/node/23973>

170 Ministry of Environment and Tourism. (2016). *Environmental situational analysis 2015-2016*. Retrieved from <https://www.mne.mn>

171 ALAGaC, SDC & IRIMHE. (2015). *National Report on the Rangeland Health of Mongolia*.

172 ADB. (2020). *Overview of Mongolia's Water Resources System and Management*.

173 ADB. (2017).

174 ADB. (2020). *Overview of Mongolia's Water Resources System and Management*.

175 Report of the Special Rapporteur on the human rights to safe drinking water and sanitation on his mission to Mongolia (18 July 2018). A/HRC/39/55/Add.2. Retrieved from <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G18/222/08/PDF/G1822208.pdf?OpenElement>

plants to supply energy to these activities will likely put intense pressure on the Mongolia's water resources. The 2030 Water Resources Group estimated that water demand is expected to triple in the next two decades and water supply to decline, and predicted water deficit in Mongolia by the end of the next decade already^[176]. To produce the energy required, and to deliver the needed water for mining expansion in the future, the government is planning to construct several large hydropower dams, which might significantly impact both the ecology and livelihoods of the downstream ecosystems and communities, particularly for the Selenge River Delta and Baikal Lake in Russia^[177] and the Dalai Lake ecosystem in China. To address water pollution and supply issues, urban and provincial plans should prioritize them in their socio-economic development, focusing on recycling of the grey water for irrigation and creation of localized system of wastewater treatment with recycling options of the sludges for processing biofertilizer.

A country rich in biodiversity, Mongolia has over 5,682 plant species recorded including 2,950 vascular plant species, 445 moss species, 999 lichen species and 1,288 algae species, which contain unique genetic resources. The country is also home to 472 recorded bird species, of which 391 are migratory, and of which around 10 percent were classified as threatened in 2011.^[178] Mongolia is also host to 138 species of mammals, 6 species of amphibians and 21 species of reptiles and 76 freshwa-

ter fish species. Over 128 plant species in the country are registered as endangered or threatened. Of the country's mammals, 16 percent are regionally threatened, of which 2% are Critically Endangered, and 11% are Endangered.^[179] As of 2019, 20,1 percent of territory of the country is covered by its Protected Areas Network. The National Biodiversity Program (2015) includes a target aiming to ensure that by 2025 "at least 30% of each representative" of the country's main ecosystems are to be included in the National Protected Area network – this has already been achieved for all major ecosystems except for the steppe ecosystem, with only 8.5 percent of its territory protected^[180].

An environmental issue with significant impact on the country's biodiversity and of transboundary importance is illegal wildlife trade^[181]. Coupled with other factors, such as habitat destruction, infrastructure (roads with fences limiting movements, electric wired killing birds etc.) and fragmentation, it has contributed to catastrophic declines of a number of species that are vital for the Mongolian steppe ecosystem. Mongolia has also become a consumer country with an appetite for exotic wildlife products by its affluent population segments, and emerging transit country for illegally traded wildlife by 2015^[182].

The vast borders coupled with under-resourced customs and inspections capacities make Mongolia an easy target for the illegal wildlife trade. Rural poverty and in-

176 *Ibid.*

177 UNESCO designated Lake Baikal a World Heritage Site in 1996, and the wetlands of the Selenge River Delta a Ramsar Site in 1997. It is estimated that Lake Baikal contains 20% of the world's total unfrozen freshwater reserve as well as having a huge variety of endemic flora and fauna that exist nowhere else in the world, including the Taimen trout, Baikal sturgeon and other rare and endemic fish species listed in national and international Red Books (McKinney, 2019).

178 Gombobaatar, S. and Monks, E.M. (compilers), Seidler, R., Sumiya, D., Tseveenmyadag, N., Bayarkhuu, S., Baillie, J.E.M., Boldbaatar, Sh., Uuganbayar, Ch. (editors) (2011) *Regional Red List. Series Vol. 7. Birds*. Zoological Society of London, National University of Mongolia and Mongolian Ornithological Society.

179 Ministry of Environment and Tourism. (2019). *Sixth National Report to the Convention on Biological Diversity*. Retrieved from <https://www.cbd.int/doc/nr/nr-06/mn-nr-06-en.pdf>

180 *Ibid.*

181 Financial Times. (2019)

182 Wingard, J., Pascual, M., Rude, A., Houle, A., Gombobaatar, S., Bhattacharya, G., Munkhjargal, M., Conaboy, N., Myagmarsuren, S., Khaliun, T., Batsugar, T., Bold, T. (2018). *Silent Steppe II: Mongolia's Wildlife Trade Crisis, Ten Years Later*. Zoological Society of London, London UK, Legal Atlas and IRIM. Retrieved from <https://juliahanjanicki.com/portfolio/SilentStappell.pdf>

effective hunting regulations and law enforcement result in significant temptation for rural herders to concede to the influence of criminal networks and get involved in the lucrative trade by supplying the animals^[183]. The economic motive is compounded by the fact that increased livestock numbers compete for grazing land with wild animals, such as Mongolian gazelles and argali sheep, resulting in herd-

ers seeing predators, such as wolves and snow leopards, as pests to be eradicated. As a result, an increasing illegal trade in wildlife is expected to have far-reaching and long-term impact in Mongolia, especially with regards to biodiversity loss and the associated decline in overall ecosystem health, particularly the decline in population size of iconic target species^[184].

3.5 GOVERNANCE AND POLITICAL ANALYSIS

Mongolia is currently ranked at 61st place globally according to the 2020 Economist Democracy Index^[185] compiled by the Economist Group that measures the state of democracy on selected parameters. However, after three decades of transition to democracy and market economy, Mongolia continues to face challenges of democratic consolidation.

Mongolia is a parliamentary democracy with the legislative power is endowed in the Parliament (State Great Khural), with the executive power exercised by the Prime Minister. The President is the head of state, elected directly by the citizens of Mongolia. There are 35 registered political parties in Mongolia. Currently there are three political parties with seats in the Parliament. The Mongolian People's Party (MPP) holds 60 seats (78%) out of 76 in the Parliament formed after 2020 elections. In June 2021 the candidate nominated by the MPP was elected President, resulting in the shift of presidency from the Democratic Party (DP) which had been holding the presidency since 2009.

The long-debated second set of constitutional amendments to the 1992 Con-

stitution were enacted in November 2019 and came into force in May 2020^[186]. The changes focused on a clarification of the balance of power between the Prime Minister and the President, with the aim to strengthen the powers of the Prime Minister by giving the office full authority to appoint and dismiss the Cabinet.

Out of eight parliamentary elections that Mongolia has held since the transition to democracy, seven were organized by the majoritarian electoral system, and the 2012 elections were held with mixed system (48 seats by majoritarian system and 28 seats by party lists). Electoral system affects institutional strengthening of political parties, political party financing, and representation of women and youth in the legislature. Therefore, electoral reform has been on the political agenda for several years. One of the proposed constitutional amendments which did not get passed was shifting the electoral system from majority to mixed system.

Voter turnout has been declining in Mongolia since the first democratic elections. While the turnout rate remained at 75.3 percent and 74 percent^[187] during the last

183 Pratt et al., 2004

184 UNEP-WCMC. (2018).

185 The Economist Intelligence Unit. (2021). *Democracy Index 2020*.

186 With the exception of the clause on political parties, which will be effective in 2028.

187 *Election outcome*. (n.d.). Retrieved from <https://www.montsame.mn/mn/read/27285>; <https://ikon.mn/elections/2020>

two parliamentary elections in 2016 and 2020, respectively, it was around 37 percent for the recent by-election held on 10 October 2021 for two mandates in the Parliament which was the lowest voter turnout rate in the country's history. Such a low voter turnout may indicate an increasing voter fatigue and disengagement, as well as potential mistrust and dissatisfaction with candidates nominated through political parties, urging for reforms in governance and electoral systems. Participation of young people has consistently been lower than the other age groups.

The current proportion of women in parliament (13 seats or 17.3%) is lower than the global average of 25.5% and places Mongolia at 127th among 184 countries^[188]. The calls to raise the current 20 percent

gender quota have not been realized. 4 out of 14 ministers are women. Five Commissioners of the National Human Rights Commission were appointed in 2020 including three women in compliance with the gender quota of the revised Law on NHRC^[189]. This set a precedent for collegial organizations reporting to the Parliament (including CSC) on meeting gender quota at the leadership level.

The revised Law on Administrative and Territorial Units and their Governance adopted in December 2020 introduced sweeping reforms in functional allocation between central and sub-national governments, fiscal decentralization, and strengthening local self-governance. Due to limited economic opportunities in rural provinces and lack of rural urban balanced



UN Mongolia advocates for gender equality in governance at all levels in Mongolia.
Photo by UNDP Mongolia

188 *The Global and Regional averages of women in national parliament.* (n.d.). Retrieved from <https://data.ipu.org/women-averages>

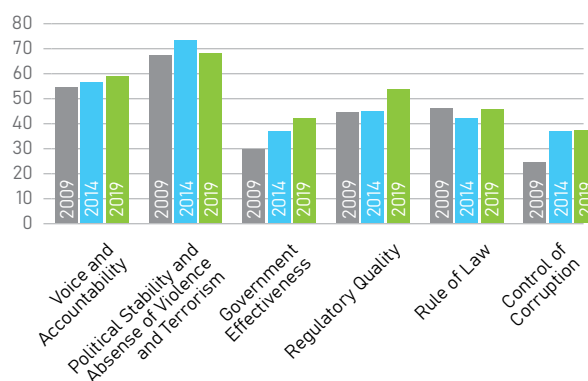
189 *Mongolian Law on National Commission of Human Right.* (Jan 2021) Retrieved from <https://www.legalinfo.mn/law/details/15152?law-id=15152>

development policies, as well as lack of capacity for local economic development programs and plans, the local government has limited revenue basis. There is still reluctance of central government to delegate functions and financial authority to local governments. Corruptions and ethics of elected official in the local government is one of the key challenges. However, during the COVID-19 pandemic, despite the fact that civil servants at local administrations gained experience to manage the pandemic, they continue to face challenges in availability of resources and equipment for effective response.

The average lifetime of a government was approximately 1.5 years^[190] during the last two decades and government policies are often disrupted by changes in leadership and personnel reshuffles. Excessive focus on short-term gains at the expense of long-term sustainable development interests are prevalent at all levels of government. The capacity of the government and the parliament in formulating result-oriented and evidence-based sustainable development policies remain weak and lacks the accountability mechanisms to deliver results. The public administration is also weak and constraints exist in the implementation of public policies and the delivery of public services. A higher performing public administration system in Mongolia requires a greater professionalization of its civil service. In 2020, the Rule of Law Index of Mongolia was 6.3, ranked at 57th place out of 128 countries^[191]. Overall, according to the 2018 UNDP Human Development Report, there is a low level of trust in the national government with only 28 percent among the surveyed participants^[192].

According to the World Bank, the indicators on government effectiveness, regulatory quality, rule of law and control of corruption for Mongolia ranked below the 50 percentiles (Figure 3.5.1). The political processes in Mongolia are not organized around ideological and policy differences and are deeply influenced by factional conflicts within its unicameral parliament. Divisiveness among and within the political elites, as well as endemic corruption, become an obstacle in the implementation of long-term political and economic reforms. This also results in frequent changes to the country's legislative frameworks, lack of accountability, particularly related to governance and elections^[193], especially in the lead up to the electoral periods. This negatively impacts the rule of law, good governance and democracy, for long-term development results and the achievement of the Sustainable Development Goals (SDGs).

Figure 3.5.1: Governance Indicators, Mongolia, percentile ranking (0-100%)



Source: World Bank, Worldwide Governance Indicators

The Parliament established a new Standing Committee on Ethics, Discipline and Accountability (SCEDA). Unlike the Ethics

190 NDA. (2018). *Analysis on development policy sustainability, stability, and its coherence*.

191 BTI. (2020). *Mongolia Country report*. Retrieved from <https://www.bti-project.org/en/reports/country-report-MNG-2020.html>

192 UNDP. (n.d.). *Human Development Report 2018*. Retrieved from http://hdr.undp.org/sites/default/files/2018_human_development_statistical_update.pdf

193 The World Bank. (n.d.). *Worldwide Governance Indicators*. Retrieved from <https://databank.worldbank.org/source/worldwide-governance-indicators>

Sub-Standing Committee of previous Parliaments which was mainly dealing with MPs attendance and income and asset declarations, the new SCEDA's mandate covers civil service ethics policy and work of Ethics Councils in public entities.

The trend of increasing number of civil servants has not been reversed. The total number of civil servants as of January 2021 was 205,011 (all categories) in all 4,174 government organizations^[194]. Civil servants constitute 15.4 percent of the total labor force. Over the last decade, the size of the civil service grew by around 27.5 percent. There is consensus across the political spectrum that rule of law is not being upheld in the civil service and further reform is necessary to create a sound framework in which roles, responsibilities and accountability lines are clarified as well as coherently and consistently implemented. Civil service reform objectives have been included in government programmes, including in the Digital Strategy, but mainly focusing on effective delivery of public services and e-governance.

The revised Law on Court, adopted in 2021, made significant steps towards strengthening the independence of the judiciary. The membership of the Judicial General Council was increased from five to ten, half of the members were elected by secret ballot from an All judges assembly, and the remaining five members were appointed by the State Great Hural on the basis of open selection. The Judicial Disciplinary Committee is to be established for the first time with the Parliament selecting more than half of its nine members.

Mongolia revised its law on international treaties in 2016, which became mandatory to either integrate treaty provisions and obligations into domestic laws. This was an important step for the country to bring its national legislation into conformity with the relevant international treaties in a

more interrelated and consistent manner.

The Parliament adopted the revised law on the National Human Rights Commission to strengthen the national institutions and to define the mandates of the independent members and the unit responsible for the human rights defenders and the prevention of torture, created a national preventive mechanism. Further enhancement in capacity on human and financial resources to the National Human Rights Commission of Mongolia is needed to enable it to discharge its mandate effectively and independently in full compliance with the Paris Principles.

Mongolia's human rights record examined by the UN Human Rights Council's Universal Periodic Review (UPR) for three times in 2010, 2015, and November 2020, respectively. Following the third UPR Cycle, Mongolia had accepted 170 and noted 20 out of 190 recommendations. The recommendations cover the improvement of quality and accessibility of education, combatting gender-based and domestic violence, discrimination and human trafficking, protection of victims, reducing violations of human rights linked to environmental conflicts and verifying the legal status of human rights defenders.

The Law on "Legal Status of Human Rights Defenders" was adopted in April 2021. Human rights defenders reported cases of discrimination, intimidation, harassment, stigmatization and physical attacks against by private actors and in some cases by law enforcement and other public officials. They also reported an alarming rate of discriminatory and hate speeches in the Internet and social media contents, in particular towards sex workers, sexual and ethnic minorities and political elites^[195]. They also noted that the recent legislation, on fighting COVID-19 and the Administrative Offence Act, contributed to restrictions for the work of journalists and

194 Civil Service Council of Mongolia. (n.d.). *Discussion on the annual performance in 2020*. Retrieved from <https://csc.gov.mn/s/44/980>

195 D.Munkhchimeg & Ts. Chimeddongdog. (2018). *Hate speech expression in the digital space*. Research on content analysis.



UN Human Rights Council recommends Mongolia to advance its efforts to protect the rights of vulnerable groups, especially the persons with disabilities.
Photo by Davaanyam Delgerjargal / UNRCO

human rights defenders. A proposed draft of the Non-Profit Organization Law would further curtail civil society's activities by tightening the control of registration and foreign funding. As Mongolia's civil society continues to form, further capacity building efforts and enhanced participation and collaboration in public affairs are still required.

In addition to the international norms¹⁹⁶, the fundamental legislation relates to the migrant right is "the right to freedom of movement and residence within the country, to travel and reside abroad, and to return home to the country" as it ensured in the Constitution of Mongolia and the National Human Rights Action Program of Mongolia (2003). To impose any further restrictions on the population movement, there should have clear articulation as to how internal migration poses a threat to state security and public order, leading to a drastic measure. In recent years, internal migration has grown, starting with the movement from baghs and soums to aimag centers and mostly towards the capital city ("rural-urban-capital city"). Rather than dealing with root

causes and drivers, the current sectoral policies and impeding actions are likely to deal with the problems associated with internal migration and its symptoms. There is a strong need for better migration management, effective implementation of migration inclusive policies, and human resource dedication.

Pre-existing grievances about mining companies and the negative impact their operations can cause on traditional herders has been the source of growing conflict. The Committee on the Elimination of Racial Discrimination has expressed concern over lack of consultation with ethnic minorities in the issuing of mining licenses and exploration permits, noting the absence of any consideration given to impact assessment plans aimed at ensuring that mining operations do not harm the cultural heritage of the affected ethnic groups. It recommended the government to amend the Minerals Law, the Law on Licensing and the General Administrative Law to ensure that the rights of ethnic minorities, to meaningful consultation, prior to the issuance of mining licenses or exploration permits on lands that they traditionally

196 *The Universal Declaration of Human Rights. (1948). Art 13(1): Freedom of movement within the territory of a country; Universal Declaration of Human Rights. (1948). Art 13(2): the right to leave any country, and the return to his or her own country.*

used or occupied, are guaranteed.^[197]

The marginalized groups such as women and girls and people living in disadvantaged mining-affected settings are becoming more vulnerable to exploitation as a result of economic inequality. There are shortcomings and lack of transparency in the Mongolian laws and policies on mining and environment, such as legal rights to own and possess land, accessibility and safety of housing, provision of education and health services, and expansion of infrastructure access.

To strengthen the child protection system, the UN's Committee on the Rights of the Child has repeatedly raised the need for a strengthened coordination across government departments at all levels in its Concluding Observations in the periodic reports of Mongolia. This is another area that must be improved.

According to the 2021 Freedom of Press Index^[198], Mongolia ranked at 68th (28.97) out of 180 countries, moving up by 5 places. Mongolia lacks the laws and policies important to guaranteeing media freedom, such as a general broadcast law including the recognition of community media, laws on media ownership transparency and concentration, and laws on the protection of sources. Following the constitutional amendments, the Ministry of Justice and Home Affairs are drafting several legislations, namely: i) a law on "Public Information" as a revision of the law on "Information Transparency Right to Information"; ii) the draft law on "Personal Data Protection"; and iii) a revision of the law on "Media Freedom".

Although freedom of expression is guaranteed against interference and restrictions by government, some media outlets remain polit-

icized and influenced by dominant politicians and business groups. Mongolian activists for media freedom have expressed their concerns on increasing state restrictions^[199] on media freedom, especially in reference to the recent legislative changes related to the pandemic and disaster protection, which would censor media or cause self-censorship in fear of punishment under "disinformation"^[200]. In addition, 67 per cent of journalists experienced some form of threats, pressure, or insults for their work, with female journalists twice as likely to face the same attacks.^[201]

Corruption remains a major challenge in Mongolia's development progress both economically and politically. Mongolia's ranking on the Corruption Perception Index dropped from 72nd (out of 180) in 2015 to 111th in 2020^[202]. Several corruption cases involving high-level decision makers, such as former Prime Ministers and Parliament members triggered public outcry and protests and were subsequently investigated by the Independent Authority Against Corruption (IAAC). While corruption continues to exert a destabilizing effect on the government and effectiveness of and trust in institutions, the authorities have yet to tackle the structural causes. In July 2021, the Government of Mongolia established an inter-ministerial working group responsible for improving Mongolia's ranking in the Corruption Perception Index within next two years. The aim is to improve the legal environment and accelerating the government's digital transition, which have been identified as the root causes of corruption. The Government also stressed the need for a law on the legal status of whistleblowers, and law on political party financing.

197 Committee on the Elimination of Racial Discrimination. (17 September 2019). *Concluding observations on the combined twenty-third and twenty-fourth periodic reports of Mongolia*. CERD/C/MNG/CO/23-24 Retrieved from https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=CERD/C/MNG/CO/23-24&Lang=En)

198 RSF Reporters without borders. (2021). Retrieved from <https://rsf.org/en/ranking>

199 The Media Council of Mongolia. (2020). *The Media Council of Mongolia objects increasing state control over media*. Retrieved from <https://www.mediacouncil.mn/a/205>

200 Globe International Centre. (2019). *Media Freedom Report*.

201 *Ibid*.

202 *Corruption perceptions index*. (n.d.). Retrieved from <https://www.transparency.org/en/cpi/2020/table/mng>; *Mongolia Corruption index*. (n.d.). Retrieved from <https://tradingeconomics.com/mongolia/corruption-index>

3.6 MULTIDIMENSIONAL SDG RISK ANALYSIS

In addition to the current health, socio-economic, environmental, political, regional, and global issues and challenges, the following are considered as high impact risks with a high likelihood in the coming future.

Inequal access and poor quality of care due lack of social infrastructure, high out-of-pocket expenditures, worsening air pollution caused by using raw and processed coal and old vehicles with no emission standards and low-quality fuels for transport, and suicide among adolescents and youth could lead to severe public health risks, which will impact directly to SDG 3 and indirectly to many other SDGs.

Poor nutrition/food in most vulnerable ones, increasing poverty, and food insecurity caused by the surge in food prices, land degradation threatened by forest fires, droughts, dzud, and extreme events, scarcity of water for agriculture use, biodiversity degradation and loss due to high number livestock could lead to severe food security and agriculture risks impacting directly on multiple SDGs such as goals 1, 2, 3 and indirectly on many others.

Significant overstocking above the carrying capacity, desertification and degradation of pasturelands, grasslands, peatlands, and forests due to anthropogenic forest fires and pest infestations, increasing vulnerability of agriculture sector and local community dependent on natural resources and the environment caused by climate-related natural disasters, depletion of natural resources (water, rangeland, minerals), worsening air pollution in urban areas (high per-capita carbon emissions due to coal-based energy), biodiversity loss due to due to habitat loss associated with the increased livestock size, mining, and infrastructure development, illegal wildlife trade and unsustainable consumption, and global warming could lead to severe environment and climate risks impacting directly on SDG 13, 15 and

indirectly to many other SDGs.

Weakened civil service capacity and governance institutions induced by frequent systemic changes in the Executives after the Government changes, endemic corruption at all levels including political parties, and potential cyber security issues could lead to instability and internal security risks directly impacting SDG 16 and 17 and indirectly impacting all other SDGs.

The high likelihoods risks with medium impact are the mineral revenue management determined by political convenience and not determined by economic merit, and the livestock loss caused by Dzud which could lead to a moderate level of economic and financial risks. Lack of basic services to the rural migrants in urban areas, and child and adult obesity are the high likelihood risk with medium impact on public health and migration issues.

Growing number of hate speeches, discrimination, harassment, stigmatization, and physical attacks against human rights defenders and other minority groups in the society is the medium impact with medium likelihood risk on the democratic space. Brain drains to foreign countries due to high unemployment among youth also has a medium impact with medium likelihood risk of migration issues.

Urban informal dwellers' exposure to flood triggered by unplanned urbanization with lack of water and sanitation infrastructure services, and depriving herders' livelihoods induced by climate changes, natural disasters, and pasture degradation could lead to medium levels of infrastructure and access to social services risks.

Loss of the legitimacy of the Government and its institutions among citizens caused by the limited access to justice, and limited remedy for human rights violations could lead to medium level risks of Justice and Rule of Law.

Disadvantaged groups in mining-affect-

ed areas are at risk for exploitation due to economic inequity which could threaten the social cohesion issues.

Lastly, the low likelihood risks with high impacts are listed in Annex 4 Multidimen-

sional SDG Risk Matrix which provides detailed information on the above interconnected risks driving people's vulnerability in Mongolia.

3.7 HUMANITARIAN-DEVELOPMENT-PEACE NEXUS

Mongolia is susceptible to different types of disasters induced by geological, biological, climate and human. The country is occasionally facing disasters like drought, Dzud (severe winter), flood, forest fires, hail, and sandstorms. Earthquakes are being recorded frequently in the rural areas outside the urban area where damages are recorded almost none except the recent 6.8 magnitude earthquake that hit Khank soum of Khuvsgul province in January 2021. No human death is recorded except the cracks of the building walls in the latter earthquake. Likelihood of high magnitude earthquake in urban residential areas especially in Ulaanbaatar, the capital city is not known even though small scale

earthquakes surrounding the capital city is increasing. Therefore, a detailed study on the subject matter should be conducted.

The COVID-19 pandemic has exposed, more than any other crisis before, the distinction between different types of assistance, making the humanitarian and development nexus approach more relevant and urgent than ever. The pandemic has presented a dual set of challenges: a public health emergency resulting from the direct consequences of the virus and, at the same time, a socioeconomic crisis resulting from the drastic measures governments have been forced to take to



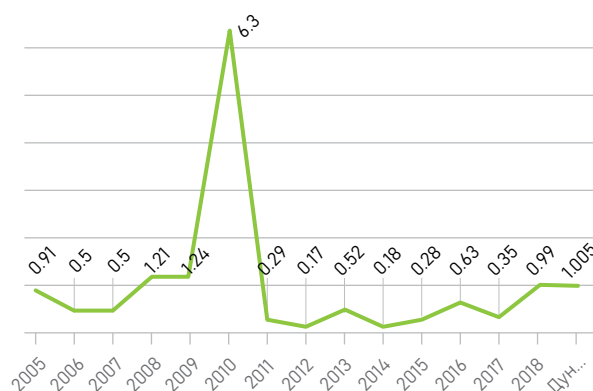
Dzud is known as one of the deadliest disasters in Mongolia. Photo by B.Rentsendorj

prevent the spread of the disease^[203]. The UN COVID-response provides a comprehensive approach supporting Mongolia in coping with health, humanitarian, socio-economic, and human rights consequences of the pandemic. Humanitarian assistance is being used to provide medical treatment for those affected by the virus and the development intervention is provided to strengthen weak health and socio-economic systems in Mongolia to cope with the disease outbreak and related restrictions. While Mongolian government stimulus measures have helped, recent assessments have found that COVID-19 has harmed poor and vulnerable groups in Mongolia. For instance, the COVID-19 has negatively affected household economic conditions as well as the different economic sectors, especially within the areas where women are largely engaged^[204] (this is covered in section 3.3 of this report). Hence, the humanitarian and development nexus approaches need to ensure that the response to the COVID-19 crisis will be gender-responsive.

The most likely and high-impact disasters are dzud followed by a forest fire and flash floods as a consequence of the changes in temperature, climate, and human-induced actions. These events represent the largest danger to livelihoods countrywide, especially to herder communities.

Dzud is severe winter when livestock dies massively in a short period due to lack of food and warmth. When dzud hits hard the country, for example during 2009-2010 Dzud, livestock damage and loss account for 6.3 percent of the GDP in 2010^[205] (Figure 3.7.1). Historically, human loss due to the dzud is recorded occasionally. Dzud requires most of the humanitarian and development responses to date followed by flood response. Therefore, it is vital to set

Figure 3.7.1: Share of Livestock D&L in GDP, %



Source: CPR estimates based on data of MOFLA, NSO and NEMA

effective and efficient mechanisms to mitigate, prevent and respond to the risks of the dzud disaster. As of 2020, more than 50 percent of the country identified with dzud risk, and 25 percent of the area are in mid-risk and eight provinces had more than 20 percent of very high-risk coverage in the territory (Figure 3.7.2). One of the traditional mobility strategies to cope with extreme weather situations for herders is "Otor" movement. To avoid the mass livestock mortality caused by climate related disasters, herders move to the regions with less severe conditions. As it is hard to predict the occurrence of sudden climate related disasters, such as extreme cold temperatures, excessive snowfall, low precipitation, it is essential to track and monitor population mobility and displacement constantly and response fast and effectively during these events.

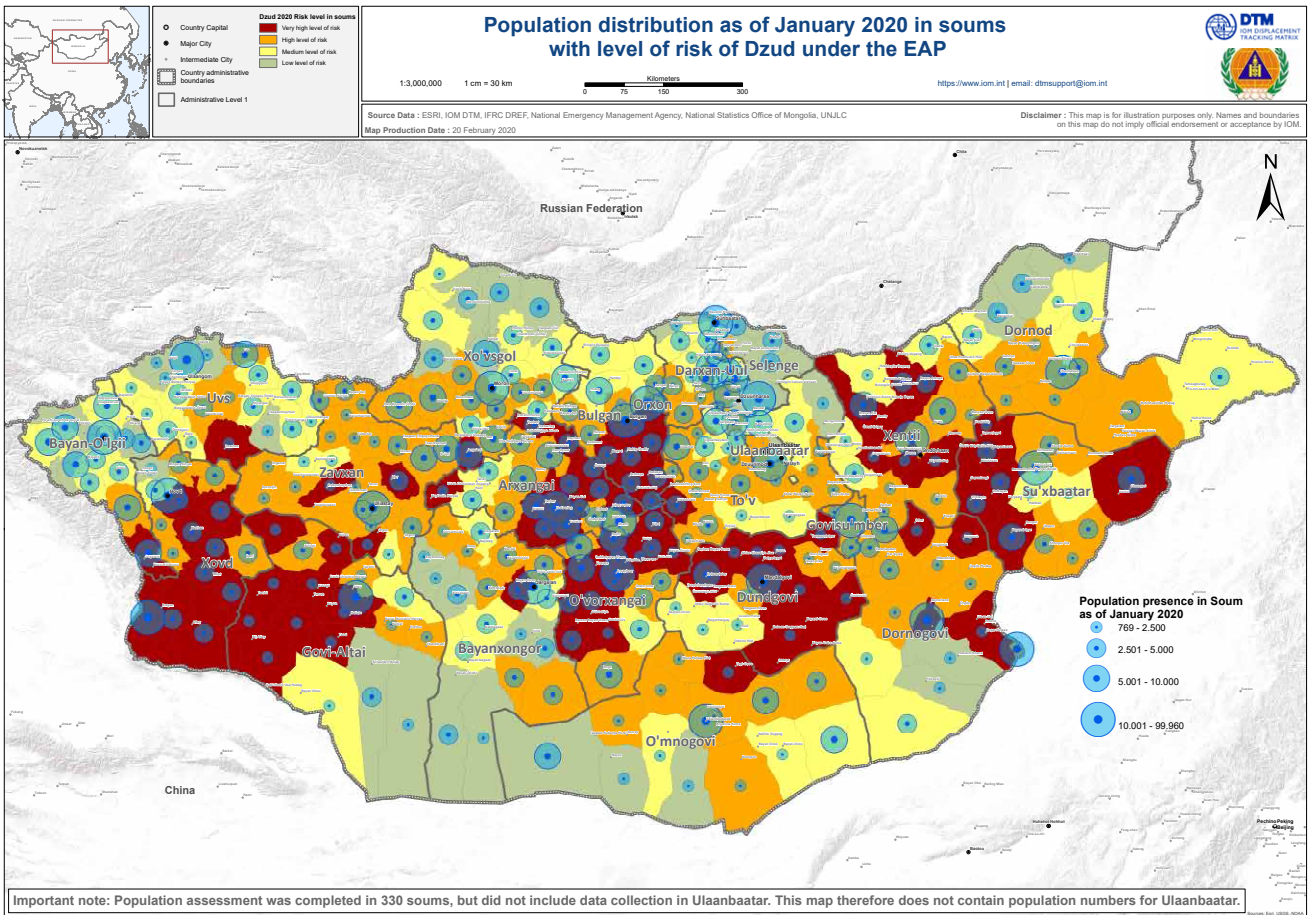
According to NEMA, nationally, 4,006 hazardous events and accidents occurred in 2020, fire accident accounts for 79.3 percent of the total number of hazardous events followed by man-made accidents (13.6 percent) (Figure 3.7.3). It caused 248

203 OCHA. (Jun 2020). *What Happened to the Nexus Approach in the COVID-19 Response?* Retrieved from <https://reliefweb.int/report/world/what-happened-nexus-approach-covid-19-response>

204 UNDP/ADB. (n.d.). *COVID-19 impact on Women and Girls in Mongolia assessment*. Retrieved from <https://www.mn.undp.org/content/dam/mongolia/Publications/Covid%20Impact%20Assessment%20FINAL%2025%20March%202021.pdf>

205 FAO. (Sep 2020). *Establishment of Agriculture Disaster Damage and Loss (D&L) Information Management System to Inform Sector VRA and reporting on Sendai Framework in Mongolia* Final Report..

Figure 3.7.2: Population distribution in soums with level of risk of Dzud, 2020



Source: NEMA and IOM's Displacement Tracking Matrix (NEMA/DTM network)

human deaths, 1,301 injures, and 80,954 heads of livestock losses. 48.8 percent of total death caused by hazardous events was triggered by water accidents and 31 percent was instigated by building fires (Figure 3.7.4). The total economic loss caused by hazardous events and accidents accounts for MNT 31.3 billion, including MNT 14.6 billion (46.6 percent) loss caused by fires, and MNT 16.5 billion (52.7 percent) water and climate induced disasters. Therefore, it is paramount to address the root causes of those accidents especially the structural causes of building fire and water accidents to save life. Hence, investing in the systematic development issues around the vulnerabilities will save

a lot in the future and increase resilience when disaster hits. According to the FAO, 1 dollar^[206] invested in the prevention or early action will save 7 dollars in the future.

The Government of Mongolia is making significant efforts to mainstream shock-responsiveness into its social protection system in coordination with development partners. For instance, the MLSP is planning to make an amendment in the Law on Social Welfare to enable scale up of some welfare assistance programmes during shocks. There is also a concern about the lack of specific measures and assistance to protect persons with disabilities in situations of risk and humanitarian emergen-

206 FAO. (2018). *Mongolia Impact of Early Warning Early Action - Protecting the livelihoods of herders from a dzud winter.*

Figure 3.7.3: Hazardous events and accidents in 2020 by % and type.

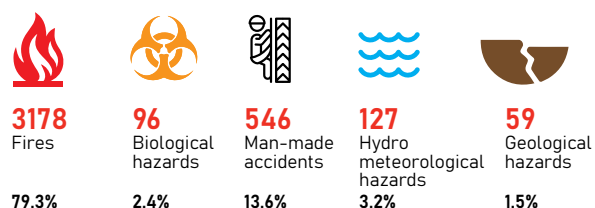


Figure 3.7.4: Deaths by disaster types in 2020



Source: NEMA White Paper on Disaster Protection 2020

cies.^[207] Integrated and inclusive economic, social, demographic, health, cultural, educational, and environmental policies are essential in preventing and reducing hazard exposure, vulnerability to disasters and increasing preparedness for response and recovery to strengthen resilience both at central and local levels. Controlling the growth of livestock and focusing on improving the quality of livestock may help mitigate the climate change risks. As a result, it will help to balance the pasture carrying capacity. Consequently, it will reduce the vulnerabilities of herders to harsh winter. No single group or organization can address every aspect of a wide-ranging and complex way of dealing with disasters therefore, partnership is important engaging with different stakeholders including development partners for addressing this complex challenges.

While for many people Mongolia is associated with Genghis Khan, the legendary conqueror of the Eurasian landmass, today

the country has established a global reputation of a significant contributor to the global peace operations and Asian security cooperation^[208]. Mongolia first joined United Nations peacekeeping in 2002 with the deployment of two unarmed military observers to the UN Mission for the Referendum in Western Sahara. In just over ten years, the country became the 27th largest contributor to UN peacekeeping, with nearly 900 military and police personnel currently deployed in five operations, including in South Sudan, Abyei, Darfur, the Democratic Republic of the Congo and Western Sahara. Mongolian peacekeeping contribution is notable for its high training standards and the high number of women deployed, and consists of troops, police and unarmed military observers^[209].

Mongolia has also expanded its participation in global multilateral security organizations and partnerships, such as by joining the Organization for Security and Co-operation in Europe (OSCE), partnering with the North Atlantic Treaty Organization (NATO),

207 Committee on the Rights of Persons with Disabilities.

208 U.S. Embassy in Mongolia. (n.d.). *Peace Through Khaan Quest: Mongolia and the Global Peace Operation Initiative*. Retrieved from <https://mn.usembassy.gov/peace-khaan-quest-mongolia-global-peace-operations-initiative/>

209 United Nations Peacekeeping Database. (n.d.). *Troops and Police Contributors*. Retrieved from <https://peacekeeping.un.org/en/troop-and-police-contributors>

and chairing the Community of Democracies. Despite the challenges in balancing its military transformation and modernization programmes and the unique geopolitical location between two world powers, Russia and China, the country has been effectively

using its military strategy as an instrument to pursue its foreign policy that aims to facilitate global engagement while allowing the country to maintain its sovereignty, national identity, and diplomatic freedom of maneuver through a “third neighbor” policy^[210].

3.8 NATIONAL VISION AND DEVELOPMENT PLAN VIS-À-VIS THE 2030 AGENDA LINKS TO REGIONAL AND GLOBAL FRAMEWORKS/GOALS

Mongolia is one of the early adopters of the SDGs. In February 2016, the Parliament of Mongolia approved the Mongolia’s long-term document as Sustainable Development Vision- 2030 (SDV) which was an overarching long-term strategic policy document conceptually based on SDGs and that identified the goal and targets under four pillars: economic, social, environmental and governance. The rapid assessment done by the NDA in 2018 revealed that less than 60 percent of SDV targets were aligned with the SDGs^[211].

Likewise, the Parliament of Mongolia adopted the first ever law on Development Policy and Planning (DPP) on 26 November 2015. The adoption of this law was a big step ahead enabling policy makers to re-assess and systemize the policy making process for the first time since Mongolia moved from centrally planned socialist system to the democratic and market economy in early 1990s. The law regulates the development policy, planning processes including policy formulation, adoption, implementation and result monitoring and evaluation, and horizontal and vertical policy linkages. The implementation of the law was audited in early 2019 by the National Audit Authority based on the request from the State Policy Standing Committee of the Parliament^[212]. The audit findings under-

scored the urgency and criticality of addressing incoherence and lack of coordination of sectoral, national and subnational policies, limited awareness and weak reinforcement of the law. The Mongolia’s first Voluntary National Review (VNR) of SDGs presented at the United Nations High-Level Political Forum in 2019 acknowledged that the SDGs can only be achieved if it is mainstreamed into national and sub-national level development policies, programmes and budgets, which would eventually drive to tangible impacts in improving life of Mongolians including those who are at risk of being left behind.

The report also pointed to over 200 sectoral and intersectoral policies and programmes that are not necessarily aligned with the SDGs, are inconsistent, often times overlapping or even contradicting each other, and that have not sufficiently addressed sustainable development gaps. Many of these policies are scientifically unsound, based on inadequate situation analysis with lack of prioritization and clarity about expected results, uncertainties in financing sources, and inadequate involvement of stakeholders for policy formulation process. The VNR also provides snapshot of SDG process –goal by goal as well as points out the gaps, including where there is insufficient data to measure

210 Christian Pultz. (23 Jan 2014). *The Role of Peacekeeping in Mongolia’s Military Strategy*. *The National Bureau of Asian Research*.

211 United Nations Department of Economic and Social Affairs (2019). *Mongolia: Voluntary National Review Report*. Retrieved from <https://sdgs.un.org/documents/mongolia-2019-vnr-report-english-24388>

212 GAA. (2019). *Audit on the Development Policy and Planning Law*; State Great Khural. (2020). “*Vision-2050*” *Long-term Development Policy of Mongolia*. (section on Perspective of the law implementation) Retrieved from https://cabinet.gov.mn/wp-content/uploads/2050_VISION_LONG-TERM-DEVELOPMENT-POLICY.pdf



First-ever high-level forum on SDGs, convened by the Parliament of Mongolia, October 2021.
Photo by D.Davaanyam / UNRCO Mongolia

the targets^[213]. The findings of the assessment made for these sectoral and intersectoral policies by the National Development Agency (NDA) in 2019^[214] validated above VNR statements and emphasized urgent needs for better coordination, coherence and integration for horizontal and vertical, long, medium and short-term policy making process in the country. VNR side event presented that embedding children's voices into decision-making and budget lines is still a challenge, urging the need to create sustainable and comprehensive mechanisms of participation of adolescents throughout all sectors and where children's voices are integrated in the routine work of the Government^[215].

Moreover, the UN and the ADB jointly conducted the analysis on SDGs Mainstream-

ing, Acceleration and Policy Support (MAPS) in 2017 to identify and offer assistance to the Government in addressing challenges to Mongolia's achievement of the SDGs^[216]. The MAPS mission report also highlighted the importance of coordinated and coherent policy making, better alignment of planning and budgeting and systematic results monitoring for SDGs implementation in the country. In addition, the Sustainability Outlook of Mongolia (SOM), conducted by ESCAP, MOET and NDA emphasized the needs for better coordination and alignment of policies with sustainable development. Mainstreaming SDGs into national development should not be a rigid exercise of inserting SDG indicators in national development plans, without consideration of SDGs interlinkages and prioritizations accordingly^[217]. These reports emphasized the criticality of high-level leadership

213 United Nations Department of Economic and Social Affairs. (2019). *Mongolia: Voluntary National Review Report*. Retrieved from <https://sdgs.un.org/documents/mongolia-2019-vnr-report-english-24388>

214 NDA. (2019). *Effective sectoral and intersectoral policy coherence assessment*. State Great Khural. (2020). "Vision-2050" Long-term Development Policy of Mongolia. Retrieved from https://cabinet.gov.mn/wp-content/uploads/2050_VISION_LONG-TERM-DEVELOPMENT-POLICY.pdf (section on analysis on development policy documents).

215 United Nations Department of Economic and Social Affairs. (2019). *Mongolia: Voluntary National Review Report*. Retrieved from <https://sdgs.un.org/documents/mongolia-2019-vnr-report-english-24388>

216 UN and ADB. (2017). *MAPS report*. Retrieved from https://mongolia.un.org/sites/default/files/2019-09/un_adb_maps_mongolia_report_eng_final-2.pdf

217 *Sustainability Outlook of Mongolia (SOM)*. (n.d.). Retrieved from (https://www.unescap.org/sites/default/d8files/knowledge-products/SOM%20eng%202018_09_04%20last.pdf)

for successful implementation of SDGs in Mongolia.

In addressing the obstacles related to the lack of integrated, coherent policy formulations, weak coordination for effective implementation and lack of accountability for development results, the Parliament of Mongolia made an effort to improving the legislation by amending the Development Policy, Planning and its Management (DPPM) law adopted by the Parliament in May 2020. The law was intended to ensure policy coherence, integration and institutional coordination for effective implementation of the Vision-2050 and other long-, medium- and short-term development programmes. The Government still lacks institutional and human resources capacity to effectively implement the law as it requires comprehensive and intersectoral analysis to make evidence-based, result oriented, coherent and prioritized policy formulation for sustainable development.

In May 2020, the Parliament of Mongolia adopted the Vision-2050 as its new strategic, long-term policy document replacing the SDV-2030 and set the renewed strategic direction for Mongolia for the next 30 years. The Vision-2050 has nine overarching strategic priorities as such common national value; human development; quality of life and middle class; the economy; good governance; green development; peace and security of the society; regional development; and Ulaanbaatar and satellite cities. It will be implemented in three main phases which are Phase I for 2020-2030; Phase II for 2031-2040; and Phase III for 2041-2050. According to the DPPM law, the implementation of Vision-2050 is also supported by seven 10-years thematic programmes, including human development, social development, economic and infrastructure development, environment, governance, regional development, and national competitiveness development.

The first Mongolia's integrated mid-term development programme, the General Guidelines of Socio-Economic Development for 2021-2025 (GG), was adopted in September 2020 to prioritize the Vision-2050 goals and objectives in the next five-year period. It also includes the Public Investment Plan (PIP) that envisages MNT 39.6 trillion (or USD 13,9 billion^[218]) of public investment in 2021-2025, out of which MNT 377 billion (or 1 percent of total) is in maintaining the national heritage and value; MNT 2.1 trillion or 5.4 percent – in human development (health, education, science and innovation, sports MNT 2.3 trillion or 5.8 percent in maintaining quality of life and middle class (affordable housing, employment and startups, social protection); MNT 30.4 trillion or 76.7 percent – in economic sectors (mining, food and agriculture, tourism, infrastructure development); MNT 321 billion or 0.8 percent in governance; MNT 709 billion or 1.8 percent in green development; MNT 696 billion or 1.7 percent in peace and security; MNT 1.5 trillion or 3.8 percent – in local development; and MNT 1.2 trillion or 3 percent in Ulaanbaatar development.

While the Vision 2050 puts the human development in the center of its strategy, the PIP demonstrates that in practice the country plans to continue with its mineral driven development path. It accounts for almost 30 percent of total investments planned in 2021-2025, while relatively little investment of 8 percent in human capital, governance and green development^[219].

The Parliament also adopted the Government's 4-year Action Plan 2020-2024 (GAP) which was mainly prepared based on the election manifesto of the ruling political party, Mongolian People's Party, and to provide an immediate response to the COVID-19 pandemic. Consistency and coherence of these two policy documents are still ambiguous and requires further enhancement in policy prioritization and coherence of among them.

218 Calculated based on the USD/MNT exchange rate of the Bank of Mongolia as of 19 February 2021. (n.d.). Retrieved from <https://www.mongolbank.mn/eng/dblistofficialdailyrate.aspx?vYear=2021&vMonth=1&vDay=19>

219 State Great Khural. (2020). "Vision-2050" Long-term Development Policy of Mongolia. Retrieved from https://cabinet.gov.mn/wp-content/uploads/2050_VISION_LONG-TERM-DEVELOPMENT-POLICY.pdf

Figure 3.8.1: SDGs target level alignment in Vision-2050

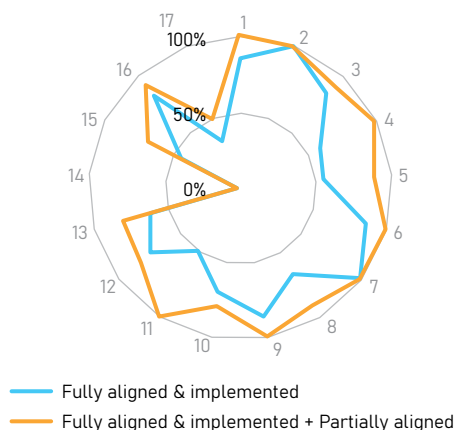


Figure 3.8.2: SDGs target level alignment in 5-years GG

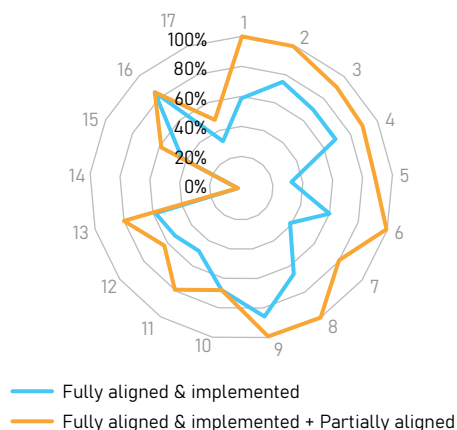


Figure 3.8.3: SDGs target level alignment in GAP (2020-24)

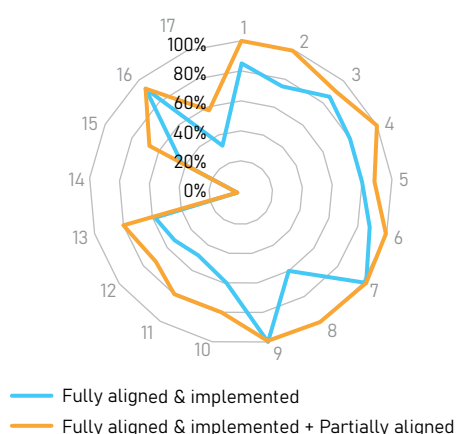
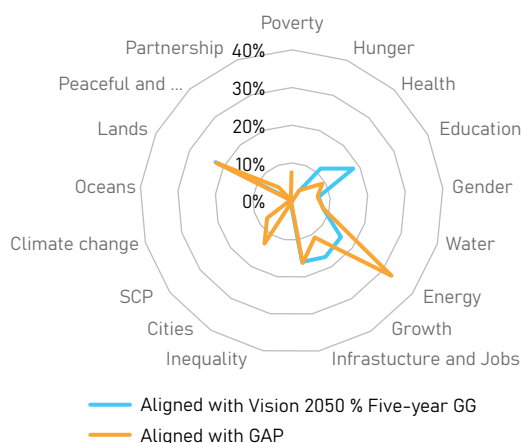


Figure 3.8.4: SDGs indicator level alignment



Source: Assessment by UNDP, 2020

According to the preliminary findings of the recent assessment conducted by UNDP^[220], in average 82 percent of SDGs targets are fully aligned and 11 percent are partially aligned with the Vision-2050, (Figure 3.8.1); 64 percent are fully aligned and 24 percent are partially aligned with the 5-years General Guidelines (Figure 3.8.2); 76 percent are fully aligned and 17 percent are partially aligned with the Government Action Plan (2020-2024) (Figure 3.8.3).

However, SDGs indicators level alignment is much lower in these three documents, for instance, SDGs indicators constitute only in average 8 percent only in the Vision-2050 and 5-years General Guidelines and 7 percent only in the Government Action Plan (2020-2024) (Figure 3.8.4). Consequently, very minimal SDGs impacts might be expected from these policy interventions therefore, rigorous efforts needed for further alignments of SDGs especially

220 UNDP. (2021). *Assessment on SDGs alignment into the national long and medium term policies.*

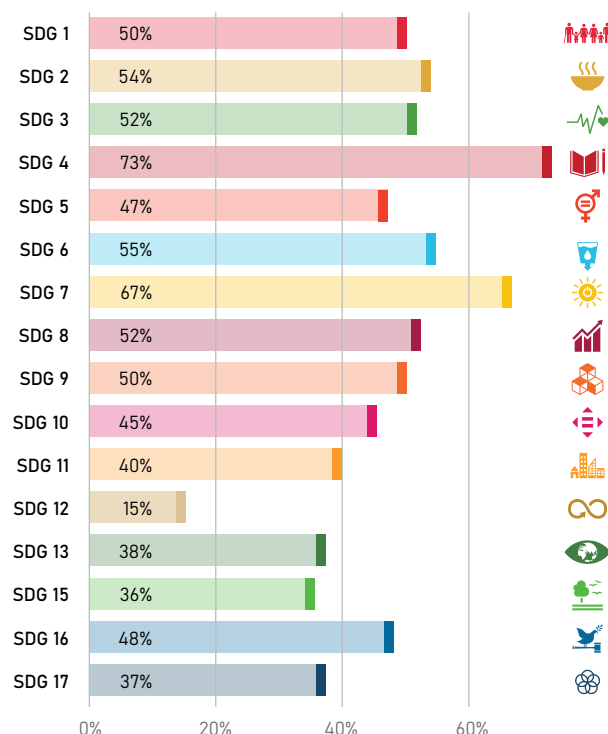
into the upcoming new policy documents such as seven 10 -years targeted programmes and annual plans and budgets.

Mongolia has not fully nationalized and adopted the SDGs indicators/targets yet. During 2019, the Government of Mongolia established intersectoral eight working groups led by the NDA to identify nationalized SDGs indicators/targets. The Cabinet and the fall session of the Parliament is aiming to discuss and adopt the current draft of nationalized indicator and targets. The nationalized indicator and targets need to be properly reflected in the long and medium-term policies formulations, especially in the ongoing formulation process of 10-year thematic programmes. The proposed draft has 255 indicators for measuring and results monitoring of the localized SDGs in Mongolia; out of this, 133^[221] indicators has the national policy targets with benchmarks that identified.

Robust follow-ups and review mechanism for the implementation of the SDGs requires solid indicators framework and statistical data to monitor the progress, inform policy decisions and ensure proper accountability for results. Globally, 248 indicators are defined to measure progress towards 17 goals for Agenda 2030. Of which, 16 goals with corresponding 238 indicators are relevant to Mongolia. According to the data availability assessment conducted by the National Statistics Office (NSO), data is available for 132^[222] national indicators and remaining 45 percent of indicators needs data to measure the progress. The indicators relevant to the “Planet” dimension of Agenda 2030 being especially data poor (Figure 3.8.5). In September 2021, the UN Statistical Commission (UNSTAT) launched the global data platform^[223] for SDGs which includes SDGs country profiles and according to database for Mongolia in the platform, more data available (about 28% data gaps) than

locally produced and available data by NSO. There are some data inconsistencies between data by UNSTAT and NSO which requires further actions and coordination.

Figure 3.8.5 SDGs data availability in Mongolia, 2020



Source: SDGs Dashboard, 1212.mn, NSO

According to the UN analysis of the data produced by both NSO and UNSTAT for consistency and gaps, UNSTAT separately produces data for 171 indicators out of 238 SDGs indicators, and 67 (or 28 percent) indicators need data, and NSO separately produces data for 131 indicators out of 238 SDGs indicators, and 107 (45 percent) indicators need data. When combined UNSTAT and NSO data, there is data available for 190 indicators out of 238 SDGs indicators, and 48 (20 percent) indicators have missing data (Figure 3.8.6).

221 NDA. (NCS meeting in May 2020). Localized SDGs indicators and targets-draft.

222 National Statistical Office of Mongolia. (2021). SDGs Dashboard. Retrieved from <https://www.1212.mn>

223 Sustainable Development Goals Indicators website. (n.d.). Retrieved from <https://unstats.un.org/sdgs/>

3.9 FINANCIAL LANDSCAPE ANALYSIS

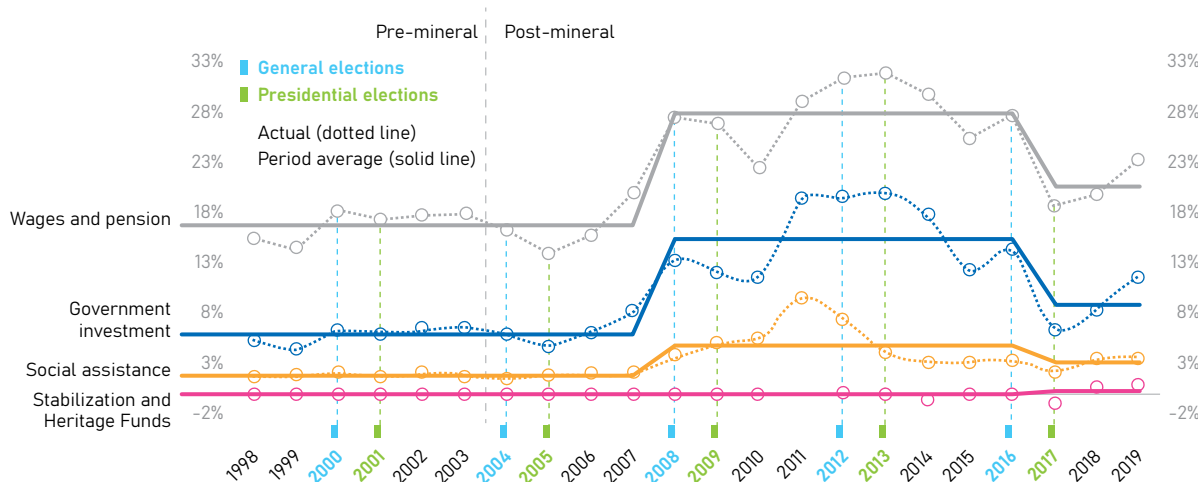
Mongolia's financial landscape has been shaped by the mining-driven economy and mineral wealth, that is highly vulnerable to the external environment. Exploitation of coal, copper and other minerals is an important source of fiscal transfers, export earnings, and Foreign Direct Investment (FDI).

Since the realization of sustained mineral revenues in 2004, Mongolia has successfully produced nearly US\$28,000 million worth of mineral outputs, out of which about US\$9,000 million were collected as tax and royalty revenues in the last 15 years. In addition to the royalties, the government has borrowed US\$8,700 million, mostly by leveraging its mineral revenue. In 2011, the government has started to save some of the revenue in Stabilization and Future Heritage Funds with a net saving estimated at only US\$200 million in 2019. Hence, the country has not only con-

sumed almost all its mineral outputs, but has also borrowed heavily against them, leaving negative wealth to the next generation^[227]. According to the World Bank estimates, out of every dollar of mineral wealth that has been generated during the past 20 years, Mongolia has consumed 99 cents and saved only one cent.

In fact, with the onset of mineral wealth, Mongolia emerged as a big spender. The country's public expenditure to GDP ratio averaged 33.2 percent in 2010-2019, which is much above the average in commodity dependent countries and other lower-middle income countries (LMICs).^[228] The World Bank analysis shows that much of the mineral revenue has been spent on politically popular programmes, including public investment (56 percent), social transfers (28 percent) and wages and pensions (16 percent). Significant spikes in public spending coincide with parlia-

Figure 3.9.1: Spending of mineral revenues in 1998-2019



Source: World Bank, Mongolia Country Economic Memorandum, September 2020

227 The World Bank. (Sep 2020). *Mines and Minds: Leveraging Natural Wealth to Invest in People and Institutions*. Retrieved from <https://openknowledge.worldbank.org/handle/10986/34551>

228 The World Bank (2018). *Growing Without Undue Borrowing: Enhancing Efficiency of Spending and Revenue, Mongolia Public Expenditure Review*.

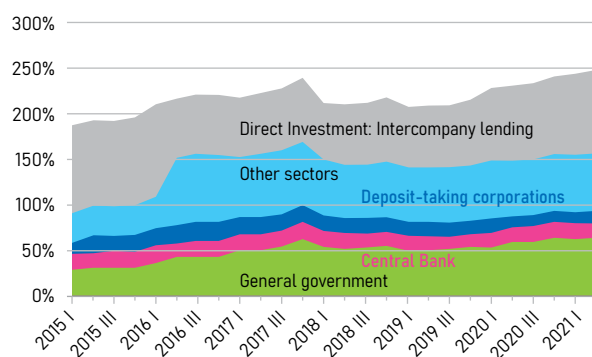
mentary and presidential elections (Figure 3.9.1).

Overall, public expenditure efficiency in Mongolia is low as the country ranks 124th on efficiency of public spending of the Global Competitiveness Index^[229]. There are three major shortcomings identified by the World Bank in Mongolia's investment boom: the composition of spending (not enough on maintenance), the geographical distribution of spending (not enough in Ulaanbaatar), and lack of fiscal prudence. The IMF also raised concerns about the excessive lending of the Development Bank of Mongolia (DBM) for non-revenue generating public infrastructure projects^[230], which have created significant fiscal liabilities for the government.

The government debt is expected to reach 81.5 percent of GDP in 2021^[231]. An important debt vulnerability aspect is the heavy reliance on foreign currency debt. About 90 percent of government debt is denominated in foreign currency. This acts as a significant constraint on monetary policy, as any depreciation of the currency can become very costly. It similarly acts as a constraint on fiscal policy, given the potential for a vicious circular relationship between government borrowing, rising debt, and the risk premium attached to Mongolian assets. Overall, the gross external debt of Mongolia reached US\$ 33 billion (over 248 percent of GDP) by end of the second quarter of 2021, increasing by US\$ 2.1 billion from the same period of 2020^[232]. The increase was mainly due to USD 972.1 million increase in direct investment (intercompany lending), USD 588.3 million increase in other sectors' external debt, USD 556.0 million in general government external debt and USD 110.8 million increase in central bank's external debt. Direct investment (intercompany lending) accounts for the largest share

(36.4 percent) in the gross external debt, followed by external debt of other sectors (26.4 percent) and external debt of general government (25.6 percent) (Figure 3.9.2). While publicly guaranteed commercial debt is not significant estimated at MNT955 billion, or 4 percent of the total government debt^[233], increasing levels of intercompany debt are alarming and may cause a wave of disorderly debt defaults leading to prolonged financial and economic crisis, unless there is a sizable debt restructuring agreed with bilateral commercial creditors. In addition, Mongolia's spending on interest payments is much higher than in other LMICs. Interest payments increased from 0.8 percent of GDP in 2012 to around 3 percent of GDP in 2020 due to a rapid buildup of domestic and external debt since 2012. According to the IMF estimates, the public debt and financing needs projections are particularly sensitive to shocks to growth, exchange rate, and financial sector contingent liability, which might increase overall financing needs for public debt service, including interest and principal, to 20 percent of GDP in 2022-2023, thus significantly

Figure 3.9.2: Composition of the Gross External Debt, quarterly in 2015-2021 (% of GDP)



Source: Bank of Mongolia

229 *Ibid.*

230 IMF. (Sep 2019). *Article IV Consultation-Press Release. Staff Report, and Statement by the Executive Director for Mongolia* (n.d.).

231 IMF. (Sep 2019). *Article IV Consultation-Press Release. Staff Report.*

232 Bank of Mongolia. (n.d.). <https://www.mongolbank.mn/eng/default.aspx>

233 Mongolian Citizens Budget 2020.

reducing fiscal space for primary expenditures necessary for social protection, economic diversification, and green development. Despite its eligibility, Mongolia did not participate in the Debt Service Suspension Initiative initiated in April 2020 and aimed at temporarily halting the servicing of official bilateral debts owed to G20 countries.

In 2020, due to the fourfold increase in gold exports, the Bank of Mongolia was able to replenish its international reserves to slightly above the 2019 level, which were estimated at US\$ 4,500 million as of end-2020, covering 10 months' worth of import. There are speculations that gold export increase was possible because of the border closures and reduced possibilities for gold smuggling, and this trend might reverse back once the borders are open. Therefore, it is an important step for Mongolia to comply with the FATF recommendations which have been mainly related to informal gold mining and intermediary^[234], which should be continued for sufficiency of foreign exchange reserves and debt sustainability in the medium-term.

Above mentioned fiscal challenges would require strengthening macroeconomic and fiscal management, as well as looking for new ways of revenue generation and increasing efficiency of public expenditures. There is room to increase revenue collection by making tax rates more progressive and broadening tax base^[235], to improve fairness of the current tax system. For example, the World Bank analysis reveals that the impact of the 10 percent flat personal income tax is only slightly progressive. Also, direct investors and

service providers in the mining sector are given tax incentives on profit and VAT taxes. There is also an opportunity to broaden the tax base by strengthening the tax administration.

On public expenditure side, the Child Money Program and the subsidies in mortgage interest are two large transfer programs. The subsidies on mortgage interest represent a large percentage of the 2019 budget expenditures (around 1.2 percent of GDP), but this is mostly allocated in top income groups with a regressive impact both in absolute and relative terms. The Child Money Program, which is also a relatively large transfer programme, according to the World Bank analysis, is neutral in terms of absolute progressivity^[236]. Also, according to UNICEF child-focused budget and expenditure review in the education, health and social protection sectors, budgeting processes do not reflect "the best interests of children"^[237].

While there is no data to understand how much of these are energy subsidies, its magnitude is assumed to be high, given the government measures to subsidize consumption of processed coal in ger areas. In 2020, electricity and heating subsidies have been further increased as the COVID-19 response measures waiving heating utility bills for households up to 100 square meters until 1 July 2021. The IMF research on energy subsidies shows that there are mostly allocated in top income groups with a regressive impact both in absolute and relative terms^[238].

Another strategic bottleneck in unlocking the SDG financing that was revealed by the 2018 Development Finance Assess-

234 On 23 October 2020, the Financial Action Task Force (FATF) announced that Mongolia is no longer subject to the FATF's increased monitoring process, as it has strengthened the effectiveness of its AML/CFT regime and addressed related technical deficiencies to meet the commitments in its action plan regarding the strategic deficiencies that the FATF identified in October 2019. Mongolia will continue to work with the APG to improve further its AML/CFT regime.

235 The World Bank (2018). *Growing Without Undue Borrowing: Enhancing Efficiency of Spending and Revenue, Mongolia Public Expenditure Review*.

236 *Ibid.*

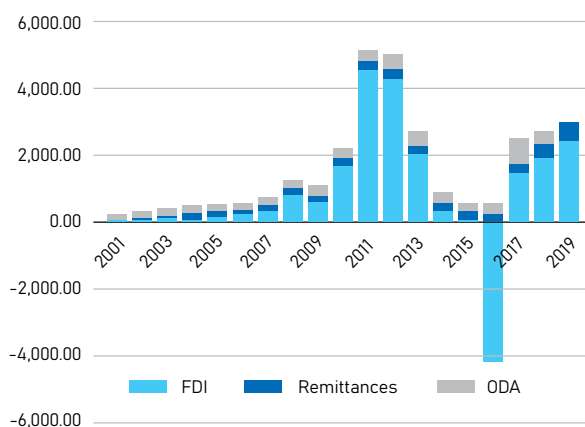
237 Joint SDG Fund. (n.d.). *Joint Programme "Roll-out Integrated Approach to SDGs Financing"*. Retrieved from <https://www.jointsdgfund.org/programme/rolling-out-integrated-approach-sdg-financing-mongolia>

238 Clements, Coady, Fabrizio, Gupta, Alleyne and Sdralevich. (2013). *Energy Subsidy Reform: Lessons and Implications*. Washington DC: International Monetary Fund.

ment^[239] and other studies, is the weak link between the national development policies and strategic plans and the national budgets and public investment programmes. While the government recognizes the need to shift to sustainable development path and adopted 'Vision-2050' as its long-term development policy and five-year development programme, a point to note is that the new policies are adopted without previous ones covering similar areas being fully implemented or evaluated. Policies, once drawn up and approved, are not supported by subsequent policy actions, such as step-by-step programs, public investment plans, and budgets. Sustainable development is hard to achieve for resource-rich countries, but in Mongolia, it is being held back by the aforementioned impediments. The Integrated National Financing Framework (INFF) which is currently under development aims to allow for strengthening these best practices and provide as well rich insights in how much, and how best to catalyze more financing for Mongolia's sustainable development.^[240]

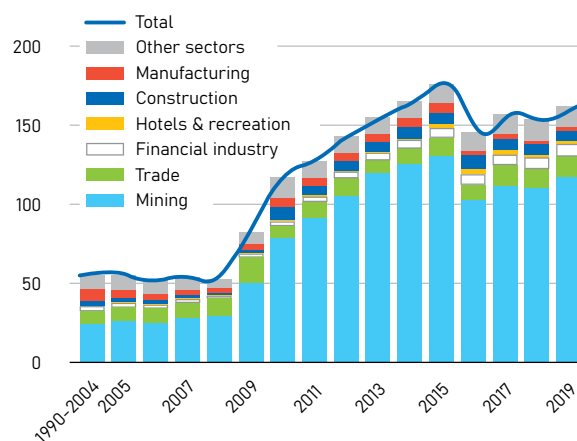
A distinctive feature of Mongolia among lower-middle-income transition economies is the dominance of FDI in its international resource flows, although showing a high volatility. From 2000 to 2011, Mongolia registered an intense and sustained increase in FDI inflows with an all-time pick of USD 4.5 billion on the back of the dramatic expansion of the mining sector (Figure 3.9.3). However, after 2012, weaker commodity prices added to deteriorating investors' sentiment in Mongolia, ultimately leading to a dramatic decline in FDI inflows in 2016 caused by the Rio Tinto equity-debt swap and estimated USD 2,4 billion in 2019. There are two vulnerabilities related to FDI concentration in Mongolia. First, over half of its FDI comes from two countries - Canada and China - which make Mongolia vulnerable to the economic outlook of these economies, as well as increasing the volatility of investment flows. Second, FDI inflows are also heavily concentrated from a sectoral perspective: extractive industries represent 71 percent of the inward FDI (figure 3.9.4)^[241]. IMF projects FDI to further decline

Figure 3.9.3: FDI, ODA and Remittances, 2001-2019 (\$ million)



Source: World Bank, World Development Indicators Database. <https://databank.worldbank.org/source/world-development-indicators>

Figure 3.9.4: FDI distribution by sectors (% of GDP)



Source: World Bank, Mongolia Country Economic Memorandum, September 2020

239 GOM, UNDP, ADB, AP-DEF and Swiss Agency for Development and Cooperation SDC. (2018). *Development Finance Assessment for Mongolia*. Retrieved from <https://www.undp.org/content/dam/rbap/docs/dg/dev-effectiveness/RBAP-DG-2018-Development-Finance-Assessment-Mongolia.pdf>

240 UN Mongolia. (Oct 2020). *Rolling out an Integrated Approach to SDG Financing in Mongolia*. Retrieved from <https://www.jointsdgfund.org/article/united-nations-and-government-mongolia-commence-joint-programme-integrated-financing> & <https://inff.org/about>

241 The World Bank. (n.d.). *IFC Investment Reform Map for Mongolia*.

in 2020 to approximately USD 1.5 billion.^[242]

Despite the proportion of the non-mining FDI being small, these inflows were substantial in terms of dollar amounts, especially compared with total FDI inflows before 2009 when Oyu Tolgoi started operations. According to the World Bank, tourism and hospitality, e-commerce and agrobusiness have high potential for attracting FDI and contribute to sustainable development. To fully harness the potential of FDI for the SDGs it will be important to further influence the alignment of the FDIs with Mongolia's SDG plans to increase the overall scale and intensity of impact by contributing to a broader SDG-enabling effort. Moreover, investing alongside the SDG plans can lead to better risk-adjusted financial returns since these activities may receive direct or indirect support from the Government in the form of incentives, subsidies, or favorable policies and regulatory regimes. In turn, this can lead to more stable and longer-term private-sector contribution to the SDGs.^[243]

Figure 3.9.3 shows that official development assistance was the largest and most stable of the three international resource flows during the 1990s and up until 2004. Grant and loan ODA combined averaged approximately US\$500 million a year since 2011, equivalent to about 15 percent of public budget expenditure.^[244] Remittances from Mongolian diaspora, which is currently estimated at 190,000 people^[245] have been constantly growing since the early 2000s, although in some transition years they were as large as FDI. In 2019 they reached US\$574.4 million, equivalent to 4.1 percent of GDP in 2019^[246]. However, there is a lack of accurate data on remittances, as

a significant share of remittances occurs through informal channels and some unofficial estimates indicate that total remittance inflows could be as high as 10 percent of the GDP^[247], and might have a potential to become an innovative source for development financing contributing at household and macroeconomic levels.

The enforced lockdowns, less commuting and generous stimulus package, including cash transfers and exemptions from tax payments and utility bills in 2020-2021, have left households, in aggregate, with substantial amounts of cash. As a result, by the end of May 2021, the total amount of saving deposits reached MNT 19 trillion (or 71 percent of money supply (M2) and 51 percent of GDP), out of which 90.3 percent were from personal bank deposits^[248]. Increased savings have resulted in significant increase in stock market exchange transactions with the total value of the Mongolian stock market reaching record levels in 2021. Also, it is uncertain how the pots of cash accumulated during the COVID-19 pandemic are distributed across households. The 2016 report of the Independent Authority Against Corruption of Mongolia shows that the average annual income of five individuals (all members of the Parliament) was 160 times higher than the average household income in 2016. The five individuals reported increases in their savings in the last financial year by MNT970.7 million (\$451,963.46) on average, which is 900 and 200 times larger than the increase in savings of the average and top households, respectively^[249].

Alongside rising bank balances, net lending to individuals and SMEs decreased by

242 IMF. (Sep 2019). *Article IV Consultation-Press Release. Staff Report. and Statement by the Executive Director for Mongolia*. Retrieved from <https://www.imf.org/en/Countries/MNG>

243 UN Global Compact. (n.d.). *Scaling SDG Financing*. Retrieved from <https://globalcompact.no/wp-content/uploads/2020/01/Scaling-SDG-Finance.pdf>

244 GOM, Ministry of Finance and ADB. (2018). *Mongolia Development Cooperation Assessment*.

245 The International Organization for Migration in Mongolia. (n.d.).

246 The World Bank. (n.d.). Retrieved from <https://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS>

247 The Asian Development Bank. (2020).

248 Bank of Mongolia. (Dec 2020). *Monetary and Financial Statistics*.

249 The Asian Development Bank. (Jun 2020). *Mongolia's Economic Prospects*.

7.9 percent and 11.6 percent, respectively, in 2020^[250], due to precautions from the banking sector amid economic uncertainty and rising credit risks^[251]. How households will react to the reopening of the economy is one of the big questions that will determine the shape of the recovery and financial landscape for sustainable development. It seems likely that Mongolians' worries about rising unemployment^[252] will keep precautionary saving high, which may reduce their potential for SDG financing.

Overall, commercial banks hold 95 percent of total assets of the financial sector and over 90 percent of the total assets of the economy, however, have not yet realized its full potential for SDG delivery because the financial resources are mostly concentrated in highly profitable industries (mining, transportation, trade, construction and real estate) and limited focus is on vulnerable populations. This offers good opportunity for the UN to raise stronger awareness and promote the six Principles for Responsible Investment.^[253] Moreover, policy incentives (financial regulation and measurements) are needed to increase financial flows to thematic investments spurring programming which leave no-one-behind and promote climate action. The Sustainable Finance Roadmap of Mongolia (2018) developed with support of the UN addresses

this challenge^[254]. Following up this roadmap, the Financial Stability Commission approved Mongolian Green Taxonomy in 2019, but more specific sectoral definitions, criteria, measurement, verification capacity and policy incentives are needed for operationalizing the roadmap which the UN is uniquely positioned to support. Additionally, other lower middle-income countries have proven more successful at mobilizing private grants from foundations and NGOs, accounting for nearly 7 percent of total inflows. Deepening its partnerships with Foundations and international NGO offers additional prospects for Mongolia to increase the flow of financing for development during the coming years, where alignment of objectives can be identified.^[255]

Finally, South-South Cooperation (SSC) has over recent years taken the form of South-South trade, South-South flows of foreign direct investment, movements towards regional integration, technology transfers, sharing of solutions and experts, and other forms of exchanges. Neighboring China which is actively promoting the SSC across the world and between various public and private actors; Mongolia has good opportunity to advance all above under the framework of the SSC. In support of this effort, the UN in Mongolia is well placed to facilitate triangular cooperation for the SSC.

3.10 STAKEHOLDER/ PARTNERSHIP ANALYSIS

Achieving the SDGs will be as much about the effectiveness of development cooperation as it will be about the scale and form such cooperations would take. Unfortu-

nately, the COVID-19 global pandemic is undoing hard-won development gains in Mongolia, putting at risk the achievement of the SDGs by 2030 and the country's Vi-

250 National Statistics Office. (Jan 2021). *Monthly Bulletin*.

251 D.Gan-Ochir, Chief Economist-Bank of Mongolia, *Why did saving and account balances increase during the pandemics?* (n.d.). Retrieved from <https://gogo.mn/r/3k7n3>

252 Impact on People. (n.d.). Retrieved from www.covidmongolia.mn

253 Principle for Responsible Investment. (n.d.). Retrieved from <https://www.unpri.org/pri/what-are-the-principles-for-responsible-investment>

254 *National Sustainable Finance Roadmap of Mongolia* (n.d.). Retrieved from http://unepinquiry.org/wp-content/uploads/2018/11/National_Sustainable_Finance_Roadmap_of_Mongolia.pdf

255 GOM, Ministry of Finance, ADB. (2018). *Mongolia Development Cooperation Assessment*.

Moreover, because line ministries and agencies have their own mandates, they tend to look at the three pillars of sustainable development in silos. There is a tendency to focus on their more limited mandates rather than paying attention to the other linkages, including across levels of government, which requires coherence. Therefore, it is important to reach a common understanding on the broader scope of the SDGs and recognize that these are not just national-level responsibilities. Local participation therewith is also key, as SDG implementation will largely depend on activities to be carried out locally.^[257]

PARLIAMENT

The Parliament of Mongolia plays a critical role in overseeing the SDGs implementation in the countries. In 2016 it aligned the institutional framework by reformulating Millennium Development Goals (MDGs) and Poverty Sub-Committee into the SDGs Sub-Committee under the Standing Committee on Social Policy, Education, Culture and Science in the Parliament of Mongolia with a mandate to oversee the implementation of the SDGs in Mongolia. The current Parliament has re-formed the SDGs sub-standing committee under the Economic Policy Standing Committee in the Parliament. The SDGs sub-committee is supposed to ensure that national policies and plans mainstream the SDGs, so that their achievement becomes more effective. Finally, the Parliament oversees the work of the National Statistics Office, including on the SDG monitoring and reporting, and asks the government agencies for a regular progress report on the implemen-

tation of the national policies and plans. Such institutions, as the National Human Rights Commission, is another key player in promoting human rights and treaty body reporting.

DEVELOPMENT PARTNERS (BILATERAL & MULTI-LATERAL & INTERNATIONAL FINANCING INSTITUTIONS (IFI))

Over the last decade, the role of "non-traditional" donors, in particular China, has been growing where a number of traditional OECD donors have started to close down their development aid programmes. The EU Delegation, however, has been significantly expanding its support to the country^[258]. Given the expanding role of emerging donors from the South (China, India) and also others (Korea) and others, Mongolia is well positioned to advance its South-South and Triangular Cooperation for SDG delivery. The UN in Mongolia should develop a solid triangular cooperation strategy and build related capacities to support the country in advancing this promising opportunities.

The role of IFIs such as the Asian Development Bank^[259], World Bank^[260], the European Bank for Reconstruction and Development^[261] and more recently Asian Infrastructure Investment Bank^[262] remain key for financing of SDG delivery in the country. Mongolia has also been able to tap into global vertical funds with no presence in the Country (e.g. Green Climate Fund^[263] and Global Environment Facility). Regularly these investments are backed by IFIs underscoring once again their strategic partnership value add. Development partners coordination structures are in place to co-

257 United Nations Department of Economic and Social Affairs. (2019). *Mongolia: Voluntary National Review Report*. Retrieved from <https://sdgs.un.org/documents/mongolia-2019-vnr-report-english-24388>

258 The Delegation of the European Union to Mongolia. (n.d.). Retrieved from https://eeas.europa.eu/delegations/mongolia/1547/about-eu-delegation-mongolia_en

259 The Asian Development Bank of Mongolia. Retrieved from (n.d.). <https://www.adb.org/countries/mongolia/main>

260 The World Bank. (n.d.). <https://www.worldbank.org/en/country/mongolia>

261 The EBRD Mongolia. (n.d.). Retrieved from <https://www.ebrd.com/mongolia.html>

262 The AIIB. (2020). *AIIB approves first loan to Mongolia in support of COVID-19 Response*. Retrieved from <https://www.aiib.org/en/news-events/news/2020/AIIB-Approves-First-Loan-to-Mongolia-in-Support-of-COVID-19-Response.html>.

263 The Green Climate Fund. (n.d.). Retrieved from <https://www.greenclimate.fund/countries/mongolia#:~:text=16%20May%202019%20%2F%20The%20Green%20Climate%20Fund,supports%20Mongolia%27s%20ambition%20to%20pursue%20a%20low-emission%20future>

ordinate efforts in line with the four principles for effective development cooperation between these partners and with other key stakeholders, in particular the Government. But as shared under the Government sub-section as well, there is space for further alignment and harmonization^[264]. A process to reform the Development Partner Group (DPG) and review Mongolia's aid and development cooperation architecture has already been initiated with aim to enhance development cooperation within the Country. Strong government ownership and strategic engagement therewith with Government is key for the effectiveness of development cooperation. It will be important to continue enhancing the processes and structures which facilitate development partners engagements – individually and collectively – with the GOM.

CIVIL SOCIETY AND PHILANTHROPY

The participation of international and domestic civil society and philanthropy, including cross-border and regional stakeholders, in public advocacy and accountability on SDGs and independent evaluation of its Implementation (such as VNR processes) are important. While both are participating, engagements could be deepened. For instance, the process for preparation in all stages including initiation, planning, drafting as well as presenting the first VNR of Mongolia was the exemplary by effectively involving CSOs which have constituencies of marginalized groups such as women's groups, people with disabilities organizations – LGBTI groups, etc. There are several civil society coordination platforms at the sectoral level in the country but could be maintained and strengthened. There are instances of CSO cooperation with the government in providing public services through NGOs including professional, workers and employers'

associations, and trade unions though it has not been common or systematized. The Confederation of Mongolian Trade Unions (CMTU) represents approximately 230,000 workers in the country, including 22 territorial and 14 professional unions. The CMTU works to protect workers' rights and interests through its active participation in national tripartite dialogue and negotiation and plays a leading role in discussions of labour and industrial relations and social protection issues. A review of functions of ministries and agencies has begun within the framework of ongoing civil service reforms. This is expected to clarify which services could be transferred to NGOs or professional associations, strengthening the participation of civil society in the SDG implementation. Volunteers play an important role in achieving the SDGs. In 2018, 27,312 volunteers contributed 3,823,117 hours, which can be valued as MNT 5,500 million of benefits to the economy^[265]. Cooperation with volunteers could be directed towards achieving the SDGs. In order to promote principles of environmental and resource justice in consumption and production, there is a need to change public behaviors, enhance accountability of State actors support civil society organizations as the agents of equitable development, as well as non-State actors for a rights-based approach, community mobilization and capacity building. Moreover, social accountability mechanisms such as national social pact-making, national council on health insurance and community development tripartite agreement within the country could be enhanced to promote and protect human rights for all, especially those furthest left behind and realize rule of law including all equal before law. Finally, International NGOs could also be more strategically mobilized to enhance ODA inflow to the country, both from development partners, as well as large philanthropic foundations.^[266]

264 GOM, Ministry of Finance and ADB. (2018). Retrieved from Mongolia Development Cooperation Assessment.

265 United Nations Department of Economic and Social Affairs. (2019). *Mongolia: Voluntary National Review Report*. Retrieved from <https://sdgs.un.org/documents/mongolia-2019-vnr-report-english-24388>

266 *Ibid.*

PRIVATE SECTOR

The full potential of the private sector, both international and domestic, for the financing and delivery of the SDGs in Mongolia has not yet been realized. Mongolian Employers' Federation (MONEF) comprising 21 regional employers' associations, 45 professional associations, and 12 sector associations represents collectively some 8500 businesses in all economic sectors including manufacturing, construction, transportation, banking and insurance. MONEF is a key signatory to National Tripartite Agreement on Labour and Social Consensus of Mongolia, together with the Government and the Trade Union. Various national chambers (such as National Chamber of Commerce and Industry, Mongolian European Chamber of Commerce Industry, Australian-Mongolian Chamber of Commerce, Canada Mongolia Chamber of Commerce and American-Mongolian Chamber of Commerce) have been established within Mongolia, which are advocating for corporate social responsibility, engaged in constructive policy dialogue and running SDG aligned initiatives (such as innovation challenges, and CSR awards) but often without clear strategy for the SDG mainstreaming. Service sector and light industry SMEs offer hope of job creation and income to achieve access to health, education and services families need. The Private Sector, including international (particularly cross-border and regional actors) and domestic technology, media, telecommunication among others, are key stakeholders in the Government's efforts to evolve Mongolia into a "Digital Nation". In addition, Foreign Directed Investments (FDI) is an important vehicle for sectors such as renewable energy, thus supporting the implementation of the SDGs. However, there are key constraints to the effective channeling of FDI to support the implementation of the SDGs. This includes the lack of transparency in policy,

regulatory frameworks and investment incentives, which in turn make the potential investments high risk in the perspective of the private sector and investors. The UN can provide more advice, facilitation and brokering to mitigate these constraints.

Main private sector also operates in high-risk sectors (like mining and are) more prone to causing harm to SDG delivery, again lacking clear strategy on how to optimize their roles and impacts for the attainment of the SDGs within the country. Furthermore, social and human rights impact assessment are not properly introduced to these high-risk sectors including mining and infrastructure. There are some initiatives that private banks apply ESG approach into their high amount investment and loan assessment and its decisions.

Moving forward, the establishment of a Mongolia UN Global Compact Network should be encouraged to promote implementation of the Ten Principles by the UN Global Compact^[267], build stronger capacities for adherence to PSRI^[268], as well as deepen blended financing and public-private partnerships in support of social sectors, and more geared towards leaving-no-one-behind. It is notable that private companies have started to adopt global initiatives such as Children's Rights and Business Principles (CRBP) as well as Corporate Social Responsibility standard ISO 26000 within their operation. By establishing a Public-Private Partnerships Platform for the SDGs, key international and domestic private sector entities convene with key development partners to strategize how to make the "investment go further" for sustainable projects, whereas the UN could play a key brokering and convening role. Furthermore, the Government of Mongolia is developing a National Action Plan of Business and Human Rights in order to comply with UN Guiding Principles on Business and Human Rights.

267 UN Global compact. (n.d.). Retrieved from www.unglobalcompact.org/what-is-gc/mission/principles

268 Principle for Responsible Investment. (n.d.). Retrieved from <https://www.unpri.org/pri/what-are-the-principles-for-responsible-investment>

ACADEMIA, RESEARCH INSTITUTIONS AND THINK-TANKS

Policy decision for achieving sustainable development needs to be informed by scientifically vibrant and, evidence-based research analysis. Academia and research institutions, both international and domestic, are uniquely placed to provide an invaluable source of expertise in research, education and advocacy on the SDGs.

The Government of Mongolia with the support of the project on Education for Sustainable Development by the Swiss Agency for Development and Cooperation (SDC) introduced sustainable development program into the Secondary education curricula^[269] and teachers were trained on the sustainable development concepts. This was an important step to ensure future citizen of Mongolia to have better awareness and understanding on the sustainable development.

While the term “think tanks and academic institutions” covers a spectrum of organisations, these are usually acknowledged to be concerned with the creation and communication of policy relevant knowledge, often facilitating public dialogue and contributing to greater transparency of the policy process.

Think tanks and academic institutions are powerful convening platform. However, influence of the think tanks and academia to the policy decisions is obscure and the voices of the research institutions are not well heard by the decision makers. The capacity of research institutions and academia are not strong, and the Government has not been properly expanding their capacities and allocating sufficient financial resources for them. There are great potential of using Academia and research think-tanks and improving their capacities for SDGs implementation in Mongolia.

MEDIA

Mongolian media are aware and supportive of the SDGs, yet the cooperation with the media must be strengthened to drive coverage and mobilize actions for achieving these goals in the country. Mongolian media can and should play a stronger role in education for sustainable development and facilitating dialogue between experts, civil society and publics on importance of development related topics.

There has been a number of ad-hoc initiatives in strengthening capacity of the Mongolian journalists and media outlets in addressing and covering the development issues including creation of the journalists' club focused on SDGs. Other media outlets like Unread has already created their dedicated website (www.2030.mn) for covering and awareness raising on Agenda 2030. Several media actors and advocates such as the Globe International Center are championing for the media freedom- freedom of expressions and freedom to information in Mongolia.

In connection to the Global UN-75 campaign and UN Mongolia's consultative meetings, the Mongolian media representatives expressed that journalists and media are to be more engaged in UN work, increasingly reporting on UN's efforts on global key pressing challenges, national sustainable development opportunities, humanitarian and development work. They recommended that UN must improve its public engagement and information by effectively communicating with the public. The advice was that communications activities should be understandable and acceptable by the general public.

269 Swiss Agency for Development and Cooperation SDC. (Sep 2015). Education for Sustainable Development. Retrieved from https://www.eda.admin.ch/dam/countries/countries-content/mongolia/en/2015-Mongolia-ESDfactsheet_EN.pdf





Mongolia has made relative progress in the various sustainable development dimensions which have been analyzed in the Common Country Analysis. However, there are underlying structural problems which remain persistent and constrain the country's sustainable development progress. The emergence of the COVID-19 pandemic not only exacerbated already moderate progress, but in several ways, has reversed most of the economic, social and environmental gains made since 2015. The Government of Mongolia has implemented a wide range of measures in response to the COVID-19 pandemic. Those actions, which have been unprecedented in terms of their scope and the speed of their implementation, have ranged from the provision of liquidity to the banking system and moratoriums on loan repayment to various tax breaks for businesses and direct cash transfers for households. The Chapter 3 has analyzed tensions between economic, social and environmental aspects of sustainable development in Mongolia, which are summarized in Annex 5 through the lens of the five critical dimensions: people, planet, prosperity, peace and partnership. As a result, the CCA identifies the following cross-cutting development challenges which will have a lasting and multiplied impact on the SDGs achievement in Mongolia, particularly those who are at risk to be left behind.

Weak Governance remains the key root factor that affects all aspects of sustainable development starting from economic stability and social policy to environmental protection. The governance issues include pro-cyclical policies exacerbating boom-

bust macroeconomic and fiscal cycles, lack of capacity for coherent and coordinated policy making that leads to poor implementation of the national development policies and laws, corruption across all branches of power, and weak public administration, including government institutions with frequent shifts and staff turnover following the political power changes and lack of high-level leadership and ownership for sustainable development. In addition, lack of institutional arrangements and mechanisms for systematic inclusion of civil society, particularly marginalized groups, leads to the national policies which are not always effective in addressing the needs and gaps. Thus, improving governance and continually strengthening the partnership and coordination with the central government and line-ministries, as well as civil society organizations to ensure fulfilment of fundamental rights and freedoms, remain crucial steps to tackle the development challenges with lasting impact on the SDG achievement.

Climate Change will cause an increase in the frequency and severity of natural disasters (dzuds, droughts, floods, windstorms, sand and dust storms, heat waves), further deteriorating scarce natural resources, depleting water sources, and contributing to land and pasture degradation. Droughts can severely affect national crop production such as animal feed, and staple wheat, barley oats, potatoes and vegetables, while dzuds can lead to widespread livestock mortality resulting in negative impact on livelihoods of a large number of population, especially the most vulnerable populations

such as herders and rural communities^[270]. Early warning systems in Mongolia are nascent, and while the development of drought and dzud conditions is monitored regularly, response activities continue to rely mainly on rapid assessments for identifying needs and assessing disaster impact. Further strengthening and linking of early warning systems and available information is important to enable more effective response and to make more informed decisions with the goal of mitigating risk and enhancing resilience of livelihoods. There is also an urgent need for building capacity and increasing investments for the implementation of the climate change commitments and addressing the country's preparedness to disaster risks in compliance with the Sendai Framework for Disaster Risk Reduction, responsive to the needs of most vulnerable groups. There is a need to ensure environmental sustainability of policies aimed at increasing national food security and improving livelihoods in the rural areas by designing and introducing mechanisms to ensure better balance between the livestock population and nature's capacity to regrow. This will include more sustainable use of land and water resources, improving agriculture productivity through introduction of new technologies and good livestock practices, enhancing the efficiency of small and medium scale processing, and introduction of climate smart technology, equipment and cultivation practices. In addition, multi-stakeholder partnerships between the public and private sector are needed to channel additional investments in climate financing, especially through FDI, public-private partnerships, and innovative financing. The IFIs in Mongolia can also play a critical role in catalyzing additional climate financing. In order to enable this, policy and regulatory coherence and

clarity is critical.

Availability of decent jobs and industrial and services sector development are the most important drivers for inclusive economic growth and poverty reduction, particularly in terms of reaching the furthest behind such as peoples with disabilities, youth, women, and rural populations. In recent years, there has been an encouraging structural and upskilling shift from agriculture to services, supported by Mongolia's strong basic education system. However, this progress might be reversed by the COVID-19 impact which left many service sector employees without jobs and thus, contributing to already high unemployment rates and low female labor participation. Poor attainment of foundational skills such as literacy and numeracy skills from basic level has been one of the contributing factors to production of low quality labor force at the higher level. Skills mismatch of graduates, especially at the tertiary level, and poor technical and vocational education system is also a key root cause for stagnating employment, informal work, low productivity, wage inequality and fulfilment of higher value jobs. Many young people work in small businesses or in the informal sector lacking mentors, networks, and investors. 21st century job market not only requires technical skills but also "soft" skills which should be provided from the basic level of education but is lacking in the current education system. Advancement of IT technologies can bring significant production gains in service sector, and outside traditional agriculture sector. In this regard, it is critical to work in partnership with both international and domestic private sector entities to strengthen digital literacy and skills. Despite improvements in Doing Business indicators^[271], private investors still perceive Mongolia as a high-risk en-

270 Mongolia is expected to be the most affected by slow-onset drought, with average annual loss (AAL) of approximately \$350 million (84.7 percent of the Mongolia's total AAL). source: ESCAP. (2020). *The Disaster Riskscape across East and North-East Asia: Key Takeaways for Stakeholders*. ST/ESCAP/2882.

271 *Mongolia ranks 81 out of 190 countries in 2020 according to the World Bank Doing Business*. (n.d.). Retrieved from <https://www.doingbusiness.org/en/data/exploreconomies/mongolia>

vironment as evident from the significant drop in FDI due to frequently changing regulations and uneven access to regulatory information, licenses and finance.

Underutilization of Human Potential and Failure to turn Mineral Wealth into Social Wellbeing is the key bottleneck for achieving sustainable growth. While there is an overall improvement in health indicators, NCDs are rising at a troubling rate and causing majority of deaths. Other issues include domestic violence, especially against women and children, and regional disparities in access to services. These challenges call for an expansion and quality enhancement of primary care, together with better incentives in the hospital system to cope with growing demands to care for NCDs. There is an urgency for additional early childhood education services to meet an increasing demand given the country's young demographics and fast urbanization. Also, social protection programs need to be improved to serve as a buffer to economic shocks and be financially sustainable as well as to stimulate labour productivity. Higher quality investment in education, health, basic infrastructure, and IT technology, is a prerequisite for a human capital to generate productive returns for Mongolia's future. The government, civil society, private sector, development partners, and the UN all play complementary roles in addressing this issue, while enhanced coordination among these stakeholders would create greater value and impact, especially for the most vulnerable communities.

Poor Infrastructure is the key constraint on country's ability to provide good quality social services to its population and to strengthen its international competitiveness. While there is a significant improvement in social infrastructure, only 33.5 percent of households have access to improved sanitation facilities based on country specific definition. Line ministries continue to give priority to new projects over adequate funding for operations and maintenance of existing capital assets.

Also, large infrastructure projects carry the risk of political capture with many core infrastructure (power, heat, water, transport) dominated by the state and limited private sector participation. Being landlocked, transport and logistics are of acute concerns, hindering and agrobusiness apart from making, the potential of the country to become a regional hub go untapped. Attracting more private sector investment, including FDIs, blended financing and Public-Private Partnerships (PPPs) options could ease fiscal pressures and rising public debt, as well as provide population of better technology, governance, and efficiency in the provision of public services.

The COVID-19 Pandemic and extraordinary measures put in place to contain the spread of the virus have delivered a dramatic shock to the Mongolian economy that contracted by -5.3 percent in 2020. The budget deficit increased up to 12 percent of GDP and public debt is estimated to exceed 80 percent of GDP. Apart from decline in exports, driven by external sector development, the economy is negatively affected through other channels. First, combination of lockdowns, higher uncertainty and worsened expectations about the future, but also declining disposable income brought substantial impacts on well-being of households and constrained their spending. Second, it is expected that FDI will decline in 2020 and in coming years clubbed with a negative impact on investment activity, the future stock of capital and the future growth of the potential output. Finally, closure of schools will have negative impact on the average years of schooling and through that on the growth of total factor productivity and the potential output. Access to health-care services such as health promotion and immunization has decreased during lockdowns. This may lead to increased communicable and preventable diseases, especially among under-five children. All these factors will impact medium to long-term growth and financial stability prospects threatening achievement of the

sustainable development goals in Mongolia unless the Government takes decisive measures to accelerate economic recovery and build resilience to future shocks. Preparation and readiness for possible future shocks, such as this pandemic, is of importance.

With policymakers having so many urgent health and economic issues to deal with, the implementation of the 2030 Agenda has been overshadowed. However, while the ongoing COVID-19 pandemic has probably affected the government's ability to implement further structural reforms in the short term at the same time, the economic and social fallout from the pandemic has emphasized the need for continued transformational changes, dynamic multi-stakeholder partnerships, and improvement in governance to ensure that the Mongolian economy recovers quickly and becomes more resilient to external shocks.

Particularly, the COVID-19 pandemic revealed unsustainability of the Mongolian development path based on the exploitation and export of mineral resources and emphasized the urgency for economic diversification. Agriculture was the only economic sector producing value-added growth in 2020, holding a strong promise to support the country's vision of a more diversified and resilient economy. Its vast pastureland and farmland, a long tradition of livestock farming and an enormous potential for expanding agriculture-based industrialization, if accompanied with appropriate livestock and crop production model, tourism development and supported by the right business environment and infrastructure connectivity, could create high-quality jobs, and high-quality products for export market and domestic consumption, and also achieve environment objectives. In fact, while many countries have been reluctant to push forward with

mitigation targets for agriculture, Mongolia embraced the opportunity that ambitious action in agriculture could bring. The mitigation targets 5,283.3 thousand tons of CO₂-e in Mongolia's NDC for agriculture; particularly livestock, are a clear signal by government and partners that climate action in agriculture would be an important element and efficient way^[272] to reduce atmospheric concentrations of greenhouse emissions in the near term.

The COVID-19 pandemic also triggered the need for reforms in education and health sectors to improve their preparedness for emergencies. The ongoing work to develop online learning system is aimed to ensure equitable access to all levels of education in Mongolia and improving quality and relevance for all. The Government also started integrating primary care with secondary and tertiary care, strengthening governance and health sector stewardship to ensure delivery on public health functions, using strategic purchasing to transition to a more efficient health system. The need for more shock-responsive social protection programmes has also been emphasized with a purpose to ensure the financial sustainability and adequate coverage of the most vulnerable groups of population.

Closure of the borders during the COVID-19 pandemic which led to significant decline in coal export to China by trucks, has urged the need to accelerate construction of essential railroad infrastructure to ensure smooth transportation of mineral resources. Also, the border closure has reduced possibilities for gold smuggling and allowed the Bank of Mongolia to increase its gold and foreign exchange reserves. In this regard, it is important for the country to continue compliance with the FATF recommendations which have been mainly related to informal gold mining and intermediary. Shocks to the transport connec-

272 Given that agriculture is dominated by livestock, methane is a dominant GHG in the context of Mongolia. Since methane is a more potent but short-lived climate pollutant, near term action to address methane emissions is an efficient way in the near term to reduce atmospheric concentrations of GHG.

tivity during the pandemic reinforced the need for a greater cooperation with Mongolia's transit partners, further facilitation of cross border transport and harmonization of emergency protocols to preserve essential freight flows during the times of great disruptions.

Despite the challenges of being landlocked, it also means opportunities for cross-border cooperation. Mongolia's contiguous border regions have the potential for free economic zones that can enable the seamless transfers of goods. There is a scope for energy cooperation—for example, through the Northeast Asia Super Grid that would connect Mongolia with China and Russia (and on to Japan and the Republic of Korea). This cooperation could enable increased deployment of renewable energy technologies by offering a larger market opportunity than Mongolia could support on its own, and could extend to hydropower on the northern border because Mongolian rivers drain into Russia's Lake Baikal, the world's largest inland water resource by volume. Also, recent accession to the Asia-Pacific Trade Agreement and accelerated implementation of the China-Mongolia-Russia Economic Corridor Programme presents huge opportunities for Mongolia to address logistics and trade facilitation bottlenecks and contribute to the country's aspiration to become a transit hub.

The Government has recently launched a digital platform "E-Mongolia" which provides 181 public services. Mongolia can capture digital opportunities and innovation brought by disruptive technologies, resolving inequality and education gap among all social groups. Expansion of e-governance will bring services and public good closer to the communities. Digitalization of economic sectors including service, mining, agriculture, light industry, and electric industry is a primary step towards the sustainable development. Final-

ly, Mongolia is uniquely positioned to become an Internet Exchange Point^[273] as it connects its two big neighbors China and Russia through multiple fiber connectivity links. This offers significant additional economic opportunities and could enable strategic partnerships with international and domestic stakeholders from the private and public sectors.

Finally, the COVID-19 has highlighted the Mongolian citizens' growing expectations regarding the role of the state and increased demand for the socialization of risks. Following the protests in January 2021 and subsequent resignation of the Cabinet after, the new Government led by Prime Minister, who is believed to be a new type of the Mongolian leader, has a stronger policy focus, promotes digitalization of public services, the country's participation in economic integration, fighting against climate change, and striving for sustainable development. Being previously a Chief Cabinet Secretary, the current Prime Minister played a crucial role in developing Mongolia's Vision-2050 for Sustainable Development. The new Prime-Minister also reorganized the National Council for Sustainable Development by expanding it to the UN development system, civil society, and private sector, and also expressed his willingness to engage with external stakeholders such as development partners, international financial institutions, etc. Moreover, the Parliament of Mongolia has recently announced a Multistakeholder Council for Sustainable Development to support Mongolia in fulfilling its commitment to realize the 2030 Agenda for Sustainable Development by engaging multiple stakeholders in implementation of sustainable development goals in the country.

273 *Mongolian Internet point service regulation*. (n.d.). Retrieved from <https://sdg-tracker.unescap.org/snapshot# 277>



Photo by D.Davaanyam



ANNEX 1: MEMORANDUM ON ESTABLISHMENT OF THE INTERAGENCY TASKFORCE FOR THE CCA PREPARATION


UNITED NATIONS **MONGOLIA** **NATIONS UNIES**
OFFICE OF THE RESIDENT COORDINATOR IN MONGOLIA
INTEROFFICE MEMORANDUM #4

Date: 11 September 2020

To: UNCT Mongolia

From: Tapan Mishra, Resident Coordinator

Subject: Appointment of the Inter-Agency Task force for the preparation of the 2020 Common Country Analysis of Mongolia

Dear Colleagues,

I am pleased to inform you that the 2020 Common Country Analysis Inter-Agency Task Force members are hereby appointed as per details below:

Chair of the Task Force:

1. Doljinsuren Jambal, DCO, Strategic Planning and Team Leader, RCO

Members of the Task Force:

2. Nurjema Jalilova, DCO, Economist, RCO
3. Altansuvd Tumursukh, ADCO, Data management, monitoring and reporting, RCO
4. Bolorsaikhan Badamsambuu, Human Rights Analyst, RCO
5. Nyamjargal Gombo, Assistant Representative, FAO
6. Egiimaa Tsolmonbaatar, Policy Consultant, IOM
7. Iliza Azyei, Assistant Representative, UNFPA
8. Bolormaa Purevsuren, National Coordinator, ILO
9. Enkhnasan Nasan-ulzii, Chief of Social Policy, UNICEF
10. Khurelmaa Dashdorj, M&E Officer, UNICEF
11. Buyandelger Ulziikhuu, M&E Officer, UNDP
12. Sodbayar Demberelsuren, Program Management Officer, WHO
13. Munkhbolor Gungaa, National Project Manager, UNIDO
14. Enkhtsetseg Shagdarsuren, National Project Manager, UN-HABITAT
15. Robert Parua, Education Specialist, UNESCO
16. Mongolkhatan Tsevegmed, Protection Associate, UNHCR
17. Focal Points from UNESCAP, UNDESA, UNOPS, UNCTAD, UNEP, UNDRR, ITU, UN DPPA, OCHA.

The Concept Note is the integral part of this memo and attached herewith.

ANNEX 2: LNOB FOCUS GROUP DISCUSSIONS REPORTS

FOCUS GROUP: 1. DEMOGRAPHIC ASPECTS: CHILDREN (WITH DISABILITIES AND UNDER ORGANIZATIONAL SUPPORT).

1

SUB-GROUPS AND THEIR CHARACTERISTICS

- Children with disabilities aged 15 and over
- Rural children in dormitories (Children of Rural Boarding schools)
- Students of Technical and Vocational Training Centers living in dormitories
- Attorneys and child protection specialists of AFCYD who works in the J4C committees
- Investigators, prosecutors, judges of the first instance courts

2

SUBGROUPS AT RISK OF BEING LEFT BEHIND

- Child jockeys
- Working children
- Students with disabilities /from mainstream public schools/
- Children from poor and low-income households
- Neglected children
- Children from migrant households

3

FORMS OF MARGINALIZATION (WHAT ARE THE REASONS FOR BEING LEFT BEHIND/ MARGINALIZED? WHAT IS THE ROOT CAUSE?)

School dropout and truancy cases are still evident for male child jockeys. Such children are not under the custody with their parents, but the horse-training families.

Girls and boys, the respondents of FGDs have pointed out that children with disabilities are seriously deprived of their learning opportunities and environment in a soum or rural setting. During such pandemic period, children with disabilities from herder families were completely excluded from special schooling and kindergarten/pre-school programs online, according to a child protection expert, respondent of FGD.

For students (aged 6 and older), the main e-learning tool is the mobile phone, and its long-term exposure has had negative effects on their health and growth of children and adolescents, such as vision loss, reduced mobility, headaches, and mobile addiction. Furthermore, all children are more likely to be distracted from e-learning, to play games on the phone, or to watch videos.

In association with the pandemic, the largest and key obstacle facing children in herder households is the delay in e-learning and truancy. This is due to the facts that herder households live in areas without a network coverage, do not have adequate/enough school equipment (especially young herder parents with few livestock are financially constrained), or the programs are not accessible to all school-age children, share only one mobile phone per household, parents do not have time for their education, and they involve their children in herding.

Case 1. E-learning related delays or exclusion

In the e-learning system, children in areas with a full network coverage are able to attend classes whereas those without an access are left out. Out of 49 students in my class, 10 are located in an area without internet access and are connected once a week, but are not able to fully attend classes. In addition to herder children, children from poor households also have problems. For example, if a household has three children, not all of them have enough school supplies.

Attendance rate is 50% even in the aimag center. Attendance is very low, especially in aimag centers and soums. In reality, almost no classes are delivered in the soum. There is no guarantee of the quality of education, and there is no confidence in whether the child understands the subject.

Apparently, it is the parents who pay less attention to their children's learning when herding, and some even take their children with them to herd livestock and mine gold. Children who come to study in the aimag return their homes due to shortage of dormitory or accommodation.

(From FGD with school social workers, teachers, children's advocates, and lawyers, Bayankhongor aimag)

While employer herders tend to maintain schooling for their children, they require their helpers or contracted herders to be aged over 35 and stay with their families, preventing their children from schooling. Herders who are unable to hire helpers prefer to keep their children on the herd as natural disasters such as droughts and dzuds increase. These days, financially constrained herder parents have returned to the old practice of the 1990s, trying to educate their daughters first and their sons latter whenever financially viable.

Boys and girls undergo medical examinations at their schools. Boys and girls respondents of FGDs aged 15 and over pointed out that such examinations are not held in accordance with common standards and procedures, in particular, that they were not admitted to a room isolated for boys and girls, that the purpose and results of the examination were not shared with or informed for children, and that personal privacy was not ensured.

Case 2. Pelvic exam is not held in a space for girls

"Pelvic exam is held. Soum doctors attend their schools for pelvic exams and if any secrets are revealed they instantly spread, resulting in sensitive topic for a child. Unexpectedly, we are involved for such examinations. In some cases, both boys and girls are called for the same room and examined with just a curtain in between. Boys often are able to hear what the doctor talks to me. I have never been examined in a separate room."

(From a FGD with upper-secondary school girls of a soum)

Adolescents (both boys and girls) in dormitories attending TVET and colleges in local areas and Ulaanbaatar do not have access to reproductive health education. They indicated that health education had partially been delivered, yet no training was accessed on reproductive health, family planning, or prevention from GBV/DV. Both boys and girls living in dormitories- respondents of FGD affirmed that they have no knowledge of where such services can be accessed or sought from in the city, when required. Moreover, all of the children interviewed had had dating experience with their opposite sex since they were 15 years old.

The frequent changes of residence for some rural to urban migrant households put their children at risk of dropping out of school and being left unattended.

Case 3.

There are those who migrated from rural areas, whose residence is frequently changed while transferring their children's schools and changing their jobs. In some cases, children drop out of their schools and left unattended. Those who moved to urban city find it hard to seek for employment opportunities, resulting in alcohol abuse. This is one of the biggest concern prevalent at khoroos.

(From FGDs with an officer in charge of Family, Child and Youth Development affairs, protection officer and representation from NGO, Ulaanbaatar)

4

WHAT ARE THE FORMS OF EXCLUSION?

Discrimination (on the basis of assumed or ascribed identity or status)

Students with disabilities and children from poor low-income families are exposed to discrimination by their peers. According to the FGD with school children and students with disabilities, physical and economic discrimination is more pronounced in their adolescent age (amongst 13 years and older). The involvement of teachers and social workers is revealed as weak, and educational work to change perceptions and attitudes, especially among adolescents, remains neglected.

Governance (capacity gap in line with the HRBA methodology, consider impacts of laws, policies, taxes, budgets, distributional impacts, ability to participate in government decision making etc.)

The backwardness and weakness of rural development is the key driving force for the rural to urban migration for many young people, especially to Ulaanbaatar, to seek a future vocational and higher education, and to live and work there. Because of the poor quality of education in rural soums, especially in this time of online access, graduating students are desperate to move to Ulaanbaatar as much as possible in order to pass their university entrance exams. Additionally, there is a prevailing reluctance for returning to their soum or aimag upon receiving vocational training due to shortage of employment and self-growth opportunities. In this regard, many feel to stay in UB. If classes were to continue online, several high school graduates- the respondents of FGD had already planned to visit their siblings and relatives in Ulaanbaatar to complete their schooling in order to make up for the delays. Interestingly, all the boys and girls- the respondents of FGD said that it is fully possible to stay with their siblings or close relatives in Ulaanbaatar.

Case 4. The poor quality of rural education is one of the prevailing reasons of why young people are more likely to flee to the capital.

It feels hard when you lag behind in education and sports in a soum. The main problem is that we are lagging behind in development, and all opportunities are limited here. Although our soum is in close proximity to the aimag, it is less developed than the city. There are fears that this will prevent us from qualifying for schools because of the poor education system. If our study were held online again, I am planning to change my school to an aimag or city. We need to make up our delays. Technology and language studies are poorly delivered. Half of my classmates moved to the city after the 9th grade. The opportunities to participate in national competitions and championships are even limited.

Upon the completion, we will study in the city. We will not return as development is lagging behind. Some of our relatives are in the city and I will try to take my siblings to the city too. When I become a student, the number of livestock would be over too.

(From the FGD with male students in a soum dormitory)

The crimes committed by children are more likely to be harms to human health, theft, rape, traffic accidents, etc. This is largely due to their family life, poor family supervision, or mobility issues, such as parents leaving for gold mining and long transportation, and children from low-income families being the main culprits in crime. In addition, due to weak supervision of their caretakers or guardians, children are more likely to be victims of crime, especially the sexual abuse/rape.

Police and court officials from the FGD pointed out that repeated juvenile crime or frequent involvement in crimes more likely to occur when children involved in different crimes get to know each other throughout the investigation process.

Case 5. Contributing factors to juvenile delinquency

Bayankhongor aimag ranks first with rape cases, which is largely attributable to a large number of unaccompanied or unattended minors due to gold mining and pastoralism. Cybercrime related to the pandemic is on the rise. More and more children are doing what they see online (porn sites, fights, theft). On the other hand, it is common for a child who has committed the same crime to repeat the crime.

(From the FGD with an officers of the Unit for Juvenile Delinquency, social workers,

advocates and court officials, Bayankhongor aimag)

Attorneys are frequently replaced in juvenile cases, they often fail to seek quality legal services due to payment issues, and they become depressed again due to a lack of protection during the investigation, resulting in relapsed criminal behavior.

Case 6. Attorneys for juvenile delinquency change frequently and advocacy are not realistic.

Attorneys frequently change. Gang crime is committed late at night. No lawyer can be available for the on-site to interrogation in the late evening. We are required to testify a child with the presence of a lawyer. When a child is testified immediately upon his detention, everything could be revealed. Yet, with the frequent replacement of an attorney the child starts to lie. There should be a prosecutor for juveniles in late hours. Attorney should be present until the end of the trial. Investigators beg for attorneys for such presence. Unless parents are not capable to afford, attorneys either are reluctant to advocate or to engage effectively in a trial, just a symbolic attendance.

It is not clear whether the attorneys fully represent the child in the minor case. Unlike other paid attorneys, they do not fully serve.

(From the FGD with an officers of the Unit for juvenile delinquency, attorneys, lawyers and prosecutors, Ulaanbaatar)

Case 7. Due to unavailability of shelter, children involved in a crime become depressed and relapse into criminal behavior

There is a shelter for child victims. However, such shelter is not for children involved in a crime. As long as no family support is available and he is accused of crime, he is left behind to handle himself. The child is sheltered in violation of the law. However, they may become depressed, re-offend, or even commit suicide.

(From the FGD with an officers of the Unit for juvenile delinquency, attorneys, lawyers and prosecutors, Ulaanbaatar)

Socio-economic status (consider multidimensional poverty of women, men and children)

From an interview with the boys living in the soum dormitory, the adolescents attending high school revealed that they will spend more on the tuition fee of their vocational education and daily household expenses, rather than inheriting and raising their livestock.

The online learning during the Covid-19 pandemic period allows more free time for local children, and in addition to helping with herding, they are also paid for construction and trade services, according to the boys and girls who participated the FGD. This poses multiple risks, such as failures to timely complete assignments, skipping classes, working longer hours, and being injured or working hard under unsafe conditions, especially for boys working as construction assistants.

Case 8. Teenage boys often work as construction assistants.

Due to poor family background, there are numerous cases of children working. Generally, our peers often work in construction sites, MNT30 thousand per day. A friend of mine is injured, having his eye injured and treated in the city. Currently he attends his school, yet still works. Last summer, I worked in a construction site. I have witnessed many boys aged 16-17 working there.

(From the FGD with male students living in a soum dormitory)

A social worker from the FGD noted that when there are online trainings on crime prevention jointly held by law enforcement and health organizations targeting the vulnerable children, often fail to outreach their target audience, including those who have no online access, or have gone to rural areas. Due to the fact that such trainings held at schools symbolically involve mass children, the attendance rate of children is of not satisfactory level.

Geography
(isolation, risk or exclusion due to location including environmental degradation, transport and technology)

The poor learning environment and quality of general education violates the right of rural children to an equally good education and development. All the 10-12th grade boys and girls from the FGD revealed their plan to continue their education in the city.

Vulnerability and shocks
(consider places or populations vulnerable to natural or human caused disasters, violence, crime or conflict, economic and other shocks)

Girls from the FGD noted that upper-secondary school boys living in dormitories often bully or harass primary school boys by having their clothes and feet washed or rooms cleaned.

Minors are more likely to be involved in theft, including pickpocketing and domestic theft. If taking into account the nature of the child involved in the crime, they are children from vulnerable households with low income or poverty, or unsupervised children whose parents are under alcohol abuse, or children from a well-grounded family background, but whose parents lead a hectic way of life or are negligent, and overly independent. Being under peer pressure and unsupervised by parents and guardians are the leading contributions to juvenile delinquency.

In recent years, a few number of rape cases are recorded for which teenagers were involved. Advocates at the FGD pointed out that this was largely due to a lack of awareness and knowledge about the sexual and reproductive health, lack of relationship skills, as well as their minor age.

Case 9.

“Rape refers to the use of force against one’s will. In reality, children are imposed an imprisonment of 10 to 12 years or for life for an action mutually agreed”.

“Recently, we have had our one-stop-service center and a center against the violence and information is disseminated well through in-person meetings. During the class hours, information can reach students well when they are separated by gender. However, a lack of funding is always a barrier to such meetings. “

(From the FGD with a school social worker, teacher, advocate and legal workers, Bayankhongor aimag)

According to children, teachers and social workers who participated the FGD, there are 1-2 hour- trainings by professional bodies that provide services to high school students (often by the police), but such trainings at schools are often delivered online/distant from a lecture hall in a lecturing mode or topics are heavy or not compatible to student age, gender or capacity to perceive. As such trainings are held at the schools of the city and aimag center, those living and herding in rural areas are often left behind. The girls and boys-the participants of the FGD emphasized that the content of the training should be designed as case studies based in detail and appropriate for their age and gender.

The police and lawyers from the FGD denoted that the number of cases of lockdown related domestic violence and rape is dramatically increased. According to a teacher and social worker from the FGD, there were no pelvic examinations of girls related to the Covid-19 lockdown, but there were a number of pregnant girls recorded from the screening held in September when classes were delivered in-class and online.

What are the drivers and manifestations of the exclusion or being left behind?

Health education and family planning context are included in reproductive health subject/course. However, the effectiveness is very poor. The boys in a dormitory boys who participated in FGD pointed out that training themes were limited to alcohol, tobacco, and drug use only and cases of early and unwanted pregnancies and dropping out of school were evident.

No secure living environment is enabled for children in the soum. In particular, the lack of street lighting and proximity to the main road pose a threat to passers-by, car accidents, stray dogs, and injuries.

Most high school students in rural areas plan to continue their education in urban areas. Most of them have no plan to return to their soum. This is due to the soum's backwardness in development, limited opportunities for children and youth to grow, lack of social relations and competition, and lack of jobs.

Boys from the FGD emphasized that adolescents moving from rural to urban areas to attend schools often live in their relative homes or dormitories. Thus, their parental supervision becomes weak, they work part-time to meet their financial needs, and gamble.

One of the reasons for the weakening of the quality of child protection work is the lack of criteria for working with children involved in crime, the risks associated with them, and the lack of review on results.

Case 10.

The performance of khoroo's officers is annually assessed. There is nothing to assess from our khoroo. No assessment is held on what cases are dealt and what results are evident. With such failures in assessment, no one is concerned, leaving the child protection matter behind.

(From the FGD with an officer in charge of Family, Child and Youth Development affairs and representation of a NGO, UB)

5

WHAT ARE SOME OF THE ACTIONS OR INITIATIVES THE RIGHT-HOLDERS AND DUTY-BEARERS CAN TAKE TO SUPPORT THIS GROUP?

The issue of assigning children as jockeys is more a matter of interest and money between parents and horse trainers than a matter of heritage. To stop this, changes can be made to clarify the law, increase the responsibility of horse trainers and parents, set age limits for riders (child jockeys), and set age-appropriate physical development criteria for child jockeys, according to local government officials participated in the FGD.

Although the investigation and resolution of crimes committed by minors is in line with international standards, some decisions and provisions are not child-friendly and inadequate. In any case, a minor must seek a lawyer, and the child must be informed prior to the trial and must attend with a lawyer. However, local police and lawyers who attended the FGD pointed out that in the final stages of juvenile delinquency, legal assistance is sought, unfortunately.

Case 11.

"In some cases, police interrogated a child without a lawyer. Three years ago, a child was interrogated without a lawyer and out of his fear jumped from the roof of a police building. Such cases occur occasionally."

Case 12.

"There is a tendency that children are mentally attacked to confess while being handcuffed or beaten with electric shock. Police blame them as "You did it". In such cases, it greatly affects the child's psychology. We do not have psychologists and we make complaints. Police often stand for their police officers. There should be trainings for police on child rights and protection of such rights. Police might be rewarded for their investigation work."

(From the FGD with the Department of Juvenile Delinquency, social worker, advocate and court official, Bayankhongor aimag)

There is a serious shortage of child crime experts and legal representatives in urban and rural areas, and the current workload is overwhelmingly high. They have never been trained in this area. Depending on their age and gender, the child involved in the case may not be able to choose between a male and a female lawyer. For example, in Bayankhongor aimag, where the qualitative survey was conducted, only two women are legal representatives of children involved in crime. In addition, no special rooms are available for trials, child assessments, testimony, or interviews. Interrogation, testimony, and interviews take place in the same room with many other officers holding in-person meetings, which undermines privacy, protection, transparency, and trust, and provides the opportunity to provide services only for the relevant documents.

Case 13.

When children involved in a crime are interrogated, the police interrogate the child while he or she is with an adult, or the child is accompanied by other adults in the room, or the basic conditions are not met. They feel as if they have committed a crime when they have been abused. Only now we have a child detective inspector.

She was 7-year-old when a minor was testified. However, there are male police officers and other police officers in the same office. In that case, how can one reveal about child sexual abuse? Upon the testimony from an accused, the abused child is immediately testified. Police need to be trained in attitudes and psychology.

(From the FGD with an officer in charge of Family, Child and Youth Development affairs, protection officer and representation of NGO, Ulaanbaatar)

Investigators- the participants of the FGD noted that officers dealing with a child-related crime do not demonstrate professional conduct and specialized knowledge due to their failures in involvement in additional trainings and seminars. They also argued that juvenile justice professionals should be gender-equitable and age-appropriate.

According to social worker and child protection specialists who participated in the FGD, there is a high turnover at soum and khoroo. Although job descriptions frequently are modified and the scope of responsibilities and services is wide, the khoroo (for example, Bayanzurkh district's 5th khoroo has a total population of 29,000) has only one social worker, and it is not possible to fully handle case management related to violence and crime.

Case 14. Social workers working in the main unit are unstable.

The social worker is the most loaded and at the same time they often feel overwhelmed. They feel stressed from their case management practice and context. We don't have a psychologist to support us. There was no stress management training during Covid-19. We receive frequent calls from the hot-line service-108. There is only one social worker in each khoroo. We often juggle between tasks and duties whether to deal with our periodic reports of khoroo's children, no real opportunity to reach out to people. Upon the election, an order was issued from the authorities and the position was modified. The job description of a social worker changes, and that's why people are constantly changing.

Earnings do affect job stability. There is no social security and there is a lot of work to be done. Unexpected resolutions and decisions are frequent. No synchronization. Although I have not been in this job for a year, I have immediately felt it in 6 months. My sense of my performance is not evaluated as poor. The biggest impact is my earning. My salary goes for my credit. I monthly earn a salary of 580,000 MNT, working from 8am to 5 p.m. We do not immediate go home after 5pm, in some cases we stay up until 10pm, on average 10 working hours per day. I try to complete my tasks while leaving behind my family and children. If there is an opportunity for a researcher position available in a different place, I probably go for that.

I worked as a social worker at the khoroo for 8 years. The social worker of the khoroo belongs to the Social Development Department, not to the Family Development Office. However, under the law, we are required to work as a part of a multi-disciplinary team. As with the orders and paperwork coming from the authority, I cannot complete my aforementioned tasks at the secretarial office. In this regard, the case management practice and services are poor for dealing with vulnerable children exposed to domestic violence or involved in a crime. Cases are recorded, though left with no response. This case could relatively be ok for the central districts compared to the ones in the outskirts of the city. In fact, when you just open a case, another comes next and and leaving the previous open. While running for a case for immediate response, it is normal to go home at 1-2 o'clock at night. In general, there is no special who would make their homes by 5pm.

Case 15.

The school's social worker is assigned to deal with administrative works, do research, attend various training seminars. Meanwhile, crimes are committed. We just need more social workers. Unless we address this issue, no resolution can be evident.

(From the FGD with an officer in charge of Family, Child and Youth Development affairs, protection officer and representation of NGO, Ulaanbaatar)

The provision that sets forth the availability of a lawyer in the investigation of crimes involving minors. However, crimes either committed by children or involved in are usually committed at night. Investigators at the FGD pointed out that a limited number of lawyers are available for juvenile delinquency, and seeking for such advocate at midnight is the hardest task.

FOCUS GROUP: 2. DEMOGRAPHIC ASPECTS: CHILD AND YOUTH WITH DISABILITIES

1

SUB-GROUPS AND THEIR CHARACTERISTICS

- Children with disabilities (aged 10-16)
- Youth with disabilities
- Rural children with disabilities
- Parents and caregivers/guardians of CWDs

2

SUBGROUPS AT RISK OF BEING LEFT BEHIND

- Children with disabilities /in-school/
- Children with disabilities in remote soums
- Children with heavy disabilities who are under constant care
- Youth with disabilities

3

FORMS OF MARGINALIZATION (WHAT ARE THE REASONS FOR BEING LEFT BEHIND/ MARGINALIZED? WHAT IS THE ROOT CAUSE?)

Lack of respect and understanding of children and citizens with disabilities by the public and peers, lack of social culture and discrimination are the main discouragement for their schooling motivation.

Case 1. My friends feel ashamed to go with me, and my classmates never respond to my questions at all.

I did have only two friends. As I grow up, I am walking badly and my friends are losing contact (couldn't stop crying). Three of us met after the lockdown. Even though the theme of discrimination is in class, they do understand, but gradually they less contact me. I have never been to a psychologist. Teacher knows how I am treated differently, yet she never meets me. I have no clue how to refer to a social worker. When I get older, I will become a psychologist and mom told me I am disabled so due to a doctor's fault (cried again). No one from my class talks to me. Whenever I send questions regarding the classes in a group chat, no one responds. I do not reveal my problem not to worry my parents. It was okay when I was in a primary school, but now I feel really hard (cried).

(Girl aged 6, disability with mobility, Bayankhongor aimag)

No learning environment for PWDs is enabled, and even though schooling requires cyber learning during the pandemic, PWDs are completely excluded due to the lack of opportunities for rural, low-income, and poor families with school-age children. Eventually, these the main reasons for lagging behind their schools, taking breaks, and dropping out of school.

It is appreciative that with the support of some private initiatives and projects of international organizations, the work on socialization and training of PWDs in rural areas has started. However, due to the lack of classrooms and teaching staff, school children were divided and taught only with groups, as primary and secondary school children, regardless of age and disability. This reveals how the level of education to be acquired, and the standard requirements of the training system (especially curriculum content, knowledge and skills to be acquired), the minimum requirements for special needs education are not met at all.

Case 2. Even though trained, they still lag far behind in the required level of education.

My classmates are involved in extracurricular activities, such as music and singing, I like to play music, but I play at home. When I was interested in volleyball, the teachers felt worried that my legs would get worse and I would get injured. They never support my interests. I prefer going online. Whenever time avails, I spend time on my interests. It is easier to do e-learning on a computer, but my sister took her computer. Sometimes the network and the internet run out of time.

It is wonderful to study here as I am amongst many children. However, there are no books. Also, there is no sticks for children.

I haven't learned to read books that I can feel with my fingers. I can't read the script. Physical education classes were held at the 116th school in the city. While there in the dormitory, children were bullied. I didn't see it, but when I threw a tray, I was told to go and find a tray, and I was often teased and teased. My mother used to tell the teacher. I came back here. I will never go there again. My class included math and English. I like these lessons.

(From the KII with PDWs involved in unofficial trainings, Bayankhongor aimag)

Children with disabilities from the FGDs pointed out that discrimination against PWDs attending regular schools in rural soums is increasing with the age of their peers. Unfortunately, parents and guardians involved in the FGD criticized that the class teacher or social worker neglect them, and reluctant to closely deal with them.

The right of children with disabilities to education is completely violated in rural areas while being deprived of their opportunities. Due to the unavailability of special schools and kindergartens in the local area, parents have a perception that children with disabilities should be educated, but such opportunities can only be accessed in Ulaanbaatar. Rural parents have only two options, either to keep their children in a dormitory in the city or to accommodate them with relatives.

It is unfortunate that there is a social stereotype among some rural parents and guardians that children with disabilities have no choice but to live this life with herding livestock.

According to a mother- attendant in the FGD whose young twins are disabled explicated that when parents and main breadwinners of PWD families are employed, they leave their children with disabilities in the care and supervision of their siblings, that limits their time and learning opportunities; thus lag behind school.

Mothers with disabled children highlighted the high divorce rate among couples of children with special needs. Often, it is the single mothers who are left with disabled children and are not supported by their fathers, who ignore their duties and never bear any take responsibilities for raising their children.

Either of the parents should stay as a caregiver for a disabled child at home while being forced out of economic activities. Thus, the living standards for such families fall sharply, as women are often attacked, stigmatized, and physically and emotionally abused as a result of birth defects- the major cause of high divorce rate as pointed out by mothers with disabled children. Here, healthy children who have lived in a full-fledged family become victims of a single parenting family.

It is often revealed from the characteristics of the participants in the FGD that children with disabilities are often left for grandmothers who are the main guardians and caregivers, but mothers receive the guardian's money themselves. This not only puts a double burden on the older persons, but also has negative consequences for children, such as poor care and isolation.

The only wish that caregivers/guardians with disabled children seeks the most was to take a few days off from this work. This clearly indicates how non-stop they work is, how much time and commitment it takes, and how much stress they daily face. They strongly criticized the fact that children with disabilities require more care and attention as they grow older, but the amount of money paid to caregivers decreases dramatically as children get older.

Parents denoted that children with disabilities face a variety of challenges during the transition period and at a younger age, and that overcoming them requires a great deal of psychological and reproductive health support (especially for boys and young people). Unfortunately, such consulting services are not available for them in this area.

Case 3. Children with disabilities often fail to access to health counseling services during puberty.

My son was okay in his younger age. As a grown-up boy, his reproductive development is ongoing. I try to be together as much as possible. I feel afraid that he may get involved in various issues and rape cases. Since my wife passed away earlier, I fully sacrificed myself after the birth of this son, while being not allowed to see my friends or go out.

There is a young man in his 20s with intellectual disabilities on our streets. Sometimes he take off all his clothes and stands naked on the street, and people feel scared, and blame his mother for everything and to keep him away. I don't know exactly how to counsel this mother. Even my son experienced the same harassment while laying on the street corner for 2-3 hours due to epilepsy. People ignored him as a drunkard. Fortunately, the little ones came running to me and told me.

(from the FGD with the parents and caregivers of the children with disabilities)

4

WHAT ARE THE FORMS OF EXCLUSION?

Discrimination (on the basis of assumed or ascribed identity or status)

Children are exposed to discrimination against by their peers on the grounds that they have a disability, walk poorly, do not listen or speak.

Children with disabilities and PWD guardians are instantly discriminated against in social interactions, especially with civil servants, while being blamed as unemployed, staying at home doing nothing, or just seeking care. They indicate larger reluctance in providing services.

In addition to the poor treatment and mind-setting of the center to protect PWDs and teacher-trainers, there is no learning environment and circumstance is enabled.

Due to the lack of enthusiasm and active participation of parents, teachers, educators and social workers, especially among healthy adolescents, there is a lack of knowledge and awareness of the right to equality for children with disabilities, and training, education and social activities that affect peer attitudes are largely neglected.

Case 4.

A big burden of discrimination is felt when we take our children out with us. When children with speech disorders go to the store, they are treated with a manner of ignorance or blame as why they say nothing etc. That's why it's hard to take them out all the time, or even to leave at home as there is no one else to take care of them. When we take them with us, people on the street always look back and keep their distance.

The allowance for caring the children with disabilities is very low and there is no opportunity to have paid jobs, especially when you have a family member with intellectual disability or is in need of constant care. We are often recommended to head to the city as no savings is yet to be availed or struggling to afford for kids medicine. We are discriminated against because we have received all the welfare money according to the social welfare staff.

(From the FGD with guardians and caregivers of the children with disabilities)

Governance (capacity gap in line with the HRBA methodology, consider impacts of laws, policies, taxes, budgets, distributional impacts, ability to participate in government decision making etc.)

Social programs are limited for people and children with disabilities in rural areas, and their right to education is being violated due to the lack of materials, books and other materials for their development.

Current online learning in rural soums appears to be as inclusive learning opportunity for children with disabilities. However, not every household and every child in the household has access to internet data, computers and smartphones. Particularly in such critical pandemic period, the right of children with disabilities to education has been completely curtailed.

The current system requires annual medical screening in Ulaanbaatar from the children with disabilities as an evidence for their continued disability. This continues to place significant financial, time and emotional pressure on such low-income families as strongly criticized by guardians and caregivers.

The guardians involved in the FGD pointed out the biggest obstacle for children with disabilities when accessing health care is getting an appointment for treatment and diagnosis in the capital city. Unfortunately, it is not possible to get all the tests at once (appointments avail at least 10 days to 2 months later), and there are significant financial costs- no place to go, and even visits to their relatives are not allowed for a prolonged stay.

Case 5. Children with disabilities are required to get screened at higher cost

I have two children with disabilities. To extend their disability allowance, we are required have an electrocardiogram in the city. my child was supposed to undergo surgery last year; however, due to Covid-19 he could not. When we ordered the marrow for his surgery and headed to the city on June 9, and our appointment was on June 12. However, re-appointment is availed on July 20. The glasses are no more replaced at the Maternal and Child Health Center, but only with the private ophthalmologist which charged MNT260000. We managed everything financially and returned on 9 August. For our almost 2-month stay in the city, the total expenditure was MNT7 million which was resolved through the bank's loan at 5%. The account for the disability group allowance is connected with the bank's account for lending services. The savings of child allowance as coupled with my earnings from taxi services were MNT2 mln. MNT5 million were borrowed from the bank. We stayed in a family in the city. One way taxi to the Maternal and Child Health Center cost MNT14000. I often caught a bus when alone and taxi services were required if I take my child. The family we stayed was of my sister, single who lately blamed us for being too noise. When we returned home, we happened to know that our medical records were not full by the hospital. In September, for the extension of the disability group allowance the medical cart will be the priority. We feel really frustrated.

(from the FGD with the caregivers and guardians of the CWDs, Bayankhongor aimag)

From the aforementioned several reasons, parents with PWDs, especially those in rural soums, are more likely to expose them directly to herding in order to avoid discrimination. On the other hand, some local parents and guardians, who are very concerned about the social and educational status of their children with disabilities, enroll their children to special schools but they are revealed to have poor quality teaching for basic subjects, poor teacher attitudes, and high levels of dormitory violence or bullying.

Socio-economic status (consider multidimensional poverty of women, men and children)

Guardians of PWDs are limited with or deprived of their employment opportunity, and one family member must take care of PWDs. As a result, women are often denied employment. With the removal of one paid household member, household incomes fall sharply, living standards fall, and there is a risk of poverty.

PWDs are regularly referred to hospitals, and their medicine need is high whereas the allowance for welfare and care is very little. Consequently, the risk of poverty due to health expenditures is highest in this group.

Due to the pandemic context, all levels of educational services have been transferred to online mode. However, e-learning requires a variety of additional resources, such as an internet connection, data package, and the use of a computer or smartphone. Unfortunately, financially constrained low-income families with disabled children and many school-age children, rural households, and households in remote urban areas are left out. Additionally, FGD participants denoted that the deduction of PWDs' transportation allowances also negatively affected their access to health care.

Geography (isolation, risk or exclusion due to location including environmental degradation, transport and technology)

The remoteness of rural areas remains a major reason for PWDs' reduced access to government care. In particular, access to and benefits from all levels of training is still limited.

Local children with disabilities are deprived of the necessary training materials and learning environment, and favorable environment for the community who work with and support them.

Vulnerability and shocks (consider places or populations vulnerable to natural or human caused disasters, violence, crime or conflict, economic and other shocks)

The exposure to peer pressures and discrimination against adolescents with disabilities has a devastating effect on the psychology of children with disabilities during their adolescence. As a result, they experience the risk of being pushed out of the community, dropping out of school, being isolated, losing their self-confidence, and even committing suicide.

In terms of young men and women with disabilities, they are often exposed to forms of violence, such as lack of reproductive health awareness and inadequate access to services immediately lead them to directly follow the decisions of others, and be exposed to psychological pressure.

Case 6. Due to my lack of attention, my daughter with a disability became pregnant due to poor reproductive health knowledge.

My daughter, while attending the Center for the Development of Persons with Disabilities, met a man who is 18 years older and became pregnant (my daughter is 18 and he is 36). Both have a 50% intellectual disability. They don't live together anymore. Because of her puberty, she may get involved in such affections or strange feelings. Maybe the young man may have had the same sexual desire and feelings. I put my daughter in that training just for qualifications development. The result is this. I have taken care of my daughter up until now. Now I am required to look after her child for the rest of my life. I am teaching her how to hug like this, but she is not learning. Now it's a headache.

(from the FGD with the caregivers and guardians of PWDs, Ulaanbaatar)

What are the drivers and manifestations of the exclusion or being left behind?

The reproductive health counseling services are really limited for adolescents and young people with disabilities.

The special needs programs for PWDs are not accessible or available. There are NGOs that protect the rights of PWDs, but they do not reach their target groups and people. There is no such possibility. Such capacity is often availed by international projects, but its efficiency and accessibility are very low.

Although care allowances are provided, the amount is small. The allowance is reduced significantly, regardless of the type of disability when the PWD becomes adult. Yet, as they get older, they need more care.

No special psychological counseling and support service is enabled for children with disabilities and guardians, and there is no suitable flexible workplace and legal environment for employment.

5

WHAT ARE SOME OF THE ACTIONS OR INITIATIVES THE RIGHT-HOLDERS AND DUTY-BEARERS CAN TAKE TO SUPPORT THIS GROUP?

PWDs and their guardians have the desire and need for employment through running private businesses and handicrafts. Yet, the limited amount of care provided by the government is not even fully affordable for medicine and food, and there is no start-up capital and finances to start a business. The fact that supports for such groups are enabled through tenders and competitions is the clearest indication that they are seen to possess the same skills and opportunities as ordinary people. However, the participants in the FGD emphasized the need to treat people with special needs differently and directly support every of their desires to improve their lives.

Some legal provisions do provide for tax benefits and exemptions for PWDs, but they have no significant impact on employers. This is directly related to the fact that they find it easier to pay for the tax and charges instead of working with PWDs. Thus, there is a need to push employers to ensure that it is their part of social conscience to socially engage PWDs in their community and support them as well.

Allow immediate access to the target group in need to the projects that support PWDs, children with disabilities and their guardians

Enable a learning environment for children with special needs and assess the value of teachers, social workers and psychologists in the system of remuneration in the form of difficult working condition.

Create an environment to support PWDs and children with special needs in the form of increasing their social participation

FOCUS GROUP: 3. DEMOGRAPHIC ASPECTS: GBV/DV SURVIVORS

1

SUB-GROUPS AND THEIR CHARACTERISTICS

- Adolescent girl survivors
 - People with Disabilities
 - LGBTQI Community
 - Unemployed and financially dependent female survivors
-

2

SUBGROUPS AT RISK OF BEING LEFT BEHIND

- Girls
 - Pregnant adolescent girls
 - People with disabilities
 - LGBTQI Community
-

3

FORMS OF MARGINALIZATION (WHAT ARE THE REASONS FOR BEING LEFT BEHIND/ MARGINALIZED? WHAT IS THE ROOT CAUSE?)

Why girls are subjected to domestic violence can be majorly caused by the lack of love, care and supervision from parents and family members, especially those closest to them. From the KII interviews with teenage girls who were victims of rape, girls whose parents were under alcohol abuse and who grew up in such environment were often sexually assaulted by their stepfathers, brothers-in-law, or acquaintances.

It was mentioned by the interviewees that there are options to call 108, report the police, inform their parents, and contact a class teacher or school social worker or a psychologist. However, they often fail to seek help or support from the aforementioned options due to fear of their mother and family, fear of not keeping their information confidential, and embarrassment. This causes the problem to be hidden and exacerbated.

According to a mother temporarily sheltered along with her disabled child due to domestic violence and harassment, women are often stigmatized for having children with disabilities by their husbands, partners, or parents-in-laws, evicting them from their homes, abusing children, and venting their anger, and leaving the responsibility to raise and care for their children to the mother alone. She also pointed out that the older the disabled child gets, the more he/she is exposed to such violence.

The lack of knowledge and information on sexual minority rights underlie a high level of negative public attitude, and serious violations of sexual minority rights, such as stigma, dismissal, and eviction, have not been diminished.

Based on her own case, a young woman, a KII interviewee described a new case of violence in which the perpetrator of GBV/DV, especially the sexual predator intimidated her demanding to cancel or withdraw her claim or lawsuit due to the fact that no detention or prosecution process takes place.

4

WHAT ARE THE FORMS OF EXCLUSION?

Discrimination (on the basis of assumed or ascribed identity or status)

Victim girls denoted that children affected by GBV/DV lose self-confidence, slow their engagement in social interactions, and were discriminated against, humiliated and sexually harassed when others learned about the case. This situation often causes some girls to drop out of school, attempt suicide, run away from home, seek early marriage for someone's care, get pregnant early, and have low self-esteem – prostitution.

Case 1. Teacher told me just to escape.

Mother often abuse alcohol. I have no one to talk with. A friend of mine revealed the sexual abuse case to my classmates. That's why I am under frequent humiliation or bully. We are no more friends since then. All school children bully us by calling as "body louse". School teachers and social workers do not take any protective action, even if they know we are being bullied. When I once reported to a previous teacher, I was advised just to ignore it; however, the more I ignored it, the more I became bullied. According to the teacher, I should run away. The teacher did not refer me to a social worker or a psychologist.

(from the KII with 14-year-old teenage girl who was sexually assaulted twice, Ulaanbaatar)

Case 2. For what I was born in this world..

Relatives often verbally abused, and bullied, that I was fat and slow-moving. I lost my self-confidence. I wondered for what I was born in this world, why I lived in this world.

(from the KII with a sexually abused 17-year-old girl, Ulaanbaatar)

Case 3. I thought I would live happy to have a husband, and it was my wrong decision.

Having a husband is easy on the one hand, but difficult on the other. I am or can't be fully satisfied. It was my mistake to think that I would be happy if I got married. I think it would have been easier if I had sat next to the social worker and sister of mine and discussed and resolved the problem.

(from the KII with a 18-year-old girl, abused by her stepfather. She lives with her husband and 3-month-old child and is now pregnant)

Violence against sexual minorities is common, including discrimination, instant dismissal, eviction, defamation, and hatred. Only one or two NGOs are responsible for the government duties, and they are unable to reach out to the local/rural community.

Governance (capacity gap in line with the HRBA methodology, consider impacts of laws, policies, taxes, budgets, distributional impacts, ability to participate in government decision making etc.)

Due to the limited stay in temporary shelter and care centers, as well as the poor quality of the police support environment, service, and police behavior, girls and women exposed to DV often visit friends and relatives and return to their homes of abuse as it is not possible to stay longer with them.

Victims pointed out that it is the quality and availability of services that they are more likely to prefer non-governmental organizations to government agencies.

Case 4. While you have a rich and luxurious life, why are you here instead of taking the children to the hotel

I have stayed for over one month in a police shelter (via 108) along with my 3 children. From my frequent stay there, their staff know me. The police shelter (female) humiliated or verbally insulted my children as “children from wealthy background” and I am blamed me why I frequently go there instead of staying in a luxury hotel. She is so ugly and treats others as arrogant. When I had to go outside while I was under police protection, I would take my children in a special security car. I didn't like it at all. From that, I became more and more scared realizing that I was really in danger. In a month, we were almost evicted. I could not go back to my abusive husband, so I stayed with my children in an entrance space of the apartment. As it was freezing winter, I had to return home to keep children warm. Several times I have had the thoughts of murdering my mother-in-law and husband. It is far better to stay in a temporary shelter by the NGO, not the police. That's why I refer immediately here.

(A victim, frequently exposed to DV, 3 children, Ulaanbaatar)

In some cases, victims may fall in a more difficult situation due to a lack of support from teachers and social workers and a lack of confidentiality. It is worth noting that two schoolgirls from the KII denoted that they feel uncomfortable to reveal their cases to a school social worker who is a male, and that the khoroo's male social worker attempted intimidation, embarrassment, defamation and sexual harassment in return to his support.

Case 5. Why the social worker treats me in this way..

At my 15, I was sexually abused. The perpetrator was my sister's boyfriend. At that time, I was very afraid of being involved in pelvic check. I thought I would get a profession after completing my high school. In fact, I didn't even finish the ninth grade as I was expelled from school by a khoroo's social worker. His lies then made me lose interest in life. I thought why the khoroo's social worker treated me this way, he kicked me out of school, and he said to the teacher that he enrolled me in a good school. There were various attempts and treatments from him for having me involved in the training. Eventually, when he could not manage me, he lied my sister that I frequently drink alcohol and wine. If I continued my school and finished the ninth grade, the situation would have been a little different. I think it would be nice if I somehow went to school and finished 9th grade.

(from the KII with a 18-year old girl, 1 child and pregnant, Ulaanbaatar)

Trainings to prevent from GBV/DV are rarely held (1-2 per year), the engagement and attendance rate of school children (children avoid such trainings) is inadequate as the trainings are not compatible to their age and gender (they do not understand even with focused attendance) and are not delivered in an attractive way.

Service providers- the respondents from the FGD denoted that violence is repeated as offenders especially the DV perpetrator is immediately released upon the imposition of one-time measure, one-time support and service is not sustainable and effective.

The imposition of fine penalty for a DV perpetrator under the Offence Law negatively affects household income, and victims are subject to double financial pressure and pay fines, which affect not only women / wives, but also children and all other family members as criticized by the FGD participants.

A limited number of psychologists is available to deal with the victim protection services of GBV/DV and unfortunately, there is no opportunity to make choices based on the age and gender needs of the victims. For instance, it was emphasized by the participants of the FGD, it is uncomfortable and inconvenient both for a 21-22-year-old psychologist and the clients involved in psychological counselling.

The girls who were counselled revealed while victim girls of sexual abuse are in need of psychotherapy and treatment, psychologists often question their past traumatic and devastating experience instead. Thus, they feel reluctant to be re-counselled or sharing their stories again and again.

Socio-economic status (consider multidimensional poverty of women, men and children)

Victims of GBV/DV- women and girls have poor knowledge of reproductive and family planning. Young mothers from the FGD denote that because of their adolescent pregnancy experience they were not able to build much parenting skills, and due to their traumatic experience they feel the fear of not letting their children out, and being afraid to leave them with a father or a man.

Case 6.

It is hard to continue my study and seek for a job until I enroll my child to a kindergarten. In fact, I was planning a lot, yet again I became pregnant. During the Covid-19 lockdown, I could not prevent due to a lack of contraception and medical check-up at the family hospital. Currently I am 4-month pregnant. My daughter is 1 year and 2 months. When I got pregnant for the second time, I discussed with my husband and we both decided for abortion. Plus, my sister supported me to study for a year for a qualification. However, knowing the negative health consequence of the abortion from my mother-in-law, I decided to give a birth. My mother-in-law sometimes drinks alcohol and I feel scared of having my child to be at risk of injury or burn while she is drunk. My husband is not that much bad. Still, I do have a fear of leaving her with him.

(from the KII with a 18-year-old and pregnant victim, Ulaanbaatar)

Geography (isolation, risk or exclusion due to location including environmental degradation, transport and technology)

The lack of new equipment and technology in the rural area does not allow doctors and health practitioners to maintain their on-site professional development. Local health workers have criticized that more focus is given on obstetrics while lacking the care and support for women. Therefore, rural girls and women are required to head to the city to receive reproductive health care, which increases the financial risk or burden for their families and women. In particular, family infertility and post-reproductive care are unavailable and of poor quality in rural areas, and doctors are not trained in this area.

There are no opportunities in rural areas to protect the rights of sexual minorities and provide them with care.

Vulnerability and shocks (consider places or populations vulnerable to natural or human caused disasters, violence, crime or conflict, economic and other shocks)

Close friends and networks of adolescent girls who are victims of GBV/DV are lost, leading to a decrease in their social status and self-esteem, and significant changes in their dreams.

Case 7. Because of my reluctance to communicate with people, I plan to change my dream and choose a profession to interact with technology.

Because of my depression since the case, I was hospitalized for several months. It's okay now. My dreams have frequently changed. At first I thought I would be a policeman, then a doctor, and now an engineer as recommended by my mother. I don't like interacting with people, thus I have chosen a profession to deal with technique. I don't engage much with my classmates. It's been 4 years since I moved to my school, but I don't have many friends. Lower school children make fun of me for being isolated. When I enquire about classes, teachers are more likely to respond than my classmates. Because the children have formed a group of friends/or a fraction, the other children do not answer my question.

(From the KII with a 17-year-old victim girl of GBV, Ulaanbaatar)

In addition to physical abuse, victims of violence suffer severe psychological trauma, which interferes with their quality of life, employment, social status and relationships.

Case 8. Due to domestic violence, 70 percent of disabilities was diagnosed with eye injuries.

In addition to eye injuries, there are a lot of psychological injuries that are irreparable and difficult to heal. Depression and anxiety are the worst both lead to symptoms of anxiety and depression. I feel physically failed in return, such as heartache, tremors, loss of balance, etc. Now I see a psychiatrist who often prescribe psychiatric anti-depressants and sedatives. Psychotherapy in Mongolia is underdeveloped and there are few doctors available.

When you go out, I am often accompanied by others or my children as I am more likely to faint and fall apart. I became worthless, and my children began to blame me. Now I am shocked by the sound of glass breaking.

(40-year-old victim disabled due to DV, Ulaanbaatar)

What are the drivers and manifestations of the exclusion or being left behind?

It is difficult to provide assistance to people with disabilities. For example, there are no trained doctors, midwives, or psychologists who know how to deliver a woman with a speech or hearing impairment, or at least psychotherapy.

Case 9.

A deaf mother was giving a birth at the aimag's maternal house. The mother was very stressed at birth because she could not find anyone who knew sign language as she was from the soum, so there was no one in her family, and they could not communicate with the woman. It took a lot of skills for a doctor to manage a birth, to be with a person with a pen and paper, to demonstrate it on her own. Due to such struggle of communication, she and her child both suffered heavily during her delivery. It took longer to improve her breastfeeding (low milk production). Based on this case, there is a great need for a midwife and a gynecologist with a sign language ability.

(from the FGD with a gynecologist and midwife of aimag's hospital)

The situation is aggravated by the fact that women do not have legal awareness about violence, and that they have to put up with it for the sake of their reputation and children. The victims of the DV claimed that they only leave when it is life-threatening. For example, a woman lawyer with a higher education explained that she had been exposed to DV for many years, that she had not taken action on her own, and that she was ashamed of her fellow graduates and teachers and had not been able to seek support.

5

WHAT ARE SOME OF THE ACTIONS OR INITIATIVES THE RIGHT-HOLDERS AND DUTY-BEARERS CAN TAKE TO SUPPORT THIS GROUP?

Enable supportive and preventive services for GBV/DV as friendly to victims, children and families

Girls exposed to sexual assaults emphasize that parents have an important role to play in helping and preventing, and that they need to be listened to and treated calmly. Although they seek help from a psychologist, they are not satisfied with the quality of the service; thus, it is common for them to lose contact after receiving help at that time.

Participants of the FGD denoted that it is crucial to explore and disseminate information sources and online environments where children spend the most time, conduct interesting trainings in schools that are appropriate for the age and gender of children, increase the number of shelters, making them more accessible, and increase the number of psychologists. The need for such support may facilitate increasing the victim's ability to choose the gender of his or her lawyer and psychologist.

In order to improve the quality of child care center services, it is necessary to improve the attitudes and behaviors of caregivers and service providers.

In addition to imprisonment, the perpetrator should be provided with psychological counseling to ensure that no further violence or re-offence occurs. Victims need psychological, social, and social support, especially for girls who have been sexually abused become victims for the rest of their lives.

FOCUS GROUP: 4. SOCIO-ECONOMIC ASPECTS: UNEMPLOYED OR UNSKILLED YOUTH (AGED 15-24 YEARS OLD)

1

SUB-GROUPS

AND THEIR

CHARACTERISTICS

- Young people in paid employment and formal sector (women and men)
- Young people in informal sector (women and men)
- Unemployed, uneducated and untrained youth

2

SUBGROUPS AT RISK OF BEING LEFT BEHIND

Young people newly employed for paid jobs, especially those newly married, do feel anxious of being fired; thus, overtime, unequal workloads and attitudes are common. A number of young primary school teachers from the FGD also pointed out that younger teachers are often exposed to the pressure by older teachers with long term experience and overwhelmed workload. Discriminative work environment can lead to decisions ranging from dismissal.

Junior high school students and minors are most likely to work as construction assistants, online sales, shops, coffee shops, and salespeople, but only on a verbal contract basis. The girls from the FGD pointed out that girls were subjected to sexual abuse and workplace harassment as they do not leave on time, often work overtime, were not paid on time, and often leave work later hours given their service jobs.

Networking through acquaintance or online research are the key to seeking a job. There is a perception that only vulnerable people access government employment services. For young people, majority of the vacancies are often unsuitable for their profession and interests, usually do not require professional skills, and are low-paying jobs, such as assistant works.

During the pandemic, young people working in the informal sector and working part-time have been fully restricted with earning opportunities and part-time jobs.

3

FORMS OF MARGINALIZATION (WHAT ARE THE REASONS FOR BEING LEFT BEHIND/ MARGINALIZED? WHAT IS THE ROOT CAUSE?)

Employers often take advantage of those young people given their freshness in their career or lack of professional skills, and inexperience and hire them for low-paid jobs. However, the main criterion, 2-3 years of professional experience, is the biggest challenge of employment for young and fresh graduates. In particular, students do not have the opportunity to work part-time and practice according to their profession.

It is not the fact that only students from low-income families work part-time. There are many reasons to seek for such working opportunities, such as willingness to independently earn, being supportive for their parents, building networking, and gaining work experience which significantly creates the demand for part-time work. Unfortunately, the unavailability of a secure part-time job, and most of them clash with school hours, can be a major reason for dropping out of their study-their priority, paying less attention to their studies, taking annual leave, or dropping out of school.

The legal knowledge of working youth, especially about labor and the right to work, is very low. This results in further complex context in hiring and firing process, such as failure to get paid, frequent job replacement, hazardous working conditions (especially on construction sites), and not being able to get a fair evaluation of your work.

One common notice during the FGDs was that male students in higher institutes who work part-time prefer decent pays as much as possible, no overtime, low workload, and a comfortable working environment.

4

WHAT ARE THE FORMS OF EXCLUSION?

Discrimination (on the basis of assumed or ascribed identity or status)

Compared to inequitable treatment of working youth, there is more common issue amongst them, such as assigning overly work load given their young age, checking on their marital status- preference for single or child-less couples as the key job requirement. Several young participants claimed that they have often been overwhelmed by the senior workers or elders with work due to their marital status as single and having no child yet.

Discrimination, bullying, and neglect by management and staff is evident in the workplace when they are from poor, orphaned social background or humble, and shy personalities.

Case 1. As young and orphan, more experience of pressures resulting in frequent job replacements in spite of my passion in my profession

I am a cook and was a trainee in Japan. I consider myself a good cook. When I was working in a restaurant in Baganuur, given my status as a young man and orphan- my parents passed away, I had been badly treated as inferior, rude and bullied. Later, I also worked in a Korean-owned restaurant in E-mart. Whenever I wanted to remind my boss and co-workers about the important standard requirements for catering, I was told to shut up or they push through my shoulder that I should not have acted. Demands for honest and correct work are clearly discriminated against.

(From the FGD with young men seeking for a job, Ulaanbaatar)

It is very common to ignore or neglect the opportunities for social issues and needs for working youth.

Case 2. Young teachers are instantly excluded when deciding accommodation/housing issues for teachers.

Many teachers do have loans. It seems that the social problems of teachers are being solved through research, but in reality, young teachers are instantly ignored. We have very little income and no chance to earn double income. Everything is necessary because we are starting everything new in life. There is no savings. We are ignored as we are working in our first year or as fresh. Senior teachers are central to attention. Therefore, young people strive for the decent job and income. My passion for teaching developed as a child. Now I don't know how long I will work like this. I think I am somewhat coping as I live with my brother.

(from the FGD with young women in informal sector, Ulaanbaatar)

Governance (capacity gap in line with the HRBA methodology, consider impacts of laws, policies, taxes, budgets, distributional impacts, ability to participate in government decision making etc.)

Majority of young people are not aware of labor laws and labor rights. It does not matter to the younger generation whether social insurance or health insurance is paid or not. They prioritize making profit and earning and often ignore the consequence of labor relations, such as violations and the significance of paying social and health insurance. In some cases, young people who have attained or are seeking higher education may request a breakdown of their salary and see what deductions have been made, but the employer does not disclose such information.

Most private companies are strict about being on time for work, but do not require what time to leave work. The majority working in the informal sector and the majority of participants working overtime in the informal sector report that they overwork (over 8 hours daily). It is explicated by employers that the overtime was due to lack of personal organization. It appears that the employer does not follow the work norms and the distribution of work per person. In addition, employment contracts are often made orally, so there is a lack of job descriptions and uncertainties often lead to overtime work and failure for overtime pay.

Case 3. As a khoroo's social worker, we are involved in everything.

Job description is there. However, works or tasks not specified in the job description are performed depending on the circumstances. Even those Covid-19 related isolation facility services, including cleaning is performed. As a civil servant, we often serve as patrols on the streets, even on weekends as emergency duty during the pandemic. No overtime pay is provided. When we want to complain, everyone does the same according to them.

Meanwhile, no time is allowed to work with the case and complete the research. There is no possibility of such a time. Currently I am working as a substitute for a pregnant staff and I will never work as a khoroo social worker again. It is a very difficult and complex job.

(From the FGD with employed young women, Bayankhongor aimag)

For young people who work at their parents 'or acquaintances' place of work or where they used to work, or in a large chain of restaurants and shops, they are less likely to experience problems, such as failure for timely payment, or workplace pressure or harassment. In contrast, for young people who have found a job on their own or whose employer is an individual or working for a private small company, such problems-failures or delays in payment, pressure, and overwork are common.

Job vacancies can be found on websites such as Zangia, Shuurhai, Un-egui.mn, resumes, and others such as Facebook groups. The conditions of the jobs in these advertisements are unrealistic, and the salaries for initial few days are paid and gradually are deducted due to a lack of income and funding.

Out of 5 young participants in the FGD- unemployed and active job seekers, two were involved in the government initiative, Youth Participation Project. One of them was involved in the project because his grandmother was an active member of the committee, a group leader, and he was registered at the Labor and Welfare Center, and the other's involvement in the project was thanks to his contact with previous employer. Meanwhile, the other participants were not informed at all. The reason for the lack of information was that they frequently change their residence while renting apartments, and thus, are not informed on khoroo's activities.

Case 4. No one can be available to attend the Youth Participation Project

My grandmother had registered me, and the khoroo informed over the phone. In terms of the Participation Project, as a youth business project, more than 600 young people are accommodated in one location for 14 days. I was called from the Labor and Social Protection Office on such training. I really enjoyed the training. The program content includes how to run a business and what a civil servant should look like. Many young people got to know each other. But, I didn't like the partial military regime there. Participation is valued by effort. There were young people like me who had completed high school. The project contracts with more than 200 agencies and then offers jobs. It is said that it connects with some organizations such as MONOS. The project was supposed to involve more than 2,000 young people, but a total of 1,400 young people were present. We went to Nairamdal camp. There were people aged 18-35.

(From the FGD with young men seeking for a job, Ulaanbaatar)

A common problem encountered for young entrepreneurs in trade and services is rented premises, but due to changes in the lessor's service schedule and frequent or unexpected changes, they are not able to fully use the days and hours that can serve many people.

Socio-economic status (consider multidimensional poverty of women, men and children)

Because of their individual sense of responsibility to support parents, boys tend to seek for a work and drop out of their schools, especially for rural students studying at private universities and colleges.

There are many examples of female students working part-time successfully doing light and service-oriented work. Male students, on the other hand, are more likely to suffer from heavy construction work and injuries during the warmer months.

Youth participation in social activities is low. For example, they are not actively involved in research, do not participate in job satisfaction surveys, and have poor communication skills to express their problems and share ideas.

Geography (isolation, risk or exclusion due to location including environmental degradation, transport and technology)

Young people aged 18-24 are more likely to find part-time jobs in urban areas, but it is common to change jobs due to workload, while rural areas it is vice versa. As a result, the rural to urban flow of labor is high among young people of this age.

In both public and private sectors, every minute of late work is deducted from the salary, and overtime is not valued or estimated for a pay. In this case, workers who live far from work, especially in remote districts or outskirts of the city, face problems such as waiting for public transportation, traffic congestion, not being able to find a parking space for private cars, being late for work, and overnight at work.

Case 5. Because of the remoteness of my home, my salary is deducted for those late hours and to skip the traffic jam I overnight at work.

I worked for Gazar Shim company with a monthly salary of 500,000 MNT. For every single minute of being late, I was deducted 1000 MNT per minute. After working for more than 2 months, I ended up with quitting with all the deductions. Because everyone is counted by the minute, you have to bring a doctor's certificate to get your full salary. It starts at 8.00am. As I live in Nisekh areas (airport residential areas), I was late several times due to delayed buses. Later, I spent overnight at work.

(From the FGD with young women seeking for a job, Ulaanbaatar)

Young people who are married and working in rural areas want to maintain a relatively stable life, while unemployed young people who do not have a stable/secure job and unmarried tend to seek employment and living opportunities in urban areas, especially in Ulaanbaatar due to unavailability of jobs, poor living condition, lack of entertainment, leisure and educational opportunities for development.

Case 6. Young people heading to the city for education never return. In any way, they find some job opportunities.

A young woman from our soum used to be around here always looking for a job and was very active, even if she had no qualifications. Actually, I did not get a job for her, but involved her in pre-school teaching training. After graduating, she stayed in the city to work and did not return. In fact, she was supposed to return, but from the latest contact with her she informed us on her stay in the city. All training costs were covered by the soum.

(From the FGD with young men seeking for a job, Bayankhongor aimag)

Vulnerability and shocks (consider places or populations vulnerable to natural or human caused disasters, violence, crime or conflict, economic and other shocks)

Male co-workers sexually harass young women in the workplace by telling erotic jokes, teasing, intimidating, embarrassing, touching, and expressing sexual motives in direct and ambiguous words.

Case 7. One of my co-workers was threatening and even stalked me home.

While working in a factory, a senior male worker often asked me for my phone number while passing by. He also followed/stalked me after work. I used to work with a friend and when I revealed it, I was advised to tell or complain to the bosses. It's different when a senior manager is around and when he's not around. Senior female workers often called in different ways because I make frequent complaints.

(From the FGD with young women seeking for a job, Ulaanbaatar)

Several cases were evident throughout the FGD that direct supervisors, senior management, and senior staff often harassed young people in the sense of being young, and because of whom some even have quitted.

Case 8.

I feel tolerant and often take the blames. But I cry at home. There is one senior teacher who is influential to other teachers. She borrowed MNT200,000 tugrugs from me. When I demanded my money, she blamed that I am incapable of doing another job, if I quit I would have nothing, but to wonder along the street. Other senior teachers scolded me and said that I can't find another job other than this one and I often complain. They often spread wrong words about me to my class and their parents. After all my tolerance, I reported to the head principle and filed a complaint, but the senior teacher cried. I said that I had never received such a letter of complaint within 30 years of work. She always scolded young teachers, and teachers quite because of her manner of practice. The teacher has four children and her husband is under alcohol abuse. The head principle blamed me that I had to apologize to that person, the senior teacher is the senior teacher. I was told that I am still young and I should obey senior teachers. There is much pressure by the head principle too. I gave up and quitted my job. Currently, I am substituting for a staff on maternal leave. I was told that I was the one who cried the least. People who had worked before cried a lot and couldn't stand it.

(From the FGD with young employed women, Bayankhongor aimag)

What are the drivers and manifestations of the exclusion or being left behind?

Amongst the youth in informal sectors, seasonal unemployment rate is high and majorly they are unemployed during the cold season.

Acquaintances and backdoors are very important when to be employed in rural areas.

Assistant herders are required in rural areas, yet young people feel embarrassed, especially women of their peers and others.

Case 9. Embarrassed to be hired as assistant herders

I have no education. In my childhood, I and my younger brother dropped out of school to live with and take care of our grandmother as there was no one else. When she passed away, we moved to UB. Even for kitchenhand jobs, 9th grade certificate is required. I made a friend with a girl who has even worst life context than me. I met her at the social welfare office. As I didn't attend any schools, I have no friends. Recently I met her and she got married to an older man and even become a herder with thousand livestock. She has now 4-5 children and become a beautiful lady. This year they hired an assistant herder and soon they plan to replace him/her. I was asked to work there. But, when it comes to reality, one feels embarrassed. Strange.

(From the FGD with unemployment young women, Bayankhongor aimag)

The main reason why young people do not have a profession or education is due to tuition fees and other costs related to their studies. Due to the lack of such opportunities in low-income families, children start working at the age of 13-14. For rural youth, especially those with poor education and mild disabilities, there are no reliable jobs other than herding.

According to the participants, the biggest reason for not moving from the informal to the formal economy is that low-income people pay high taxes, prepare financial statements at the same time as large companies, and are unable to hire staff to do so.

5

WHAT ARE SOME OF THE ACTIONS OR INITIATIVES THE RIGHT-HOLDERS AND DUTY-BEARERS CAN TAKE TO SUPPORT THIS GROUP?

Improving the part-time work and labor system with respect to the reform of the labor law, and paying attention to human resource, their salaries and timely payment

Exemption from labor exploitation, such as harassment and non-payment of new employees under the name of internships.

Make a commitment to legal and other social skills trainings and social relations activities

The biggest challenge for young people engaged in the informal sector is that they are not paid on time or not paid at all.

FOCUS GROUP: 5. DEMOGRAPHIC ASPECTS: RURAL POOR AND VULNERABLE

1

SUB-GROUPS AND THEIR CHARACTERISTICS

- 1. Herders, assistant and contracted herders
 - 2. Rural poor residents
-

2

SUBGROUPS AT RISK OF BEING LEFT BEHIND

- Local herders remote from soum center
 - Herders not covered by health and social insurance scheme, those employed in informal sector and unemployed
 - Rural children of primary and secondary school age
 - Assistant herders, their families and children
 - Rural young people with no qualifications and skills
-

3

FORMS OF MARGINALIZATION (WHAT ARE THE REASONS FOR BEING LEFT BEHIND/ MARGINALIZED? WHAT IS THE ROOT CAUSE?)

Young, illiterate and unsocialized bagh herders remote from soum center tend to be left behind, unable to express their opinions, and excluded from social services.

Denied access to free public health services is prevalent for rural people. The root causes are the inadequate health education, unsatisfactory quality of health care at the soum and bagh levels, especially the lack of modern equipment, and the poor skills of medical staff. Herders from the FGD emphasized that they often seek health care in Ulaanbaatar city and find the long queue and bureaucracy at the public hospitals as hard to tolerate, thus, they mainly seek private and costly health services. In addition to the health care cost, they spend a lot on transportation, accommodation and meals.

During the pandemic, children of herders in rural areas, especially in rural soums and baghs, were left behind, and neglected at all levels, including primary and secondary education. This is mainly due to the inability to access the internet when classes are conducted electronically (even face-to-face and online classes are combined), the lack of special devices and computers, majority share their smart mobiles through the purchase of data packages, and the lack of regular classroom trainings. As a result, many fall far from their schooling while assisting their family animal husbandry, taking care of their siblings, or being hired for low-paid jobs (MNT10.000-20.000 per day) in construction, shops or other service sectors for long hours.

Moreover, it has been prevalent that due to the incomplete in-class trainings, it is common for children to return to their rural homes and symbolically be involved in doing or practicing their studies due to negligent parents. In other words, such children are observed to be fully lagging behind their schooling.

Herder women and women from soum centers in the FGD pointed out that children's homework and classes are majorly reliant on mothers for e-learning. However, because of their time-consuming workload in animal husbandry, their level of education, and their teaching methods, especially in math and grammar which are not compatible to current methods they often fail to teach their children, or many children in the same family who have shared mobile often cannot fully access their classes.

Due to lack of legal knowledge, young people-uneducated, unemployed, and of low-living standard find difficult jobs (usually construction assistants) often through acquaintances or networks for which no special skills or qualifications are required without a contract, and without labor safety. Unfortunately, many serious violations have become commonplace, such as employers not paying their wages on time or not paying them at all, overburdening them with labor norms and standards, and low-wage manual labor without equipment. It is worth noting that many participants from the FGD pointed out that rural youth and people who are engaged in such work often leave as they feel exhausted and are reluctant to do such hard jobs.

4

WHAT ARE THE FORMS OF EXCLUSION?

Discrimination (on the basis of assumed or ascribed identity or status)

According to some participants of the FGD, government policies and support for herders were not timely, especially for young herders, and that they were not heard, ignored, or even insulted because some of their actions appear derogatory.

Case 1. Measures either do not reflect young herders' desire or are outdated

What herders want or how they are doing has never been of interest. The measures taken are in fact ineffective. Often, there is a discussion on restocking, yet it is so ridiculous that the measures are outdated or lag behind the time. Some of the events are not of interest to seek services. An example can be animal health services. All of us have almost become veterinarians. Today, almost every herder household has a car thanks to their livestock trading. Almost all potential herders have apartments in the city and are educating their children in the city. While it is the reality for herders, the government is running just a basic policy.

(From the FGD with young herders, Bayankhongor aimag)

Case 2. Authorities are not supportive of the young herders; instead, those with long term herding experience and a larger number of livestock

Not supports are given to young herders at all, but only those who have many animals and have been there for a long time are dealt with. Young herders do not have winter shelters. Herders with a long term herding have owned 5-6 winter camps and entitled to their children. Therefore, it is the most difficult to find a winter shelter. Having young children does not frequently allow longer or extended grazing to other aimags and soums. Lately, I have been thinking of quitting herding if children start schools. We have not been educated and now we don't want our children to work so hard.

(from the FGD with young herders, Bayankhongor aimag)

There is a common misperception amongst the young and uneducated herders that they should not open up the older persons or to senior officials, especially among young and uneducated herders. This results in failure to openly express themselves and be active in social participation.

Case 3. Young herders are afraid to open up to authorities.

There are many problems with our winter camp and well. If we want to build a well, it will cost MNT2 million. I don't know, it seems that older herders who meet with the authorities have a lot of conversations have theirs done. In contrast, young people should never open up to the authorities. There is an age range between herders. Also, we cannot talk much in front of our husbands.

(From the FGD with young herders, Bayankhongor aimag)

Discriminatory approach is evident that those with a multi-child family are often hired as assistant herders. As a result, single and young people are generally limited with their opportunities to become assistant herders. Such assistant herders usually make oral contracts for herding. Labor exploitation cases are apparent, such as wages and bonuses not timely paid, involvement of all family members of an assistant herder to all the work related to animal husbandry. The rights of children of assistant herders are being violated that often they lag behind their schools whereas livestock owners enroll their children in schools in the center and settlement areas.

Even though assistant and contracted herders seasonally receive salaries and bonuses, the value is very low, often below the minimum wage, so there is not enough for daily food. They often want to have their own livestock. Although restocking projects are underway, there is a discrimination that only a few number of heads are allocated or entitled to young people. Raising a small number of animals requires the same amount of care and herding as raising a large number of animals. All the expenses are close except for the cost of fodder.

It was denoted by herders that in rural areas, the main reason for an increased number of single young men, especially herders, is that middle-class and less educated herder parents often send their daughters to urban areas for education. They do not return to their towns, so they raise at least one of their sons on livestock. They are ignored by educated girls which is an urgent demographic problem these days. In contrast, wealthy herders prefer to settle their children in urban areas instead of passing on herding as heritage and hire helpers and contract herders. It should be denoted that in interviews with herders, it was explicit that regardless of their children's gender, they do not want their children to be herders because herding was so difficult.

Governance (capacity gap in line with the HRBA methodology, consider impacts of laws, policies, taxes, budgets, distributional impacts, ability to participate in government decision making etc.)

Policy for poverty eradication:

Herders from the FGD criticize that the government has a policy for herders as media broadcasts, but its policies and programs are not down to earth and there are no specific measures for herders.

No regular, reliable and paid jobs available in the soum center other than public services and banks. No basic living environment is enabled for adolescents and young people. Occasionally, construction assistant work is sometimes availed, but for some reason, wages are not paid reliably. Therefore, although registered in the soum, I am constantly involved in labor migration. Many unemployed young people returned to their soums and localities due to the outbreak of Covid-19 and lockdown.

The households covered by the food stamp program are not presented to the bagh meeting, the citizens are not informed about the criteria and reasons for their exclusion from the program, and the welfare workers in charge often provide single response "they are chosen by the authorities". According to the FGD analysis, the failures to timely update unified household database and social welfare system data, re-evaluate and clarify the living standards of households at the primary governance level, and the situation that does not match the reality can be the key reason that vulnerable and poor target groups are not reached. Participants of the FGD also criticized the fact that the welfare system was more service-oriented to those with an instant access to information and a political group (winning party).

The lives of citizens are immediately dependent upon the activities and initiatives of bagh and soum governors. With the governor whose performance is slow and poor, the soum citizens, despite its proximity to the aimag center, lacks information.

Health and social insurance:

Health insurance coverage for herders, the self-employed and the unemployed is very low. Due to the strong impact of the Covid-19 pandemic on household income and expenditure, most people (both men and women) have stopped paying for health insurance, or husbands and males stopped paying so with the exception of rural workers who have been working in the civil service for the past two years. Additionally, most health examinations and diagnoses are somehow charged, thus, health insurance is often ignored.

The fact that most herders avoid paying social insurance premiums is that social insurance is not inherited and their lives is self-sufficient upon the benefits of livestock; thus, they think that the insurance system is meaningless and inefficient. It is common for only rural women and men approaching retirement age to voluntarily pay social security contributions. However, women are more involved and men are generally excluded. Due to the low wages of rural workers, they believe that avoiding any insurance or premium is the key to not reducing household income.

Legal issues:

To maintain the population, some soums do not allow the children of herder households to be transferred to other cities, aimags or other soums, especially require to enroll into soum schools until the 9th grade. A failure to do so ends up with the seizure of their land or winter camps according to a herder woman from the key informant interview as demonstrated the pressure on herders through her own example.

In the soum center, men usually work as firemen, motorcycle mechanics, clerks (watchmen), and construction assistants, while women work only as cooks, maids, tailors, and repair workers. However, such jobs are rarely available, often seasonal, and do not allow permanent employment. A common problem for soum and local people engaged in this type of work is that they do not sign written contracts, often verbally, do not receive their salaries on time, are not paid with their promised salaries, are underpaid, or work overtime. These refer to labor/employment violations, and citizens themselves acknowledged that they do not have legal knowledge.

Other public services:

Frequent problems, such as service delays, lack of equipment, poor quality and poor capacity occur due to the fact that there is only one veterinarian in the rural bagh. Therefore, herders encounter with many risks (animal-to-human transmission, and of unhygienic meat and dairy products) while treating their animals arbitrarily without any knowledge.

Case 4. We arbitrarily treat out livestock

We do decide on our own. It is strange whether the vaccine is absorbed within a month or not, there is no control. I feel sorry for the people in urban areas as they are not aware of what animals and what vaccines we use. Last winter, it was harsh for all of us. Expired medicines from the pharmacies were purchased and injected. Vets are not available even on calls.

(FGD with herders, Bayankhongor aimag)

Social welfare:

It is commonly evident in the practice that social welfare system for the Food Stamp Program is not updated, the current criteria are not reviewed, the soum governor and welfare workers, the primary governing body, do not raise their voice and concerns about whether the welfare system those in need/target groups or they just explain that list of names were delivered from the authorities. During the data collection from the FGD, there was a young couple of active labor age who were unemployed 5 years ago. At that time, they were with their parents raising their 203 children. Currently, they are independently living from their parents, but still involved in the Food Stamp program.

Case 5. Due to failure to update household data, the vulnerable households are left behind the Food Stamp program.

I have a family of five, my wife and three children. I am a watchman for the kindergarten. After working at a mine in Umnugovi Aimag, I came here to be closer to my family. I access food stamps. I have a salary loan. I wish the government would pay off the salary loan once and for all. I received a loan of MNT6 million, monthly deducted from my salary. I spent it on children's training and lessons.

(A., aged 29, male, married- wife and 3 children, Bayankhongor aimag)

Socio-economic status (consider multidimensional poverty of women, men and children)

Couples living separately:

There is a dramatic increase on the number of young families living separately in rural areas in recent years. There are two contributing factors: wives accompany their children to the city, aimag, or soum centers to enroll their children to a school, or husbands move to seasonal jobs due to no permanent jobs in the soum, such as inter-city transportation, mining, and construction. etc. going to cities and towns.

Access to health service:

There are few herders and rural people who pay for health insurance.

Case 6. Even with health insurance, there are additional costs in case of emergencies.

It is far better to approach a private hospital. I felt that in my husband's case for surgery. With the emergency services, we were delivered to the aimag's emergency ambulance section, though the doctor had been called for an urgent meeting. Even though we had our health insurance, MNT81000 were charged. Unless with money, they would not have served us. Additionally, MNT100000 were charged for the medicine. We delivered his meals ourselves. As herders, we do not often have cash. When we were at the hospital, a local herder woman was returning home as she had nothing to pay for the charges of MNT40000. We realized the importance of carrying cash from that case. Currently, we cannot pay any insurance as our previous debt is due.

(D., female herder, 29 years old, married with 5 children, Bayankhongor aimag)

Herders do not have access to health education, especially reproductive health. Today, they get information from the internet, mostly from unconfirmed sources, such as Facebook.

Health care and modern equipment are scarce, skills of doctors and medical staff are weak, and herders and soum residents are dissatisfied with the quality of service.

Case 7. Because of tension of leaked confidentiality from the soum and local treatment, some fail to be treated or make choices either to arbitrarily treat themselves or seek urban health care.

There is only one urologist in the aimag, generally speaking, local area has its own setting. If there is a health problem about men, they are afraid and ashamed, as it is a small place. No confidentiality is kept as local community rumor. Thus, one would opt for going to the city while some others treat themselves arbitrarily/voluntary-basis. Eventually, the number of childless young people, especially infertile young people, is increasing.

(FGD with the soum center citizens, Bayankhongor aimag)

Educational backwardness of rural children:

Low-income households do not have school equipment, families with 3-4 children share one mobile phone, and households remote from aimags and soums do not have access to the network, leaving children behind in e-learning. This way they are at risk of being exposed to poverty inherent from the access to education. Also, herders and soum residents from the FGD pointed out that in order to enroll their children in e-learning, it is common for children to stay at relatives or others' home, leading to exposure to an abuse, distraction from school, addiction to cyberspace, and gambling.

Geography (isolation, risk or exclusion due to location including environmental degradation, transport and technology)

Due to the pandemic context and financial hardship, during the dzud and drought years, people stopped moving on frequent grazing. This is a major cause of pasture degradation and scarcity. In addition, traditional nomadic herding practices, which used to maintain and rotate pastures for seasonal purposes, have changed and pasture planning has been lost. Inequalities among herders are becoming more apparent, herders with full capacity and resources exclude those with fewer livestock and few family members, or poorer families, and poorer herders. The cost of staying in a family's winter camp is very high. Therefore, it is very important for poor herders to have their own winter camps, even if they have a few animals.

Vulnerability and shocks (consider places or populations vulnerable to natural or human caused disasters, violence, crime or conflict, economic and other shocks)

The effects of climate change are devastating for herders, especially those with small herds. Poor herders have moved closer to the soum center due to poor winter preparation, shelter and winter shelters. The other group who left their a few animals moved to aimag and soum centers for employment, where they are not required professional skills, for low-paid temporary jobs, and suffer from poor knowledge of labor laws and regulations. Therefore, the issue of housing is the most difficult for rural people.

Since 2017, there has been an increase in the number of people who have lost their livestock due to natural disasters and have not been able to access basic social services due to the lack of registration. On the other hand, it should be denoted that another group of herders who have a loan or are interested in obtaining a loan is not relocating.

People from low-income households in soums and localities and employed have lost their regular income due to the Covid-19 pandemic, lost their jobs, and their household expenses exceeded their income, leading to financial and emotional depression. Although the government has provided some assistance to the entire population (excluding child allowances), regular employment and stable wages are the biggest measures and support for rural people who want to overcome long-term difficulties according to the rural people.

What are the drivers and manifestations of the exclusion or being left behind?

Social and cultural backwardness:

- Rural people and herders are lagging behind in arts and culture.
- Rural herders and citizens fail form partnerships and cooperatives. Pasture scarcity is the main reason why herders do not have such incentives for collaborative practice.

Case 8. Would never allow my child to be a herder.

I don't have time to travel and time never avails as we are only one. As I recall, the last time I saw a new generation concert was in 2018. I don't have much free time to spend for entertainments; I just busy deal with my few animals. At times, I feel discouraged for spending my youth. I will never let my children to live like a herder.

Case 9. Because of the limited market, there is reluctance to work together and share income

I would like to have a motorcycle repair shop. I don't like to collaborate. It is better to do it alone. To work with another person, you have to share the small amount of work you earn somewhere with the other person. Cars and motorcycles are not regularly repaired in the soum."

(from the FGD with young herders and soum center residents, Bayankhongor aimag)

Obstacles to finding a permanent job:

- Age limit
- Network and bribery (cash) is required
- Wages not regularly paid
- Child care (to babysit for grandchildren, seek for urban areas, failure for employment and social isolation due to moving)

Problems of the education system:

- Young people enroll in schools while ignoring the quality of education, and after graduating, they may not be able to find a job or work in their profession.

5

WHAT ARE SOME OF THE ACTIONS OR INITIATIVES THE RIGHT-HOLDERS AND DUTY-BEARERS CAN TAKE TO SUPPORT THIS GROUP?

- Make low-interest, long-term soft loans accessible;
- Increasing and preserving the value of cultural heritage:
- Provide quality and accessible training services to herder children:
- Invest in improving the conditions for livestock breeding, for example, storage of fodder
- Improve winter and spring camps and increase access
- Improve and implement pasture use plans by increasing the number of wells and protection water points
- Enable living conditions and support for herders, especially young herder couples, to live in mobile nomadic apartments with modern solutions
- Herders' incomes and living standards are dependent upon natural conditions. The government does not take any preventive or supportive measures against this.

Case 10..

We often encounter cash issue whenever we extend our shelter to improve our lives, to buy high-yielding livestock and store hay and fodder. Due to the lack of a regular income, our earnings which most often come from spring and winter income are spent on food and tuition fees. If the restocking project supports young, low-income herders with small herds, they will be needed to pay for social insurance and health insurance.

(Assistant herder of Bayantumen soum, Dornod aimag)

FOCUS GROUP: 6. DEMOGRAPHIC ASPECTS: URBAN POOR (INCLUDING MIGRANTS AND VULNERABLE POPULATION)

1

SUB-GROUPS AND THEIR CHARACTERISTICS

- Non-migrant local people (poor, low-income and unemployed)
 - Migrants (poor, low-income and unemployed)
-

2

SUBGROUPS AT RISK OF BEING LEFT BEHIND

- Migrants with lower living standard
 - Unskilled and unemployed migrants of labor age
 - Homeless people
 - Pre-school and primary school children of migrants
-

3

FORMS OF MARGINALIZATION (WHAT ARE THE REASONS FOR BEING LEFT BEHIND/ MARGINALIZED? WHAT IS THE ROOT CAUSE?)

Registration issues of migrants:

The children of unregistered citizens who have moved to Ulaanbaatar at high risk that they are not able to attend pre-school, primary and secondary education. Children who are not enrolled in kindergarten are not admitted to secondary schools. Therefore, migrants with no residence often manage through bribery and through acquaintances to enroll their children in kindergartens. Unregistered migrants who attended the FGD also explained that herders never register their migration movement in order to qualify for loans, Thus results in failure for their children to access education services.

Education of migrant children:

Herders are migrating from rural areas to urban areas to access quality education for their children.

Land ownership issues.

Migrants often live in gers in the fences of their close relatives.

Women taking care of their children:

The state allowance for women with children under 2 years of age (monthly MNT 50,000) does not support women's reproductive responsibilities. In addition, women with closely spaced pregnancies are completely excluded from paid jobs, which puts households at higher risk of poverty. This includes the care of children entering school. Putting simply, women with young and primary school children and children with disabilities prevail the reasons for not working. Upon moving to the city, migrants often feel isolated because they have no acquaintances except a few close relatives.

4

WHAT ARE THE FORMS OF EXCLUSION?

Discrimination (on the basis of assumed or ascribed identity or status)

The police discriminate against drunken people on the streets. Citizens of the city from the FGD criticized the fact that they pay more attention to the fact that they can be fined if the clothes they are wearing are good or decent, but ignore those with ragged clothes as incapable to pay.

Discrimination against persons with disabilities in public work.

Case 1. We are assigned the most difficult tasks of the community work, or hired as support staff.

Both healthy and sick people are hired in projects for people with disabilities. For example, I and another sister of mine with a disability worked in a vegetable garden. Out of 8 people, 3 were disabled and 5 were healthy. But those healthy people were assigned an area closer to the well and other obvious advantages. We are assigned to work in remote and difficult conditions, but we are hired as non-core support staff due to our disabilities. As such, practice is unfair. We have even been accused of theft, a clear example of discrimination. Even if we recover, we are at risk of being excluded from any assistance to the vulnerable while no employment opportunities are unavailable.

(From the FGD with migrant women, Darkhan-Uul)

Governance (capacity gap in line with the HRBA methodology, consider impacts of laws, policies, taxes, budgets, distributional impacts, ability to participate in government decision making etc.)

Problems with e-services: services are unreliable even with online appointments (for example, when you go to the hospital with an online appointment, there is another person's name on the list), you can't get a fingerprint scanner due to my long-term work with chemicals.

Labor rights are violated due to inadequate implementation of the Labor Law, lack of oversight, and ignorance of citizens' rights. Especially for daily paid jobs, it is very common to make an oral contract, as it is not possible to make a written contract. The reality does not match with what is announced on a vacancy. Initial days are paid as promised and eventually wages are deducted or delayed due to limited funding or if one feels and quits working, others are hired and no payment is provided. There are frequent threats from employers that they are going through the internal labor process or ask them to refer to court, and due to prevalence of temporary jobs time gets limited to do so while being hired for a new job. So, the issue of payment is ignored according to the employed citizens who participated the FGD. Furthermore, social insurance for people working for private companies are not paid. This disqualifies them from lending activities.

Those of working age in the private sector are deducted from their salaries in the name of paying social insurance, but it is not possible to check whether the contributions to the social insurance fund have been paid or not, the registration information is not disclosed, and employees are not shown any proof other than social insurance deductions. Failure to pay social security contributions by the private sector is one of the reasons why the pensioner suffers and the pension is reduced.

Case 2. Social insurance deducted from employees' salaries cannot be checked whether they were included in the social insurance fund, and pensions were reduced due to non-transfer of contributions.

Social insurance is compulsory even when you are working after retirement. Private companies often claim that they had to collect social security contributions even though our jobs are low-paid. From the salary breakdown, it is recorded as social insurance deduction. When I checked if it was in my name, they said it was impossible to retrieve from the system because my name was blocked. I work part-time in many places. It is doubtful whether private companies fully transfer their employees' social security contributions to the general fund. It is deducted from the salary.

(From the FGD with migrant and non-migrant local community, Ulaanbaatar)

Work spaces are not available for people with disabilities who have lost more than 50 percent of their ability to work due to severe injuries. The PWDs who participated in the MRM emphasized that if such people with disabilities are included in vocational training, they have the capacity to work for jobs such as repair of mobile phones and household appliances and surveillance camera monitoring. It was also denoted that because of the special needs of PWDs for working conditions, less productive manner of work compared to healthy workers, and frequent sick leaves, businesses and employers feel reluctant.

Case 3. No hiring of people who lost 80 percent of their ability to work but are capable to work, no extension of disability group allowance due to young age.

Three or four years ago, I applied to a welfare center to set up a small sewing workshop, but I was discriminated against because the loss of my labor capacity is 80 percent. It is said that the ability to work should be below 50 percent. Also, when we seek for employment opportunities, I am often denied as the percentage of labor capacity loss is more than 80 percent. However, if I seek an extension to get the disability group allowance, it is often delayed or I am often blamed for seeking such benefit while I am in good health. I was involved in disability group at the age of 27, but I never sat still and did various jobs. Sometimes you don't know what to do.

(From the FGD with non-migrant local women, Darkhan-Uul)

E-learning increases household spending, especially for low-income households. Poor households are reducing their food consumption due to higher data and internet charges for online access to classes. Families with many school-age children need to get a smartphone for each child. However, there are some households in Ulaanbaatar who are not able to enroll their children in e-learning because they do not have access to mobile phones or electricity. There are also many cases where children without mobile phones are left behind in education, not possible to study and practice their lessons, and are still lagging behind.

Case 4. I couldn't take English classes because I couldn't get a smartphone.

My child watches his/her tele-class on NTV while my daughter accesses through the class group online. I have Nokia. We have no smart phone and my son understands my situation well that we are not afford for the smart mobile.

Recently, my son informs that his English classes are delivered through Facebook in 2 groups. His class teacher knows me and my life condition. I have discussed with her whether we could cover the classes when we get a mobile. As English class is delivered by a different teacher, I am recommended to get one as soon as possible.

(From the FGD with non-migrant local women, Darkhan-Uul)

Vulnerable households, including unregistered migrants, and people in need are left behind the food stamp program. Vulnerable groups criticized the fact that people who have network access welfare services and those with cars or electrical appliances, regardless of old or new are immediately excluded from the list. When we check about the criteria and reasons for households to be eligible for food stamps, the answer is that such names came from authorities.

Indigenous/local people who participated in the FGD were mostly satisfied with the services provided by the government, while migrants felt largely dissatisfied blaming the bureaucracy.

Urban residents were frustrated and strongly criticized the fact that there is a back door and bribery in allocating land to ger area residents, they do not know where to get their land ownership certificates, or their requests and complaints are not responded on land issues, and decisions are delayed. Land is allocated by the district, but often such lands are too far away, have no access to infrastructure, such as water, electricity, roads, public transport, and fences are needed to prevent confiscation. Thus, opportunities are also limited for poor and low-income households.

Case 5. I want to use my land, but there is no access to water or electricity in such open space.

Do we need land given to us by the state? It was said that everyone was entitled to land. The certificate was originally obtained. I want to use it, but I don't know if there is water and electricity access. For example, my friend who moved from the countryside asked me to stay on our land. I don't know if it's possible.

(From the FGD with migrant and non-migrant males, Ulaanbaatar)

Socio-economic status (consider multidimensional poverty of women, men and children)

The level of education and employment differ between migrants and non-migrants, as well as between men and women.

Migrant young men usually have lower secondary education, and construction jobs are most common for them, while men over the age of 50 find jobs as drivers and watchmen/security officers. The men from the FGD pointed out that men were sometimes injured and lost their ability to work due to heavy work on the building, such as hauling construction materials to the upper floors and lifting metal. In contrast, the majority of migrant women have attained complete upper secondary education, or at least are involved in short-term trainings and courses. Migrant women are more likely to find jobs as cleaners, maids, and cleaners for residential apartments, but women have found fewer jobs than men.

Non-migrant vulnerable people are more likely to have completed secondary education or to have completed a short-term vocational training or TVET schools, but they tend not to work in their fields. They are unable to work due to age, lack of professional skills, poor health, and lack of childcare.

Unemployment increases in winter because the poor and vulnerable in the city are mostly involved in seasonal jobs. The participants in the FGD have collectively agreed that the main way to address the problem of poverty is to have a job, but to have a reliable and stable job that are timely paid.

For the working parents from poor and vulnerable households in the city, make much effort to ensure that their children's education is not interrupted, delayed, or terminated due to the inflexibility and inconsistency of the opening and closing hours of schools and kindergartens. Participants also denoted that this, in turn, negatively affects household economic conditions, such as declining household income and the fact that only one member of the household has a paid job, leading to poverty.

Case 6. Working hours do not coincide with school hours, and the unavailability of school buses lead to children dropping out of school.

With the changes in our khoroo, children moved to another school to where children go on a dirt road. The schooling hours are in the mornings, from 8.00am to 11.00am. Who will take our child after school? Her siblings should not be deprived of their right to education. I have been forced to quit my job to arrange their schools. It is 1km 300m from the end of Shar Khad to the new school. There are no school buses. When I referred to the school principal with regards to the transport matters of my child, I was told to make a request to the state. Unfortunately, right now I'm dropping out of my youngest son's class and going to work myself. This needs to be addressed somehow. Even the new school has no roads or lighting. With the approaching winter season, it will be dark earlier which would be very difficult for children and even those who carry their children.

(From the FGD with migrant women, Ulaanbaatar)

I cannot access formal lending services due to my failures in social insurance coverage, and lack of collateral. Thus, I often lend from only non-bank organizations using modern advanced online credit systems such as mobile applications and kiosks to obtain small loans at high interest rates. Participants denoted that women used their children's money as collateral for loans to meet their daily household needs.

Urban cities blamed the costly services of private hospitals due to unregistered residence, poor quality of public hospital services, especially bureaucratic in terms of communication, discriminatory treatment of citizens, appointments for medical screening availed after many days, and even with such delayed appointments they often fail to confirm. Low-income and vulnerable people are dissatisfied with medical services, but they are not able to file complaints and make direct demands because of their need for further receipt of the medication.

Case 7. Much work and bureaucracy to access health care.

When I suffered from terrible toothache on Monday, appointment was availed, but only from Thursday. I had to stand for a long queue. I work on a shift with other 2 clerks/watchmen. Even though I was on duty on Thursday, I kindly asked my colleague to replace, took a leave of absence and arrived on time. However, there were a long queue that people with early appointments were still waiting. As my leave of absence were only allowed for an hour, I could not make it and left. As the pain was unbearable that I drank the next day and pulled out my tooth myself.

(From the FGD with migrant men, Darkhan-Uul)

There are problems with getting discounted drugs. Family Hospital prescribe antihypertensive drugs, and for other medications they must be prescribed by a specialist doctor only upon the screening. Thus, we cannot make it always. Sometimes there are no discounted drugs in stock, but the case is vice versa for the no discounted drugs. Citizens who participated in the FGD criticized the fact that the time limit for providing medicines was set and that medicines would not be allowed if the deadline exceeds.

The purpose of rural-urban migration is to send children to urban schools. Because they have not received a good education and good skills, wives and mothers accompany them to avoid making this mistake on their children, to send their children to urban schools, and to take care of them. There are many people, especially men who ignore the fact that women are always in charge of their families and children, and that women are the only ones who should take care of their children.

Case 8. When a woman leaves for work early in the morning, all the household chores are skipped.

Women often work in public catering, kitchens, and bakeries. With early mornings at 5.00am, I worked with my wife in a bakery. We were not paid timely, and eventually we ended up with selling bakery items on a cheaper rate through the store. When a woman leaves early in the morning for paid work, all the household chores are left.

(From the FGD with migrant men, Darkhan-Uul)

Geography (isolation, risk or exclusion due to location including environmental degradation, transport and technology)

Participants in the FGD with migrants denoted that if they live close to bagh governors and administrative staff, they can get temporary shelter and flour and other food supply from there, but the problem is exacerbated if vulnerable groups do not have household registration.

Due to failure in residence registration, they are unable to participate in the election, receive welfare money and food stamps. Migrants claimed that they did not attend the bagh meeting because they were not invited.

Case 9: Failed to receive welfare allowance due to failed registration.

Our bagh pays for the 3-consecutive cleaning of the apartment entrance from the welfare funding. The first time I did it, the bagh governor paid me under a person's name with a Darkhan residence. Later, I was removed because I was not eligible with my UB address. I did my job but couldn't get the money.

(From the FGD with migrant women, Darkhan-Uul)

Vulnerability and shocks (consider places or populations vulnerable to natural or human caused disasters, violence, crime or conflict, economic and other shocks)

The problem of soil degradation and pit latrines is more serious in the city than air pollution. Although an ADB project was in place to address the latrine/communal trench issue, the quality was very poor, according to residents of the ger involved in the FGD. If the soil problem is solved, people want to plant vegetables in the soil.

It was said that there is high rate of alcohol abuse. Also, theft is a crime, but complaints are not accepted because the damage is not minimal. Poor street lighting and a bus stop at least 4-10 km away make it difficult to travel on muddy roads.

For the urban poor, during the Covid-19 epidemic, all major sources of income have ceased to exist that they live only on welfare money, according to FGD participants.

What are the drivers and manifestations of the exclusion or being left behind?

Citizens' own social engagement and contribution is weak. They are involved by force to pick vegetables and clean garbage. Failure to do so will result in disqualification from the food stamp.

To maintain their eligibility for a herder loan, no registration movement is recorded. This increases the risk that their children will not be able to attend school.

5

WHAT ARE SOME OF THE ACTIONS OR INITIATIVES THE RIGHT-HOLDERS AND DUTY-BEARERS CAN TAKE TO SUPPORT THIS GROUP?

It is required to supervise employers in the field of workplaces, part-time work, labor norms, norms, and remuneration, and clearly explain the labor law.

FOCUS GROUP: 7. DEMOGRAPHIC ASPECTS: OLDER PERSONS

1

SUB-GROUPS AND THEIR CHARACTERISTICS

Older persons aged 56-78 years old

2

SUBGROUPS AT RISK OF BEING LEFT BEHIND

- Older persons with low pension
- Older persons with disabilities or serious illnesses
- Older persons caring for children with disabilities and the older parents
- Single seniors without children
- Working elders

3

FORMS OF MARGINALIZATION (WHAT ARE THE REASONS FOR BEING LEFT BEHIND/ MARGINALIZED? WHAT IS THE ROOT CAUSE?)

The fact that the minimum pension is close to the minimum subsistence level is the main reason why low-income seniors live in poverty.

Due to inflation and rising prices, prices of food, consumer goods and medicines are increasing. This puts older persons with no income other than pensions at risk of poverty.

Elders from the FGD criticized the fact that the ability of the older persons to participate in social welfare assistance and support depends on the ruling party in the primary unit of government, the khoroo or soum.

Case 1. The access to social benefits are excluded depending on party affiliation and which party they support

Today, party affiliation is rampant, and non-partisan elders who do not support the ruling party are excluded from social welfare benefits provided by the khoroo and are not involved in any events held. From my long-term observation, it depends on which party has a leader in the team and who gets help. Putting simply, access to supports depends on which party you belong to. When you reveal which party, one can be more supportive.

(G., male, aged 65, community leader, FGD with older persons, Darkhan-Uul)

4

WHAT ARE THE FORMS OF EXCLUSION?

Discrimination (on the basis of assumed or ascribed identity or status)

- Older persons with disabilities are instantly discriminated against in service centers and even in khoroos.
- Health and leisure opportunities for the older persons
- Equitable welfare policies have no impact for the very poor and vulnerable older persons.
- The pension gap is very high.
- The housing program for the older persons has been in place, yet it has not reached the target population and has been unfairly distributed.
- At the administrative level, elders are discriminated against on the basis of party affiliation and ideology.

Case 2. Public services are delivered in a discriminate manner for the older persons.

At the bank, for example, wheelchair users in queue are discriminated and treated differently. Elders are also discriminated internally. The attitude and treatment is different either he/she is a retired lawyer or a person with disabilities based on his/her education and living background. Such discriminatory approach is evident the most when a welfare organization issues a resort voucher to the older persons. An ordinary older person who would come in and ask for a voucher would instantly be denied whereas a high-ranking, well-grounded older persons would come in and get it. There is a lot of such discrimination.

(FGD with older persons, Ulaanbaatar)

Governance (capacity gap in line with the HRBA methodology, consider impacts of laws, policies, taxes, budgets, distributional impacts, ability to participate in government decision making etc.)

The minimum pension is too low / MNT350.000 /.

Projects to support the employment of the older persons are implemented, but they are not available to the neediest older persons.

With a slight increase in the amount of pensions and welfare for the older persons, the prices of consumer goods and food will definitely increase. The household expenditures increase more than an increase the pension.

Low-income seniors are not able to get the medicine they need.

For a drug with discounted price from the health coverage, it is often prescribed by a specialized doctor through in-person attendance once or twice. Often, the queues long and the bedridden older persons receive their extension through the renewal of their fingerprints- the most bureaucratic process according to the older persons, the participants of the FGD.

The government measures and supports to the older persons do not meet their needs and are not equally accessible.

Case 3. The measures undertaken are not based on the real needs of the older persons.

If retired, the older persons become nobody in society. Capable ones work as counselors and attorneys while most have no such opportunities. As soon as the retirement age begins, it is necessary to implement projects and programs to support the older persons. The international projects and programs are more targeted at people with disabilities, and their activities often remain as more time-consuming for the older persons.

(From the FGD with older persons, Darkhan-Uul)

Socio-economic status (consider multidimensional poverty of women, men and children)

Health problems increase with age. However, the older persons of low-income and poor households do not have access to supplements, immune-boosting and supportive nutrition products.

Older persons living in rural areas have a relatively high opportunity to earn income from animal husbandry in addition to pensions, while urban and aimag center elders are limited to earn additional income.

Due to low pensions and insufficient living standards, there is a high demand for employment even if they retire. This is especially viable for those with higher education, especially lawyers/accountants/teachers. Older persons with no education or primary education have very limited opportunities.

The care of the older persons with disabilities is increasing every year. The care of the single older persons, the disabled, and the bed-ridden is very difficult. Especially during the Covid-19 lockdown, they were neglected and excluded from the care.

Older women bear more responsibilities to take care of their disabled grandchildren, older parents/parents-in-law and siblings.

Case 4: Older persons are most involved in caring for their disabled grandchildren and older parents.

I live with my 9-year-old granddaughter with a disability. I've been taking care of her since she was born. Her mother receives her disability allowance.

I live with my son and 3 grandchildren. My daughter-in-law left us. One of my grandsons has a disability. My son works alone. I take care of my grandson.

I have a 96-year-old mother. We have been in Darkhan for 3 years living in a rented apartment. Household income includes the pension of my mother and me, and the allowance for older persons care. They are spent on medicine and rent. I also need to take medicine. Sometimes, reduce half of my medicine to manage my mother's medicine.

I take care of my father-in-law in his 90s. I am retired.

My brother is single and he is intellectually disabled. When my passed away, he is living with us. Three elders are living together. I feel anxious on how my brother would survive if we pass away.

(From the FGD with guardians of disabled children and elders, Ulaanbaatar, Darkhan-Uul)

Geography (isolation, risk or exclusion due to location including environmental degradation, transport and technology)

The health, social and welfare services, projects and programs provided by the government to the older persons, and their accessibility and quality, are unequal due to their remoteness from urban and rural areas (including remote districts and khoroos).

Climate change requires more effort from senior rural herders living and dealing with animal husbandry.

Vulnerability and shocks (consider places or populations vulnerable to natural or human caused disasters, violence, crime or conflict, economic and other shocks)

Older persons who had been proactively contributing to the development retire at the age of 55 and 60 retire, and the social perception and treatment as homeless, babysitters, etc., causes a lot of depression and stress in the early years of retirement.

Older persons suffer from economic and emotional violence, such as being forced to sell their homes for fear of loneliness, becoming homeless, and not being able to spend their pensions on their own.

Case 5. Lost my apartment due to children's promises.

Many examples have been recorded of people cheating their parents, squandering their property, cheating, and leaving them behind homeless. As far as I know, especially the older persons with unconscious and irresponsible children are more vulnerable to violence. My friend's children left my friend homeless that they promised to exchange his/her 2-bedroom apartment for a one-room apartment as one room always remained useless or empty. Upon the sale, they never kept their promise. He/she was staying with a son and kicked out. There are many such unfortunate cases.

(FGD with older persons, Ulaanbaatar)

Case 6. No right to spend or never even received the pension.

My daughter receives my pension from the bank based on the power of attorney. Often, she said that it is spent over utility bills and children's tuition fees. In fact, if I want to receive myself and spend it on what I need, I am often blamed that they are affording everything. I can't speak for fear of being left behind.

(FGD with older persons, Ulaanbaatar)

What are the drivers and manifestations of the exclusion or being left behind?

Older persons want to work. On the one hand, this will help to increase household income given a small amount of pension, and on the other hand, they do not want to be lonely, they want to engage a community. According to older persons in the FGD, social media is denoted to be especially important for early retirees, those whose organizations have been liquidated or bankrupt, those who have migrated from rural areas, and those who are lonely and do not know where they live.

The need for prompt and uninterrupted medical care and, if necessary, home-based care, is being neglected, especially for the older persons with disabilities, or bed-driven older persons, as well as for the older persons with children with severe disabilities or others.

The food stamps are not based on real-life surveys, leaving the target group or socially inactive older persons out of the program.

Case 7. Fully worked for the state and paid social insurance contributions, yet pension cannot be realistically set.

I have been running many years for my retirement issues. No action is taken when my documentation is complete. It is fully viable for me to receive pension benefits while paying the gaps in my social insurance. However, my only working years have been considered and no adjustments are made for long term. In fact, my social insurance book is fully recorded for the social insurance payments. Instead of being supportive, social security officials act with bureaucracy and the older persons are discriminated against on the basis of their education, occupation, appearance, and so on.

Individuals are affected due to ignorant social insurance workers and corporate accountants. Many people have experienced the same problem. Since the 1990s, social security information has been recorded on a computer, and since 1995, I was told that I have not paid social security contributions for 4 years. When I have my social security book, I am told that the records are not in the system. I do not know whether the organization I worked for enter my records or not. They never think of why I am experiencing the problem given my long term working years.

(FGD with older persons, Darkhan-Uul)

Case 8. Accommodation with hot water and a warm toilet is crucial for older persons with disabilities, bedridden, and permanently cared for.

I take care of my mother while living in a rented apartment. My mother is over 90 years old and has a disability. Hot water and a warm toilet are priority for us. The monthly rent is MNT360,000. Cheaper apartments do not have hot water and toilets are often outside. Such accommodation is cheap and can't be found instantly. I have asthma and a bad heart. The government needs to address the issue of housing for the older persons who have health problems and who are caring for their older parents.

(FGD with older persons, Darkhan-Uul)

5

WHAT ARE SOME OF THE ACTIONS OR INITIATIVES THE RIGHT-HOLDERS AND DUTY-BEARERS CAN TAKE TO SUPPORT THIS GROUP?

Housing for older persons,



Pension reform,

Care for older persons,

Provide the older persons with the food supplements through health and nutrition programs,

The government actions should be targeted to support post-retirement employment.

ANNEX 3: RECOMMENDATIONS FROM UPR AND UN TREATY BODIES TO MONGOLIA AS PER CONTRIBUTION TO SDGS IMPLEMENTATION

SDG	SUMMARY OF RECOMMENDATIONS	HUMAN RIGHTS THEMES AND AFFECTED PEOPLE
 <p>SDG 1 NO POVERTY</p>	<p>A/HRC/46/9 (UPR 2020)</p> <ul style="list-style-type: none"> strengthen welfare and social programmes to improve the quality of life of the people, particularly the most marginalized strengthen intersectoral implementation of the national programme to reduce unemployment and poverty combat poverty and enhance social security with a special view to securing the right to adequate housing <p>CEDAW/C/MNG/CO/8-9 (CEDAW 2016)</p> <ul style="list-style-type: none"> promote the economic empowerment of women by ensuring that women have access to those programmes on an equal basis with men, in particular in rural areas and for female-headed households, older women and women with disabilities formulate policies to combat poverty among rural women to ensure their access to justice, education, housing, employment, skills development and income-generating opportunities, and ownership and use of land, taking into account their specific needs 	<ul style="list-style-type: none"> Human rights & poverty Right to an adequate standard of living Right to Social Security <p>Affected persons:</p> <ul style="list-style-type: none"> Persons living in poverty Children, women
 <p>SDG 2 ZERO HUNGER</p>	<p>A/HRC/46/9 (UPR 2020)</p> <ul style="list-style-type: none"> continue its nutrition support services provided to households in need of social welfare assistance <p>CERD/C/MNG/CO/23-24 (CERD 2019)</p> <ul style="list-style-type: none"> set minimal hunting and fishing quotas in consultation with the Tsaatans to enable them to continuously enjoy their cultural rights and practices ensure the rights of Tsaatans to access grazing pasturelands traditionally used for reindeer herding and to include the Tsaatans in the management of the Tengis Shishged protected area <p>CRC/C/MNG/CO/5 (CRC 2017)</p> <ul style="list-style-type: none"> ensure the availability of essential micronutrients, to children under 5 years of age, paying particular attention to children in rural areas and from low-income families, and facilitate opportunities for nutrition counselling during distribution enact a national breastfeeding policy and action plan with sufficient resources, awareness-raising measures introduce legislation to exclude advertisements for unhealthy food and drinks from targeting children, and adopt concrete measures to promote healthy diets, including with regard to lunches served at schools 	<ul style="list-style-type: none"> Human rights & poverty Right to food Right to an adequate standard of living Right to Social Security <p>Affected persons:</p> <ul style="list-style-type: none"> Persons living in poverty PWD, Children, women



**SDG 3
GOOD HEALTH
AND WELL-
BEING**

A/HRC/46/9 (UPR 2020)

- strengthen the public health system and improve medical services in rural areas
- consolidate the national health infrastructure in the areas of maternal care and childcare
- reduce child mortality rates
- integrate age-appropriate health education into school curricula
- ensure access for all women to information and services on sexual and reproductive health and family planning, and guarantee their free and informed consent in all procedures
- protect the sexual and reproductive health and rights of women and girls with disabilities,
- provide mental health services that promote inclusion in the community

CEDAW/C/MNG/CO/8-9 (CEDAW 2016)

- improve the information on health, especially sexual and reproductive health and rights, provided to women and girls with disabilities and to lesbian, bisexual, transgender and intersex women, and train medical personnel to respond to their needs
- collect disaggregated data on the prevalence of cervical and breast cancer, and provide training to medical and health professionals on early detection of those diseases, including in rural areas

CCPR/C/MNG/CO/6 (CCPR 2017)

- Take immediate measures to ensure that children with disabilities have access to health care, including early detection and intervention programmes

- Right to health
- Human rights & poverty
- Gender Equality

Affected persons:

- Children
- Women & girls
- Persons with disabilities
- Persons living in rural areas



**SDG 4
QUALITY
EDUCATION**

A/HRC/46/9 (UPR 2020)

- guarantee equal access to education of all children at all levels, by paying particular attention to children from marginalized groups
- strengthen the access to education for ethnic and linguistic minorities
- integrate human rights education as a component of public policy
- support modern educational approaches and new technology for lifelong learning
- introduce a non-discrimination policy inclusive of sexual orientation and gender identity in all educational institutions
- provide training on human rights and on combating discrimination to health personnel, members of the judiciary, police forces and prison officers

CERD/C/MNG/CO/23-24 (CERD 2019)

- take special measures and allocate adequate budgets to enhance access to education and to improve the quality of education in the official language and in the native languages of ethnic groups and indigenous peoples
- protect the seven endangered native languages
- establish quotas and scholarships to enable Tsaatan (Dhuka) students to enrol at university

- Right to education
- Equality & non-discrimination
- Human rights education, trainings & awareness raising

Affected persons:

- Children
- Vulnerable persons/groups
- Educational staff & students
- Public officials



**SDG 5
GENDER
EQUALITY**

[A/HRC/46/9 \(UPR 2020\)](#)

- continue intersectoral and cross-governmental approach to promoting gender equality
- enhance the participation of women in decision-making
- ensure full and effective implementation of the existing legislation aimed at fighting discrimination and violence against women, including domestic violence and sexual abuse
- combat the high prevalence of violence against women, and provide the victims with adequate assistance and support services
- increase funding to implement its law on combating domestic violence and enable greater cooperation between sectors
- organize awareness-raising campaigns and train law enforcement officials on effective and victim-centred approach
- develop training programmes to empower women with practical tools to overcome gender barriers and biases in the workplace

[CEDAW/C/MNG/CO/8-9 \(CEDAW 2016\)](#)

- include a gender perspective in national policies and action plans relating to climate change, disaster response and risk reduction
- review and adjust the levels of family benefits for single mothers and women heads of households to ensure an adequate standard of living for them and their children
- adopt targeted measures and programmes to economically empower single mothers and ensure that they have affordable access to adequate housing, education, professional training, health care

- Violence against women
- Support to victims & witnesses
- Access to justice & remedy
- Sexual & gender-based violence

Affected persons:

- Law enforcement / police & prison officials
- Women & girls
- Judges, lawyers and prosecutors



**SDG 6
CLEAN
WATER AND
SANITATION**

[A/HRC/46/9 \(UPR 2020\)](#)

- protect the right to a clean environment and to clean water, particularly for farmers and traditional herders, in the efforts to preserve their livelihoods, culture and well-being
- provide access to drinking water and adequate sanitary conditions in rural areas

[CRC/C/MNG/CO/5 \(CRC 2017\)](#)

- adopt child-specific measures to mitigate the impact of air pollution on children, and expanding the availability of affordable alternatives to coal as a method of heating in winter
- declare access to clean water and sanitation as well as protection of children from the effects of air pollution as national policy priorities
- allocate sufficient technical and financial resources to effectively mitigate the negative impacts of environmental pollution on children
- ensure the provision of technical knowledge, expertise and the means to monitor and regulate air and water pollutants to officials working at the local level

[A/HRC/39/55/Add.2 \(SR Water & sanitation 2018\)](#)

- ensure continuous service of sanitation facilities in education facilities, by addressing the financial support needed to maintain sanitation facilities in schools
- implement programmes for menstrual hygiene management in schools and dormitories, with a focus on access to adequate facilities, sanitation, infrastructure and supplies to enable girls to change and dispose of menstrual materials

- Human rights & the environment
- Safe drinking water & sanitation
- Right to education
- Equality & non-discrimination

Affected persons:

- Persons living in rural areas
- Children
- Educational staff & students
- Public officials



**SDG 8
DECENT
WORK AND
ECONOMIC
GROWTH**

A/HRC/46/9 (UPR 2020)

- enhance the labour inspection regime at the national level
- reduce the unemployment rate, especially among herders and youth
- enhance educational and economic opportunities for women and girls and their families
- encourage the entry of women into the formal economy and employment
- prohibit discrimination against women, and sexual harassment in the workplace
- improve conditions and increase job opportunities for persons with disabilities
- protect children from physical and psychological violence and to prevent child labour in dangerous or hazardous conditions
- improve the living and working conditions of migrant workers by establishing effective control mechanisms to ensure migrants have the same working conditions

CEDAW/C/MNG/CO/8-9 (CEDAW 2016)

- ensure that all employment-generation programmes are gender sensitive and that women fully benefit from all planned programmes to support entrepreneurship, including through vocational training, favourable credit conditions and income-generation opportunities

CCPR/C/MNG/CO/6 (CCPR 2017)

- eliminate child labour, including measures to prohibit the employment of children as jockeys

CRC/C/MNG/CO/5 (CRC 2017)

- adopt a comprehensive policy and plan of action to eradicate the worst forms of child labour, with sufficient human, technical and financial resources
- enforce the prohibition of participation by children under 16 years of age in horse races between 1 November and 1 May

- Labour rights and right to work
- Children: protection against exploitation
- Persons with disabilities: independence, inclusion

Affected persons:

- Persons with disabilities
- Children
- Women & girls
- Migrants



**SDG 9
INNOVATION
AND INFRA-
STRUCTURE**

CEDAW/C/MNG/CO/8-9 (CEDAW 2016)

- Seek international assistance and cooperation, as appropriate, to improve infrastructure in rural areas and formulate policies to combat poverty among rural women to ensure their access to justice, education, housing, safe drinking water, sanitation, formal employment, skills development and training opportunities, income-generating opportunities and microcredit, and ownership and use of land, taking into account their specific needs;
- Ensure the participation of rural women in decision-making processes at the community level on an equal basis with men;
- study the impact of economic and social strategies for rural development on women's human rights and collect specific, disaggregated data on rural women;
- include a gender perspective in national policies and action plans relating to climate change, disaster response and risk reduction, as well as to the negative environmental and socioeconomic consequences of industrial operations, principally those of the mining sector, focusing on women not only as victims but also as active participants in the formulation and implementation of such policies.

- Inter-State cooperation and assistance
- Legal & institutional reform
- Land & property rights
- Right to adequate housing

Affected persons:

- Persons with disabilities
- Women & girls
- Public officials



SDG 10
REDUCED
INEQUALITIES

[A/HRC/46/9 \(UPR 2020\)](#)

- adopt and implement comprehensive law to combat discrimination that would apply to both direct and indirect discrimination in the public and private sphere
- combat inequality and discrimination against people with disabilities and establish an official and standing mechanism for consulting organizations of persons with disabilities to fully implement the Convention on the Rights of Persons with Disabilities
- develop policy of comprehensive development support for children with disabilities
- ensure that the health, education and social protection systems address the specific needs of children in street situations so as to guarantee their rights to education, health and a minimum standard of living
- protect the rights of vulnerable groups, persons with disabilities and older persons persons
- increase the participation of women with disabilities in decision-making processes
- provide legal recognition and protection of same-sex couples by amending the Family Law

[CCPR/C/MNG/CO/6 \(CCPR 2017\)](#)

- protect persons with disabilities from discrimination of any kind and ensure their full access to education, employment, public transportation and premises
- undertake awareness-raising campaigns aimed at government officials, the public and families to combat the stigmatization of and prejudice against children with disabilities and promote a positive image of such children.

- Constitutional & legislative framework
- Persons with disabilities: general principles; protection
- Children: definition; general principles; protection
- Advancement of women

Affected persons:

- Children
- Older persons
- Vulnerable persons/groups
- Women & girls
- Persons with disabilities



SDG 11
SUSTAINABLE
CITIES AND
COMMUNITY

[CCPR/C/MNG/CO/6 \(CCPR 2017\)](#)

- put in place adequate legal safeguards against forced evictions and guarantee alternative housing for persons affected

- Constitutional & legislative framework
- Persons with disabilities: general principles; protection

Affected persons:

- Vulnerable persons/groups
- Persons with disabilities



SDG 13
CLIMATE
ACTION

[A/HRC/46/9 \(UPR 2020\)](#)

- strengthen the necessary legislative frameworks that address cross-sectoral environmental challenges, including climate change, and disaster risk reduction frameworks

- Human rights & climate change & the environment
- Constitutional & legislative framework

Affected persons:

- Persons living in rural areas
- Public officials



SDG 16
PEACE,
JUSTICE
AND STRONG
INSTITUTIONS

[A/HRC/46/9 \(UPR 2020\)](#)

- fulfil international obligations by further developing and implementing mainstream national and sectoral policies and programmes
- cooperate with the international human rights framework, especially with treaty bodies and Human Rights Council, and special procedures
- establish a national mechanism for implementation, reporting and follow-up as a standing governmental structure, mandated to coordinate reports and follow up and to implement recommendations made by international human rights bodies and mechanisms
- consider ratifications of the Treaty on the Prohibition of Nuclear Weapons, the Convention relating to the Status of Stateless Persons and the Convention on the Reduction of Statelessness, Convention relating to the Status of Refugees, the Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families and the Domestic Workers Convention, 2011 (No. 189)
- recognize the competence of the Committee against Torture to receive individual communications in accordance with the CAT
- remove any reference to the death penalty from the Constitution of Mongolia
- strengthen judicial independence and anti-corruption oversight, including by instituting safeguards to help ensure the consistent application of legal protections and prevent the arbitrary dismissal of judges and other officials
- allocate adequate human and financial resources to the NHRM in full compliance with the Paris Principles
- establish a national preventive mechanism as required by the OPCAT
- adopt and implement legislation that recognizes and protects human rights defenders
- revise the draft law on NGOs to ensure that its provisions on registration and financing comply with international standards
- develop a national action plan towards applying the Guiding Principles on Business and Human Rights

- Constitutional & legislative framework
- Ratification of & accession to international instruments
- Cooperation with human rights mechanisms & requests for technical assistance
- Cooperation & Follow up with Treaty Bodies, Universal Periodic Review (UPR), Special Procedures
- National Preventive Mechanism (NPM)
- Right to physical & moral integrity
- Freedom of opinion and expression & access to information

- fight against corruption, including within the judiciary and the civil service, and to investigate all allegations of corruption
- assess the human rights and the environmental impacts of the mining and infrastructure projects
- promote freedom of religion or belief by ensuring the legal and regulatory environment
- adopt an effective data protection legislation to better protect and promote the right to privacy according to the principles of legality, necessity and proportionality
- eliminate corporal punishment in both families and schools through effective implementation of the law and public education and awareness-raising programmes
- provide quality care for children in alternative care, establish and improve services to support families, establish quality training for social service providers and prevent the unnecessary separation of children and parents
- increase the effectiveness of the law on combating domestic violence through the allocation of adequate resources and training programmes for the agents responsible for its implementation
- combat stereotypes and prejudice against lesbian, gay, bisexual, transgender and intersex persons by raising public awareness and implementing effective training of law enforcement agencies
- effective and independent complaints mechanism to investigate allegations of torture
- effective investigations and prosecutions in cases of human trafficking and provide better services to victims
- protect asylum seekers to comply with its obligations under relevant international norms, including the principle of non-refoulement

CRC/C/MNG/CO/5 (CRC 2017)

- reform public finance management towards programme or results-based budgeting with specific indicators and a tracking system to monitor and evaluate the adequacy, efficacy and equitability of the distribution of resources
- ensure transparent and participatory budgeting through public dialogue, especially with children, and proper accountability of public officials
- establish and implement an effective regulatory framework and take all necessary legislative, administrative, social and other measures to prevent and eliminate child sex tourism
- implement mechanisms to ensure the safety of children on the Internet, such as the public-private partnership programme on child protection in the cyber environment.
- develop a national policy and regulatory framework and allocate sufficient resources for the development of sustainable and coordinated measures for the prevention, protection, recovery and reintegration of all children in street situations
- prohibit that children continue to be used as jockeys, which exposes them to risks such as physical and mental abuse by horse owners, school dropout, injury and death
- investigate cases of serious injury or death of children as a result of horseracing and ensure that those responsible are held accountable

Affected persons:

- Human rights defenders & activists
- Public officials
- Vulnerable persons/groups
- Women & girls
- Persons deprived of their liberty & detainees
- Migrants
- Non-citizens

- enforce anti-corruption measures to avoid and respond to conflicts of interest between official duties and the private interests of public officials who are involved in businesses that employ children in dangerous and hazardous work, including horseracing

CEDAW/C/MNG/CO/8-9 (CEDAW 2016)

- adopt a comprehensive approach to addressing the phenomenon of prostitution, provide shelters and crisis centres, exit and reintegration programmes, and alternative income generation opportunities

CCPR/C/MNG/CO/6 (CCPR 2017)

- strengthen existing victim identification mechanisms, refrain from charging victims of trafficking for acts committed as a direct result of being trafficked and provide victims with adequate medical care, social and legal assistance, and reparation, including rehabilitation, and ensure the availability of sufficient shelters for victims



SDG 17 PARTNERSHIP FOR THE GOALS

CRC/C/MNG/CO/5 (CRC 2017)

- expeditiously improve its data-collection system. The data should be disaggregated by age, sex, disability, geographic location, ethnic and national origin and socioeconomic background in order to facilitate analysis of the situation of all children, particularly those in situations of vulnerability
- ensure that the data and indicators are shared among the ministries concerned and used for the formulation, monitoring and evaluation of policies, programmes and projects for the effective implementation of the Convention
- take into account the conceptual and methodological framework set out in the publication of the OHCHR entitled Human Rights Indicators: A Guide to Measurement and Implementation when defining, collecting and disseminating statistical information

CEDAW/C/MNG/CO/8-9 (CEDAW 2016)

- study the impact of economic and social strategies for rural development on women's human rights and collect specific, disaggregated data on rural women
- provide comprehensive information and data on trafficking in women and girls, including on the number of prosecutions and convictions of traffickers, and on women in prostitution

CRPD/C/MNG/CO/1 (CRPD 2015)

- collect data and statistics, using the disability rights-based model, disaggregated by sex, age and disability, and, in particular, that it collect such information on persons with disabilities who are currently in institutional settings or who enjoy social protection

- Human Rights Themes
- Cooperation with human rights mechanisms & requests for technical assistance
- Data collection & research
- Right to social security
- Constitutional & legislative framework

Affected persons:

- Public officials
- Vulnerable persons/groups
- Women & girls

ANNEX 4: MULTIDIMENSIONAL RISK MATRIX

Risks (future problems)
 Issues (current problems)
 Impact: Low, Medium and High
 Likelihood: Low, Medium and High

SDG	Risk Area	Description	Scope	Risk factors (future problem)	Likelihood	Impact
SDG 16 & 17	Political Stability	Risks to the stability of established political and government structures in the territory resulting from politically driven factor	<ul style="list-style-type: none"> Challenges to political system/government Politically compromised government/institutions Irregular changes to governance structures or principles 	Chronic recurrent political instability and tensions	Low	High
				Frequent systemic changes in the Executives subsequent to Government changes leading to weakened civil service capacity and governance institutions	High	High
				Endemic corruption at all level including political parties	High	High
				Overinfluence by by dominant politicians and business groups on media could shrink civic space.	Low	High
SDG 16 & 17	Democratic Space	Risks to democratic and human rights institutions, and to civil and political rights resulting from shrinking civic space, exclusion, repression, and intimidation	<ul style="list-style-type: none"> Undue limits on democratic rights or freedoms Constraints on civil society, rights actors or rights institutions Active repression of civil society, rights actors, and others 	Shrinking civic space	Low	High
				Concerns on growing hate speech, discrimination, harassment, stigmatization and physical attacks against human rights defenders and other minority groups in the society	Medium	Medium

SDG 7, 8, 9, 10 & 11, 17	Economic and Financial	Risk to hinder economic growth & prosperity	<ul style="list-style-type: none"> • Hindering factors to: • Economic and trade Policies • Favorable International trade market situation and tendency • Financial market • Current economic and financial health • SDG financing strategy • Urban-rural development • Lack of light industry job creating in cities and town 	Mineral revenue management is determined by political convenience and not economic merit	High	Medium
				Investment climate instability led to drop in FDI inflows	Medium	High
				Reducing fiscal space for primary expenditures necessary for social protection, economic diversification, and green development.	Medium	High
				Export commodity prices' decrease	Medium	High
				Global climate action to use crude coal and reduction of Chinese coal consumption	Low	High
				Decreased inward remittances flow due to the economic crisis induced by the COVID-19 pandemic and shutdown.	Medium	Low
				Potential earthquake in UB could impact on infrastructure investments leading to increased cost, rehabilitation costs, etc.	Medium	High
				Dzud could impact on livestock loss and the Government emergency fund	High	Medium
Prolonged COVID transmission and loss of human lives could impact the country's economy, trade and investment needed for the development.	Medium	High				
SDG 1, 5, 10, 17	Social cohesion, gender equality and non-discrimination	Risks to social unity and equality resulting from direct and indirect discrimination, horizontal inequalities and demographic trends.	<ul style="list-style-type: none"> • Discriminatory practices • Power imbalances within society • Gender based violence. 	Disadvantaged groups in mining affected areas are at risks for exploitation due to economic inequity	Medium	Medium

SDG 16 + 17	Regional and global influences	Risks to the integrity, stability, safety and prosperity of the territory and its people as a result of the actions of external actors or the influence of external events.	<ul style="list-style-type: none"> • International tensions • Fragility in neighboring countries. • Sanctions, exploitation or dependencies. 	The vast borders coupled with under-resourced customs and inspections capacities make Mongolia an easy target for the illegal wildlife trade. (illegal trade (wildlife and cultural property) and human trafficking; drug imports)	Low	Low
				Money laundering (gold smuggling and offshore)	Low	Medium
				Potential conflict with Russia and China around water resources, hydropower plant construction	Low	High
SDG 16 + 17	Internal Security	Risks to the security of the territory, its people and infrastructure, and to the ability of the international community to operate effectively as a results of security issues.	<ul style="list-style-type: none"> • Internal conflict and insecurity. 	Cyber security issues	High	High
				Political instability	Medium	Medium
				Corruption	High	High
				Political, economic and environmental risks identified in this analysis could lead to internal security	Low	High
				Conflicts between growing mining operations and local communities	Low	Medium
SDG 16 + 17	Justice and Rule of Law	Risk to the fair, effective and comprehensive implementation and application of the principles of justice, the rule of law and accountability from issues.	<ul style="list-style-type: none"> • Weak or compromised institutions. • A culture of denial of rights or impunity. 	The low level of trust in elected representatives, combined with the perception of discriminatory treatment effects in social cohesion in Mongolia increasingly fragile	High	High
				The failure to ensure accountability for serious human rights violations and organized crimes will lead to violent protest and political instability	Low	High
				Imposing strong restrictions on business regulations and freedom of expression, peaceful demonstrations can lead to violence, intolerance, and disrespect the rule of law	Low	Medium
				Limited opportunities to access justice or seek remedy for human rights violations could lose the legitimacy of the Government and its institutions among citizens	Low	Medium

SDG 4, 6, 7, 9, 11 + 17	Infra-structure and access to social services	Risks to society and the popu- lation resulting from a lack of availability or limitation on ac- cess to physical infrastructure, and/or basic so- cial services.	<ul style="list-style-type: none"> • Inadequate provision of basic services or technologies. • Disruption to services, infrastructure, energy or transportation. • Inequitable access to basic services or infra-structure. 	Unplanned urbanization with lagging water and sani- tation infrastructure services leading to urban informal dwellers' risks to flood and droughts	Medium	Medium
				Lack of access to basic services (nutrition, water, sanita- tion, transportation) deprive development of children	Low	High
				External shocks caused by climate changes and natu- ral disasters (such as dzuds, droughts, sand and dust storms) and pasture degradation deprive herders' liveli- hoods.	Medium	Medium
SDG 16 & 17	Dis-placement and Migration	Risks to the pop- ulation and to the stability of the territory resulting from pressures associated with displacement and/or migration	<ul style="list-style-type: none"> • Movement of people within, into or from the territory. • Level of rights and protection afforded to migrants. • Social economic, cultural, environmental impact of migration. 	If migration is not managed properly, this could lead to vulnerability of irregular migration and mobility, including human trafficking and modern slavery.	Low	High
				Displaced people/herders in rural areas due to the ex- treme weather situations	High	Low
				Rural migrants in urban areas lack basic services (no registration, no access to social services) – likely to be left behind	High	Medium
				Increased social stigma against internal migrants due to the massive flow of rural to urban migration could lead to internal conflict	Low	High
				Brian drains to foreign countries due to high unemploy- ment among youth	Medium	Medium

SDG 3 + 17	Public Health	Risk to the population, the economy and stability of the territory resulting from actual and emerging health emergencies.	<ul style="list-style-type: none"> • Increase in preventable or treatable health issues, child development delays. • Epidemics, pandemics and infectious disease. • Chemical, radiological and other biological agents. • Inefficient service delivery and inequitable health outcomes 	Due to lack of reproductive health awareness and education, adolescent birth rate could increase further.	Low	Medium
				Child and adult overweight and obesity is on the rise	High	Medium
				Anemia among women of reproductive age is on the rise	Medium	Medium
				Suicide among adolescents and youth	High	High
				Inequalities in access and quality of care due to high out-of-pocket expenditures	High	High
				Health system malfunction due to COVID-19 pandemic pressures	Medium	High
				Due to flood in UB, there is a high risk of open-pit latrine flooding which may lead to numerous air-borne diseases, soil pollution, and water pollution leading to public health crises.	Medium	High
				Worsening air pollution caused by using raw and processed coal and caused by old vehicles with no emission standards and low-quality fuels for transport.	High	High
SDG 2, 3, 7, 8, 17	Food security, agriculture and land	Risk to people, agriculture, and/or production in the territory resulting from crop, food production, livestock and related issues.	<ul style="list-style-type: none"> • Insufficient arable land, crops or • Inadequate food supply. • The use of and rights over land. • Sourcing of sustainably sourced livestock products, certification and value chain development 	Deeper poverty due to lack of nutrition/food in most vulnerable ones – no school tea programme	High	High
				Surge in CPI leads vulnerable people into deeper poverty and food insecurity	High	High
				Forest fires, droughts, dzud and extreme events impacts on land degradation, agriculture and food security.	High	High
				Scarcity of water for agriculture use	High	High
				land and biodiversity degradation and loss due to high number livestock	High	High

SDG 11, 12, 13, 14, 15 + 17	Environ-ment and climate	Risks to the ecology of the territory, its ecosystem and its people resulting from issues associated with the environment, climate and natural resources.	<ul style="list-style-type: none"> • Natural hazards or extreme weather events. • Urban environmental pollution and health; • NDC and SDG linkage and coordination between sectors, unclear roles and responsibility of each sector for climate actions; • Vulnerable Ecosystem due to global warming and loss of biodiversity due to the unsustainable consumption of natural resources and its monitoring • Unsustainable exploitation of natural resources that increases deterioration of the nature and environment • Ecological damage and climate impacts. 	Land degradation due to overstocking of 2.3 times above the carrying capacity.	High	High
				Desertification and degradation of pasturelands, grasslands, peatlands and forests due to anthropogenic forest fires and pest infestations.	High	High
				Increase in climate-related natural disasters (droughts, dzuds, sand and dust storms) causes vulnerability of agriculture sector, livelihood of local community, whose live is dependent on natural resources and environment;	High	High
				Depletion of natural resources (water scarcity, rangeland, minerals) this is largely because of high cost of associated research and assessment of the natural resources, especially underground water resources.	High	High
				Worsening air pollution in urban areas and high per-capita carbon emissions due to coal-based energy	High	High
				Biodiversity loss due to due to habitat loss associated with the increased livestock size, mining, and infrastructure development, illegal wildlife trade and unsustainable consumption, and global warming	High	High
				Potential conflicts over land use between mining and herding groups, among the herders for pasturelands this is mainly relevant with contradicting decision on the use of mineral resources between National Government and local (soum, community's) commitments to increase local protected areas;	Low	High
				Serious water pollution concerns due to soil and water pollution in urban centers and inadequate management of solid and hazardous waste and wastewater treatment;	Medium	High
				Worsening surface and underground water and soil contamination with mercury in regions where there are illegal gold mining operations	Low	High

ANNEX 5: STATUS OF 2030 AGENDA/SDGS IN MONGOLIA BY 5PS

People - Mongolia has well-educated and talented people, whose potential is underutilized. The key challenge is linked to the country's abundance of mineral resources. The country massively invests in mining sector while investment in people needs further prioritization with greater focus on building a healthy, skilled and resilient human capital and creating productive jobs for people, including support informal workers to be formalized for better working condition and protection. The Human Development Index, a composite statistics of life expectancy, education, and income, shows that, despite the spectacular increase in GDP per capita in the last decade, improvements of food security, nutrition, health and education outcomes were relatively moderate. There is a need for better protection of the poor by ensuring the adequacy and shock-responsiveness of social welfare programs for all people, and their economic inclusion. Delivery of social services at community level to address the root causes of gender-based violence and social exclusion of vulnerable groups remain very limited. Children in rural areas need better access to pre-primary education, adolescences – to life skills education and reproductive health services, and vulnerable women, young people, and persons with disabilities need special support for their full employment and access to quality higher and vocational education. Rural migrants' families living in ger area of Ulaanbaatar remain the most vulnerable facing multiple deprivations, including food insecurity, malnutrition, poverty and access to basic services. The COVID-19 pandemic put additional strains and challenges by increasing an already existing regional and income disparities in accessing education and health services in addition to increment in, number of victims of domestic violence, and leaving Mongolians stranded abroad without shelter and means of living.

Planet - Mongolia is already an extremely dry country with the annual mean air

temperature having increased by 2.24°C from 1940 to 2015 – triple the global average. Annual precipitation has decreased, and seasonal rainfall pattern has become erratic. Climate projections indicate that these changes are set to intensify. Climate change causes an increase in the frequency and severity of natural disasters (dzuds, droughts, floods, windstorms), having adverse impacts on agriculture and livestock, water, land and forest resources, infrastructure development and human health. The rapid mining-driven economic growth and fossil-fuel subsidies also have a significant environmental footprint requiring new incentives for energy saving and energy efficiency for both households and industries. A new NDC target of reducing its greenhouse gas (GHG) emissions by 27.2% by 2030 requires more decisive actions, including on reduction of air and environmental pollution. Water scarcity and land degradation requires implementation of water and land conservation and management policies to reduce water use and overgrazing, and sustainably manage ecosystems and natural resources. Alongside climate-related risks, earthquake risk is also an important dimension of Mongolia's natural risk landscape. Mongolia has a progressive regulatory and policy framework on green development, biodiversity conservation and protection of natural resources. However, both government and the stakeholders require improved institutional capacities and incentives to exercise their mandate in sustainable natural resource management. The country's investment in green development remains very low (less than 2 percent of total investment in 2021-2025) which puts under a risk implementation of the national development policy documents and international commitments under the 2030 Agenda for Sustainable Development and Paris Agreement.

Prosperity – In its national socio-economic development programmes, Mongolia still heavily relies on coal production. At the

same time, the global climate action to reduce carbon emissions and climate change mitigation efforts of China, are likely to reduce its demand for coal, which in turn may mean lower export and slower economic growth for Mongolia unless it takes drastic measures and genuine efforts to diversify the economy. This requires more support for private sector development, especially SMEs, a more conducive business environment and investment climate to attract domestic and foreign investment in non-mining sectors. Agriculture remains the key economic sector that provides jobs to 27 percent of workforce in the country. More investment to increase value addition of agricultural and livestock raw materials can simulate the economy, strengthen resilience to climate change impacts and create more productive jobs for urban and rural communities. The public investment in agriculture continues to be low accounting for 2.6 percent of total investment planned in 2021-2025. Given the largest share of the service sector, the Mongolian economy can benefit from advancement of IT technologies which can bring significant production gains in the service sector. Human capital remains underutilized and building stronger institutions is essential to ensure sound macroeconomic management, deliver public services, and regulate the private sector and foreign investment.

Peace - Since the beginning of the 1990s, Mongolia has experienced a successful and peaceful transition towards an open democracy and had uninterrupted presidential and parliamentary elections every four years with peaceful transition of power on every occasion (except in 2008 when it witnessed some post-election violence). At the same time, when it comes to shared prosperity and public finance, political power is far more complex. At the center of these concerns stand political pressures to spend and distribute rents and a political settlement marked by deeply embedded systems of patronage and clientelism^[274]. Substan-

tial staff turnover, frequent restructuring of institutions, and bringing politically affiliated staff into positions combined has a substantial cost in terms of public sector capacity and integrity. Public perception of corruption has been increasing with the political parties ranked among the top five corrupt institutions in the country. Broader political and public administration reform, along with efforts to create more space for civil society and its engagement in policy-making process.

Partnership – It is important that Mongolia mobilizes all means to implement the SDGs, including through partnerships with civil society, private sector and other stakeholders, mainstreaming in the national planning and financing plans and ensuring adequate monitoring of the progress. Driven by liberalization and market economy trend, Mongolia became a WTO member in 1997. Since then, the Government became more cautious about international and regional integration, building its trading partnerships mainly on a bilateral basis. The country has been navigating well between Russia and China pursuing the 'third neighbor' policy. Recently, it has acceded to the Asia-Pacific Trade Agreement following several years of negotiations facilitated by the UN ESCAP and been jointly implementing the China-Mongolia-Russia Economic Corridor Programme. Mongolia's trading basket and markets need diversification to avoid another wave of economic volatility. At the same time, how much its trading partners and the product export basket can be diversified will very much depend on the country's ability to diversify its asset base, i.e. its human capital, institutions and physical capital. Effective public finance and debt management is crucial to ensure financial sustainability and avoid undue borrowing. The COVID-19 crisis has further increased already high debt levels which will be a financial burden of future generations. High debt rate also reduces fiscal space for the SDG financing. It is also necessary to have

274 The World Bank. (2018).

strong and independent financial institutions who will be able to take public spending decisions without political pressures. Lastly, success of the SDG implementation will also depend on further commitment to meet the SDG data challenges and increase institutional capacity to deliver on the adopted laws and policies. Without this there is a risk that the national development policy documents remain declarative, without efficient means of implementation, i.e. budgets and monitoring and evaluation plans attached to them.

In order to understand the status across the SDG framework a brief review of several international sources was undertaken, namely:

UNESCAP SDG National Tracker Dashboard^[275] presents progress on each of the SDGs and selected SDG Indicators. The list includes indicators that are part of the official Global SDG framework and data is synchronized with the SDG Country Profile maintained by UN Statistics Division.

UN Statistics Division maintains SDG Country profile^[276] under the "Open SDG Data Hub" does not assess country progress towards the SDGs but provides some data on the status of the Country's SDGs Indicators. It allows conclusions to be drawn on the potential gaps in the country's achievement of SDGs. The database contains data on the global Sustainable Development Goal indicators and includes country-level data as well as regional and global aggregates.

World Bank SDG Atlas^[277] presents data from the World Development Indicators (WDI) that help to monitor the SDGs, but they are not always the official indicators for SDG monitoring. Based on the select indicators, progress of the SDGs was analyzed.

According to the Sustainable Development Report 2021 which was prepared by Bertelsmann Stiftung and the Sustainable Development Solutions Network (SDSN) who also maintains SDG index and Dashboards^[278] presents the country's status on meeting the SDGs. The SDG Index is an assessment of each country's overall performance on the 17 SDGs, giving equal weight to each Goal. The score signifies a country's position between the worst possible outcome (0) and the best, or target outcome (100). The overall SDG Index score for Mongolia is 63.8 (ranked 106th out of 165 countries), which is 1.9% below the regional average.

275 The National SDG tracker. (n.d.). Retrieved from <https://sdg-tracker.unescap.org/snapshot#>

276 SDG Country Profile. (n.d.). Retrieved from <https://country-profiles.unstatshub.org/mng>

277 The World Bank. (n.d.). *World Development Indicator: Sustainable Development Goals*. Retrieved from <https://datatopics.worldbank.org/sdgs/SDG-selected-indicators.html>

278 *Sustainable Development Report*. (2021). Retrieved from <https://s3.amazonaws.com/sustainabledevelopmentreport/2021/2021-sustainable-development-report.pdf>

TABLE 1: MONGOLIA'S PROGRESS ON SDGS ON THE INTERNATIONAL DASHBOARDS

SDGs	BS & SD SNz	WB	NSO	UN-STAT	SDG National Tracker
 SDG 1	↑	↑	↑	↑	↑
 SDG 2	→	↓	→	↓	↓
 SDG 3	↗	↗	↗	↗	↗
 SDG 4	↑	↑	↓	↗	↗
 SDG 5	↗	↗	↗	→	↗
 SDG 6	↗	→	↑	→	↗
 SDG 7	↗	↑	↑	↑	↗
 SDG 8	↗	↗	→	→	↓
 SDG 9	→	↗	↑	↗	↗
 SDG 10	○	↗	↓	→	→
 SDG 11	→	↗	↑	↑	↗
 SDG 12	○	↗	↑	→	↓
 SDG 13	→	↗	↑	↗	↗
 SDG 15	→	→	→	→	↗
 SDG 16	→	↗	↑	↗	↗
 SDG 17	↗	↗	↑	↑	→

- ↑ On track or maintaining achievement
- ↗ Moderately improving
- Stagnating
- ↓ Regressing
- Information unavailable

Table 1 presents the progress made by Mongolia as assessed in selected global SDG data platforms and NSO SDG dashboard^[279]. According to the Bertelsmann Stiftung & SDSN, the overall SDG Index for Mongolia is 63.8 (ranked 106th out of 165 countries), which is 1.9% below the regional average.

The **'planet'** related targets have significant data gap to assess the progress. This particularly relates consumption and production patterns, climate change and land management. Available data shows a relative progress in improving water and sanitation and access to affordable and clean energy, and regression in reducing land degradation targets.

Under the **'prosperity'** targets, Mongolia struggles to ensure inclusive economic growth and tackle inequality. This particularly relates to increased levels of unemployment and informal employment, labour productivity and raising population's perceptions on inequality and discrimination. There are also increasing challenges related to access to infrastructure, particularly to public transport in Ulaanbaatar.

The available statistical data shows that Mongolia is on track with regard to the **'peace'** targets related to building peaceful and inclusive societies and providing access to justice. There is also a relative progress on the **'partnership'** targets with a significant data gap that does not allow fully assess the achievement of many SDG 17 targets.

279 Progress assessment for UNDESA and The World Bank information, was made based on the trends in the selected SDG Targets and indicators and present the perceptions of progress of UN in Mongolia and not of the UNDESA and The World Bank

List of Abbreviations

ADB	Asian Development Bank
AFCYD	Authority for Family, Child and Youth Development
AIDS	Acquired Immune Deficiency Syndrome
APO	Asian Productivity Organisation
APTA	Asia-Pacific Trade Agreement
BRI	Belt and Road Initiative
CAREC	Central Asia Regional Economic Cooperation Programme
CAT	Convention Against Torture
CCA	Common Country Analysis
CCS	Climate Change Strategy
CCPR	Covenant on Civil and Political Rights
CEACR	Committee of Experts on the Application of Conventions and Recommendations
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CERD	Convention on Elimination of All Forms of Racial Discrimination
CESCR	Covenant or Committee on Economic, Social and Cultural Rights
CGE	Computable General Equilibrium
CIT	Corporate Income Tax
CMP	Child Money Programme
CMREC	China-Mongolia-Russia Economic Corridor
CMTU	Confederation of Mongolian Trade Unions
CO ₂	Carbon Dioxide
COP	Convention of Parties
COVID-19	Coronavirus Disease of 2019
CPED	Convention for the Protection of All Persons from Enforced Disappearance
CPI	Consumer Price Index
CRBP	Children's Rights and Business Principles
CRC	Convention on the Rights of the Child
CRMW	Convention on Protection of Rights of All Migrant Workers
CRPD	Convention on the Rights of Persons with Disabilities
CRVS	Civil Registration and Vital Statistics
CSEA	Child Sexual Exploitation and Abuse
CSO	Civil Society Organisation
CSR	Corporate Social Responsibility
CWD	Children with Disabilities
DBM	Development Bank of Mongolia

DP	Democratic Party
DPG	Development Partner Group
DPPM	Development Policy, Planning and its Management
DV	Domestic Violence
EBRD	European Bank for Reconstruction and Development
ECD	Early Childhood Development
ECO	Economic Cooperation Organisation
EME	Emerging Market Economies;
EMD	Emerging Market and Developing Countries
ESG	Environmental, Social and Governance
EU	European Union
FAO	Food and Agriculture Organisation
FATF	Financial Action Task Force
FDI	Foreign Direct Investment
FGD	Focus Group Discussion
GAP	Government's 4-year Action Plan 2020-2024
GATS	General Agreement on Trade in Services
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GG	General Guidelines of Socio-Economic Development for 2021-2025
GHG	Greenhouse Gas
GOM	Government of Mongolia
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
HSES	Household Socio-Economic Survey
HR	Human Right
IAAC	Independent Authority Against Corruption
ICT	Information and Communications Technology
IDB	Islamic Development Bank
IFAS	International Fund for Saving the Aral Sea
IFI	International Financial Institution
IFRS	International Financial Reporting Standards
ILO	International Labour Organisation
IMF	International Monetary Fund
I/NGO	International Non-governmental Organisation
INFF	Integrated National Financing Framework
INFORM	Index for Risk Management
IT	Information Technology

KWh	Kilowatt hour
LGBTIQ	Lesbian, Gay, Bisexual, Transgender, Intersex, and Questioning
LMIC	Lower-Middle Income Country
LNOB	Leave No One Behind
LPI	Logistics Performance Index
MAPS	Mainstreaming, Acceleration and Policy Support
MCH	Maternal and Child Health
MDG	Millennium Development Goals
MDR TB	Multi-Drug Resistant Tuberculosis
MICS	Multi-Indicator Cluster Survey
MLSP	Ministry of Labour and Social Protection of Mongolia
MNT	Mongolian Tugrik
MOET	Ministry of Environment and Tourism of Mongolia
MONEF	Mongolian Employers' Federation
MPP	Mongolian People's Party
Mt CO ₂ -eq	Million Tonnes of carbon dioxide equivalent
MTBF	Medium Term Budgetary Framework
MTEF	Medium Term Expenditure Framework
NATO	North Atlantic Treaty Organization
NCD	Noncommunicable Disease
NDA	National Development Agency of Mongolia
NEET	Not in Employment, Education or Training
NEMA	National Emergency Management Agency
NGO	Non-Governmental Organisation
NHRCM	National Human Rights Commission of Mongolia
Nox	Nitrogen Oxide
NSO	National Statistics Office of Mongolia
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OP	Optional Protocol
OSCE	Organisation for Security and Cooperation in Europe
PFM	Public Finance Management
PIP	Public Investment Plan
PM 2.5	Fine particulate matter
PRI	Principle for Responsible Investment
PWD	Persons with Disabilities
RBB	Results Based Budgeting
SCEDA	Standing Committee on Ethics, Discipline and Accountability

SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goal
SDSN	Sustainable Development Solutions Network
SDV	Sustainable Development Vision- 2030
SICA	SICA LLC consulting company in Mongolia
SME	Small-Medium Enterprise
SERP	United Nations Socio-Economic Response Plan for COVID-19
SOE	State-Owned Enterprise
SOM	Sustainability Outlook of Mongolia
SP	Special Procedure
SPECA	Special Programme for Economies of Central Asia
SR	Special Rapporteur
SSC	South-South Cooperation
TB	Tuberculosis
TVET	Technical and Vocational Education and Training
UN	United Nations
UNCT	United Nations Country Team
UNDESA	United Nations Department for Economic and Social Affairs
UNDP	United Nations Development Programme
UNDS	United Nations Development System
UNECOSOC	United Nations Economic and Social Council
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNSDCF	United Nations Sustainable Development Cooperation
UNSTAT	United Nations Statistical Commission
UPR	Universal Periodic Review
USAID	United States Agency for International Development
USD	United States Dollar
VAWG	Violence against Women and Girls
VNR	Voluntary National Review
WB	World Bank
WCMC	World Conservation Monitoring Centre
WDI	World Development Indicator
WHO	World Health Organisation
WTO	World Trade Organisation
YoY	Year-Over-Year

COMMON COUNTRY ANALYSIS 2021
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2022

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Illustration by Sanchir Erdenebileg

Layout design by Bold Dagvadorj / Gammphoto agency

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