UNITED NATIONS
MONGOLIA

Mongolia
Common Country Analysis

2024 UPDATE

Contents

Executive summary

The 2024 Common Country Analysis (CCA) update investigates new development and progress in 2024 to assess their implications to implementation of the United Nations Sustainable Development Cooperation Framework of Mongolia 2023 – 2027 (CF). As the analysis and substance of the comprehensive CCA 2021[1], which was developed for preparation of the CF, still remains relevant, the 2024 CCA update stands as a complement to the CCA 2021.

Socio-economic analysis

Mongolian economy performed well in 2024, continuing the growth momentum built in 2023. While it enjoyed 4.9% economic growth in 2024, such growth has been driven by export of products from extractive industries (93%), most of which were destined for a single market (91.4%). Mongolia's export-led economic growth is extremely imbalanced and vulnerable to external shocks; it calls for an urgent need of diversification.

Mongolia has witnessed a significant rise in cybercrimes in recent years. The number of cases registered jumped from 1,795 in 2020 to 9,270 in 2023, with 6,236 cases already registered by August 2024. This trend indicates the growing digital threat landscape as more citizens access the internet and mobile networks, negatively impacting Mongolian society by eroding trust in digital platforms. The number of drug-related crimes and violations is also increasing; 301 crimes were reported in the first 9 months of 2024, compared to 292 crimes in the same period of 2023. The Number of corruption cases under investigation recorded 860 in the first half of 2024, almost 15 % increase from the same period of the previous year.

Mongolia's human development index (HDI) of 0.741 in 2022 ranked it 96 out of 193 countries, placing it among the high human development category. While the country has also achieved an Upper Middle-Income Country (UMIC) Status in 2024, planetary pressures-adjusted human development index (PHDI), which adjusts the overall HDI for carbon dioxide emissions and material footprint, reveals the environmental cost of the country's current development model. The country is among the highest per capita CO2 emitters. In 2022, Mongolia's PHDI was 16.5% lower than its overall HDI, one of the largest adjustment factors across Asia and the Pacific, signaling the unsustainable trajectory of its growth.

The labour participation rate in Mongolia remains low at 62.2%, with 71.4% for men and 53.7% for women as of 4th quarter 2024. The informal employment accounts for about 46% of the employed population. This means a significant portion of the workforce is engaged in jobs that are not regulated or protected by labour laws, leading to instability and a lack of social protection and benefits. Informal workers are predominantly found in sectors such as agriculture, trade and services, construction, transportation, and logistics. Skills mismatch and low labour productivity continue to pose challenges in the Mongolian labour market, often resulting in high worker turnover and low wages.

The energy system in Mongolia takes advantage of its abundant natural resource - coal. Its negative impact on the environment leaves the country vulnerable to climate shocks. Coal briquettes and other harmful materials are used in household stoves for heating during winters, which significantly contributes to air pollution. The government increased the electricity tariff and heat tariff in November 2024; while it was a much-needed measure to cover cost of production, it contributed to increase of inflation and affected economic wellbeing of the people, especially those living below or around the poverty line. Renewable energy transition can be considered as an opportunity to reimagine Mongolia's green and diversified economic model. By moving towards clean and affordable energy, Mongolia can reduce its environmental footprint, improve public health, and create new avenues for employment.

Mongolia faces significant challenges in ensuring access to affordable, healthy diets due to climate change and a heavy reliance on food imports. The widely available cheaper and highly processed convenience foods and insufficient supply of fruits and vegetables for daily dietary needs contribute to increasing rates of overweight individuals. Currently, 31% of people aged 15-69 in Mongolia are overweight, while 7.3% of children are overweight and obese. At the same time, food insecurity remains a critical issue in Mongolia. An estimate shows that 4.78% of households are moderately or severely food insecure. As Mongolia's domestic food production concentrates on a limited number of staple products, Mongolia remains highly dependent on food imports on many products. For example, 98% of chicken and poultry, 98.5% of vegetable oil, and 100% of beans, rice, and sugar are imported.

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1   https://mongolia.un.org/en/174973-common-country-analysis-2021-mongolia

Mongolia has made a good progress in digitalization, which was well recognized by international indicators published by UN agencies. In the ICT Development Index (IDI) 2024 of the International Telecommunication Union (ITU), Mongolia scored 87 with 1% increase from 2023. In the e-Government Development Index (EGDI) 2024, Mongolia ranked 46 out of 193 countries, which is a significant upward movement from 74 in 2022; yet, it should be noted that its score in human capital index rather dropped much in 2024 from 2022. The Government of Mongolia continued enhancing its digital government services by launching the e-Mongolia 4.0 and also established the Regulatory Agency of Government Digital Services in 2023 to improve accessibility and availability of government digital services.

Mongolia has been implementing significant reforms across all sub-sectors of education based on such initiatives as the Education Sector Mid-Term Development Plan 2021-2030. The Government has amended the General Law on Education (article 6, clause 6.1) in 2023 integrating English subject as mandatory foreign language from 3rd grade, which entered into force in July 2024. There has been a significant increase in budget allocation to education in recent years. Mongolia's schooling system, while maintaining high enrollment and completion rates, has a room for improvement. Students attend an average of 13.2 years but achieve an 8.8-year equivalent of quality-adjusted schooling. Students from the lowest income quintile perform at approximately 4.5 years of schooling behind their peers from the highest income quintile in reading, mathematics, and science.

Environmental analysis

Mongolia ranks 143rd in the 2024 Environmental Performance Index (EPI) with a score of 37.2. It faces significant challenges in areas like air quality (ranked 160th), waste management (176th), agriculture (174th), and climate change mitigation (177th), while scoring relatively high in biodiversity and habitat (ranked 34th). A World Bank report points out that an additional investment of more than $10 billion is needed over the next 25 years to achieve Mongolia's climate and development goals.

In the winter of 2023/2024, the country experienced severe dzud, which significantly impacted the livelihoods of herders reliant on livestock income. Socio-economic impact of the 2023/2024 dzud includes: loss of 8.1 million heads of livestock, 27% decline in agricultural sector's GDP, around 12 – 20% (even more for some households) decrease of net income per household member per month of affected herder household, decrease in the production of staple meat and dairy products, around 20% of households facing health-related issues, higher migration rate in the worst affected soums, and breakdown of school facilities and school closure.

Climate change inflicted frequent occurrence of dzuds causes a negative cascade effect to livelihood of humans multidimensionally as well as health of environmental eco-system. Dzud leads to massive livestock deaths. Surviving livestock often suffers reduced productivity, impacting milk, wool, and meat production, which in turn affects herders' incomes. The economic strain on herders can push families into poverty. Severe dzuds may also force herders to migrate to urban areas, increasing urban poverty and straining city infrastructure and environment.

Dzud has far-reaching and complex environmental impacts, profoundly affecting not only domestic livestock but also wildlife and biodiversity. While livestock populations plummet, many wild animals also face the same challenges in accessing food. The delicate balance within ecosystems is disturbed from dzud, and recovery can take years, especially for species that are already vulnerable.

Dzuds contribute to selected overgrazing and land degradation, which can lead to long-term desertification. Overgrazing by livestock often leaves the land stripped of vegetation and highly vulnerable to erosion. The loss of vegetation accelerates desertification, severely compromising the land's ability to recover. This cycle of overgrazing and dzud-induced damage can lead to a continuous decline in land quality, making it increasingly difficult for ecosystems and human livelihoods to recover. Mass die-off of livestock creates an additional challenge in their disposal. Decomposition of thousands of animal carcasses during dzuds introduces risks of soil and water pollution. Improper disposal of dead animals further heightens the risk of disease transmission, impacting both wildlife and human populations that depend on these water resources.

In response to these challenges, Mongolia became the second country to conduct "A One Health Joint Plan of Action" in the Asia Pacific region in September 2024 to address interconnected health risks affecting humans, animals, plants, and the environment. In April 2024, the government adopted the Law on Mitigating the Negative Effects of Climate Change on Traditional Livestock Husbandry to improve the resilience of the livestock sector to climate change. To support this legislation, the New Cooperative - Wealthy Herder Program has also been launched. In April 2024, the Mongolian government also implemented the Decision No. 173, titled "About Some Measures for Disposal of Animal Carcasses and Animal Disease Prevention", to better manage animal carcasses and prevent the spread of zoonotic diseases and environmental contamination.

The combination of biodiversity loss, land degradation, and water pollution creates significant long-term challenges for ecosystem recovery.

Given the frequency and severity of dzuds in Mongolia, these impacts underscore the urgent need for sustainable land management practices and improved disaster preparedness to mitigate the effects of future dzuds.

Political development and governance

The Parliamentary election was held in 2024. The Mongolian People's Party (MPP) secured a majority of 54% with 68 seats. The center-right opposition Democratic Party (DP) received 42 seats, boosting its parliamentary weight from under 20% to 33%. The HUN party secured eight seats and increased its parliamentary presence from 1.3% to 6%. The National Coalition, consisting of the Green and National Democratic parties, and the Civil Will-Green Party, each allocated four seats. The success of multiple parties highlights a desire among the country's citizens for more diverse representation in the young democracy context. At the same time, the new Parliament is the most diverse ever with 60% of them being first-time representatives. The representation of Kazakh nationals has increased to five. The election also witnessed an increased participation of Mongolian diaspora. The parliamentary elections in Mongolia were well run and candidates could campaign freely overall, but the international observers pointed out that competitiveness was negatively affected by the lack of a level playing field and a series of pay rises and social benefit increases in the run-up to the elections gave an unjust advantage to the ruling party.

The MPP formed a coalition government despite holding the majority of Parliamentary seats. The decision to form a coalition government aims to swiftly address Mongolia's development challenges, consider the critical international relations and geopolitical situation, and emphasize national unity, according to the parties. A memorandum of understanding (MoU) was signed in July 2024 by the MPP, DP, and Hun Party to establish a coalition government that includes a prime minister, 22 ministers, and 16 ministries. In order to demonstrate their dedication to jointly addressing the national development challenges and issues, the leaders of three political parties signed a Coalition Agreement titled "Will for Accelerated Development" in August 2024. In accordance with the agreement, the Government Action Program (2024-2028) was developed. The action program contains four primary policy domains, regional development policy, human development policy, economic policy, and human rights-based governance policy, with 619 actions to execute.

The regular election for the local councils (Citizen's Representatives Khural) for the capital city, provinces, districts, and sums concluded in October 2024. The MPP secured 40 seats in the Ulaanbaatar city council (total of 45 seats), won 14 provinces, and emerged victorious in all eight districts with the exception of Sukhbaatar District. The DP secured a majority in seven provinces, one UB district, and 150 sums'

legislative councils, while the Hun party was unable to secure any seats. The absence of a "turnout threshold" in local legislative elections might have resulted in a lack of emphasis by relevant governmental bodies on the electoral engagement of citizens.

The media landscape in Mongolia is diverse but politically polarized, with private and public media perceived as lacking independence from political structures. Mongolia broadly respects the principles of freedom and pluralism of the media, although it still lacks basic legal protection for the confidentiality of sources, while flawed defamation laws facilitate arbitrary lawsuits against journalists, inciting self-censorship. The Law on the Freedom of Press (1998) needs to be refined to protect freedom of expression further. Mongolia ranked 109th out of 180 territories in the Reporters Without Borders (RSF)'s 2024 World Press Freedom Index, plummeting down 36 places since 2020.

Mongolia's rural-urban development disparities have grown and been a development bottleneck since the early 2000s. Mongolia has implemented several strategic policies and legislative frameworks to create a comprehensive development framework for both urban and rural areas. These strategic policies and legislative frameworks, like Vision-2050 and the New Revival Policy, address structural issues like regional competitiveness, insufficient public services, and policy volatility. Mongolia declared 2024 as the "Year to Support Regional Development." Regional development was the focus of the Mongolian Economic Forum in 2024. The Regional Development Concept divides the country into seven regions: West, Khangai, North, Central, Gobi, East, and Ulaanbaatar.

The 2024 Parliamentary Election was held in zonal constituencies to improve regional representation and governance. The "New Cooperative-Prosperous Herdsmen" initiative is part of the New Revival Policy of Urban and Rural Development to prevent climate-related livestock disasters and sustain livestock production and herdsmen's cooperatives. In 2024, the New Cooperative movement offers discounted investment loans of up to 50 million MNT at 6% for 60 months. The Government of Mongolia has declared 2025 as the Year of Infrastructure Development of the Ulaanbaatar City. Parliament received the government's draft General Development Plan for Ulaanbaatar City until 2040 and the draft law to reduce air and environmental pollution on 8 January 2025. Satellite cities are a key goal of the General Development Plan 2040.

Progress in SDGs and LNOB

At the Summit of the Future (SoTF) on 22 September 2024, world leaders adopted a Pact for the Future that includes a Global Digital Compact (GDC) and a Declaration on Future Generations. The United Nations Mongolia, in cooperation with the Government of Mongolia, has organized a series of dialogue and consultations to raise awareness of the SoTF agenda with national stakeholders and come up with comprehensive recommendation to the Government on priority areas. Suggestions from the dialogue on accelerating SDGs included: 1) reduce market involvement by the State to boost private sector growth and focus on key sectors for green development through multilateral cooperation, and 2) build capacity across all sectors, raise awareness of the SDGs, align policies with SDG goals, and improve monitoring, evaluation, and cooperation mechanisms.

Gender gaps in Mongolia impact also men in negative ways. Men live on average 9.4 years less than women. Men and boys in rural areas are affected by reverse gender gaps in education; more women complete tertiary education than men. This gap is growing in the rural areas. Gender minorities are still being stigmatized and discriminated by the public. Recent surveys indicate that 80% of sexual and gender minority respondents refrain from disclosing their sexual orientation or gender identity to their employers; and 70% refrain from disclosing it to their family. Preliminary findings from the 2023 Social Indicator Sample Survey (SISS) reveal disparities in sexual and reproductive health and rights (SRHR) among certain groups in Mongolia. Notably, women and girls in rural areas face challenges accessing maternal healthcare, family planning, and safe abortion services.

The 2024 Situational Analysis of Youth in Mongolia identifies additional challenges and opportunities related to the youth population (aged 15-34). Challenges found in the analysis include digital divide, mental health, employment and skills gap, political and civic participation, and regional disparities. Policy recommendations for addressing those challenges are: 1) enhancing digital literacy and infrastructure by expanding digital infrastructure and developing online learning tools, 2) expanding youth-friendly mental health services by increasing relevant funding and resources, 3) bridging skills gap by fostering partnerships between educational institutions and industry, 4) fostering political and civic participation such as creating platforms for youth to engage, and 5) addressing regional disparities by implementing targeted programmes.

Mongolia has guaranteed the right to vote and be elected for persons with disabilities (PWDs). PWDs exhibit a relatively high rate of voting and participation in political elections; 85.7% of PWDs participated in the 2020 parliamentary elections. Provisions for providing financial support to political parties that nominate women and PWDs for national elections are included in the Law on Political Parties, which was implemented in January 2024. In 2024, two individuals with disabilities were elected to Parliament through party lists for the first time. The Law on Civil Service was amended in 2023 to reduce the formal requirements for state administrative employees who are disabled, thereby increasing the opportunities for PWDs to work in administrative positions in the Government ministries and agencies. Nevertheless, PWDs continue to be the most isolated social group in Mongolian social contexts. The primary challenges to the political engagement and participation of PWDs include their inability to work, partake in social interactions, and live independently. Much of the income of PWDs is allocated to health services and treatment, while the least is allocated to education and self-development.

Over 210,000 Mongolian citizens (6.1% of the population) are estimated to reside abroad. The 2020 census, compared to the 2010 census, showed a 14.2% increase in the total number of Mongolian citizens living abroad. The Republic of Korea (RoK), United States of America (USA), Japan, Kazakhstan, the Czech Republic, Australia, and People's Republic of China (PRC) host most of the Mongolian diaspora. The Mongolian diaspora faces a range of socioeconomic challenges that stem from their status as migrants, cultural differences, and the complexities of integrating into host societies. While the Government of Mongolia (GoM) refers to diaspora engagement issues in its long-term development policy of Vision 2050, it needs a clearly defined diaspora engagement policy implemented through a designated institutional structure to leverage full potential of the Mongolian diaspora for the country's development.

The findings from the analysis of the 2024 CCA update, including mapping of the CF priorities and outcomes to the Government Action Program 2024-2028, confirm that change in the course of actions for implementing the CF at the level of priorities and outcomes is not needed. However, effective support to the Government in implementing the Government action program may demand the UNCT to prioritize related sub-outputs of the Joint Work Plans (JWPs) or develop new joint programmes.

Economic Indicators

GDP growth (2024)

4.9%

7.4% (2023)

Trade balance (2024)

4.170 billion USD

5.937 billion USD (2023)

Gross external debt (2024)

37.117 billion USD

34.569 billion USD (2023)

Government budget balance (2024)

-776 billion MNT

785.9 billion MNT (2023)

Current account in the balance of payment (2024)

-2.373 billion USD

121 million USD (2023)

Inflation (2024)
*December of the year

9%

7.9% (2023)

Foreign currency reserve (2024)
*December of the year

5.5 billion USD

4.9 billion USD (2023)

Official exchange rates (monthly average) (2024)

3,417.93

3,421.21 (2023)

Number of Livestocks (2024)

57,647,940

64,681,880 (2023)

Global Innovation Index (2024)
*Out of 133 economies

67th

68th (2023)

Global Competitiveness (2024)
*Out of 67 countries

61st

62nd (2023)

Social Indicators

Labour participation rate (2024)

62.2%

60.5% (2023)

Unemployment rate (2024)
*4th quarter

5.3%

3.9% (2023)

Maternal mortality (2024)
*persons

13

17 (2023)

Infant mortality rate (2024)
*Per 1,000 live births

12

12 (2023)

Recorded crimes (2024)
*cases

44,673

35,574 (2023)

Poverty rate (2022)

27.1%

Population (2024)

3,544,835

3,504,741 (2023)

Number of people with disabilities (2023)

111,228

Mongolian diaspora (2024)

210,000

(6.1 % of the population)

Human development index (HDI) (2022)

96th out of 193 countries

Gender inequality index (2022)

72nd out of 193 countries

Environmental Indicators

Air quality	160th
Waste management	176th
Sanitation & drinking water	75th
Heavy metals	103rd

 # 2024 Environmental Performance Index (EPI)

143rd

(out of 180 countries)

Agriculture	174th
Climate change mitigation	177th
Biodiversity and habitat	34th
Water resources	74th

Impact of Dzud 2023-2024

Livestock loss
8.1 million heads

Economy
Decline by 27 % in agricultural sector's GDP as of July 2024

Household income
Around 12% reduction (net income per household member per month)

Decrease in the production of staple meat and dairy products
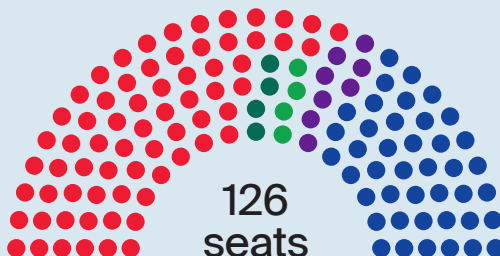
Around 20% of households facing health-related issues

Higher migration rate in the worst affected soums

Breakdown of school facilities and school closure

Governance Indicators

Parliament

126 seats

- Mongolian People's Party (MPP): 68 (54%)
- Democratic Party (DP): 42 (33.3%)
- HUN Party: 8 (6.3%)
- National Coalition: 4 (3.2%)
- Civil Will-Green Party: 4 (3.2%)

Gender:
♂ Men 94 (74.6%),
♀ Women 32 (25.4%)

Persons with disabilities:
2 (1.6%)

Cabinet

- Prime minister
- 3 Deputy prime ministers
- 19 Ministers

Major development policies (2024)

- Vision 2050
- New Recovery Policy
- Government Action Program 2024-2028

Women's Representation in Local Councils

27.5%

(2,212 out of 8,031 seats)

e-Government Development Index (2024)
*193 countries

46th

74th (2023)

Corruption Perceptions Index (2024)
*180 countries

114th

121st (2023)

Rule of law index (2024)
*Out of 142 countries

66th

64th (2023)

World Press Freedom Index (2024)
*Out of 180 territories

109th

88th (2023)

1 Socioeconomic analysis

Economic development

In 2024, Mongolian economy has continued its growth momentum built in 2023. Relevant macroeconomic indicators support positive performance of Mongolian economy in 2024. As shown in Figure 1, Mongolia recorded 4.9 per cent growth in gross domestic product (GDP) for 2024 (7.4 per cent growth for the year 2023). In 2024, Mongolia managed foreign trade balance surplus of USD 4.2 billion; exports were USD 15.8 billion, while imports were USD 11.6 billion. However, deficit of the current account in the balance of payment reached USD 2.4 billion, due to an increase in goods trade imports, an increased services account deficit by USD 467.4 million, and increased primary income account deficit by USD 448.9 million, compared to a surplus in 2023.

FIGURE 1.   Growth rate of GDP at 2015 constant prices (By per cent and by selected years)
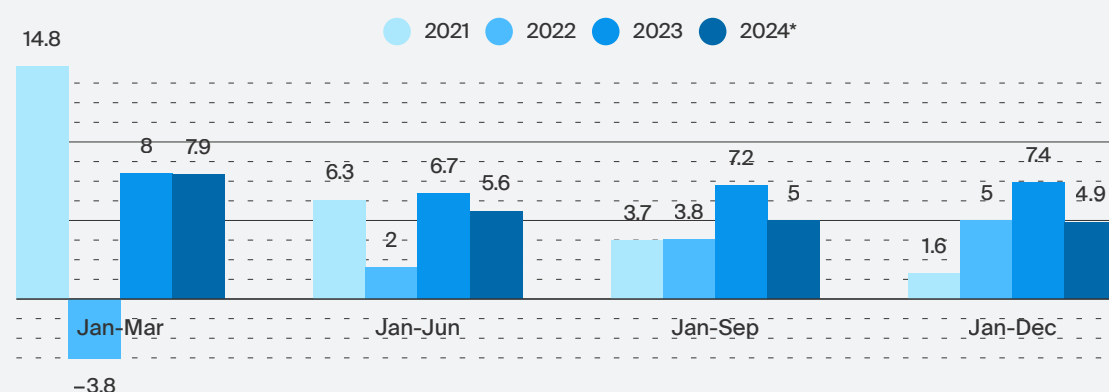
(Source: NSO, Monthly Bulletin of Statistics, February 2025)

The government budget ended with a minor deficit of MNT 776 billion for 2024, while it remained in a surplus for most of months driven by increased collection of income and value-added taxes (Figure 2). In the first half of 2024, while the gross external debt of Mongolia reached USD 34.9 billion, increasing by USD 1.8 (5.4 per cent) billion from the same period of previous year, the general government debt reached MNT 29.7 trillion, decreasing by MNT 1.4 trillion (4.4 per cent) compared to the same period of the previous year. However, among the total general government external debt, 98.7 per cent (MNT 29.3 trillion) was external debt.

FIGURE 2.   Balance of general government budget for 2024 (By selected years and by trillion Tugrig)
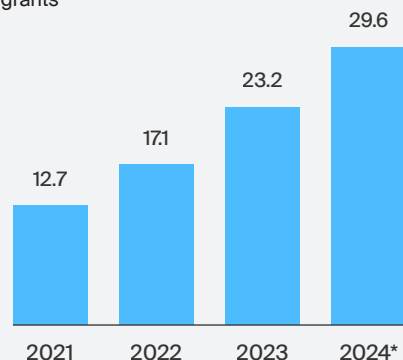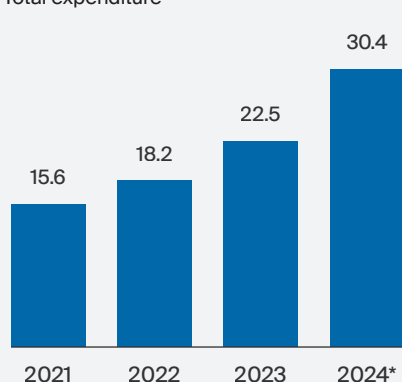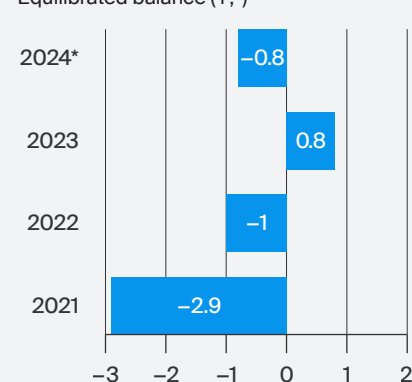
(Source: NSO, Monthly Bulletin of Statistics, January 2025)

The rate of inflation has remained in a single digit in 2024. However, inflation grew from July, propelled by an energy tariff increase in November and other factors, reaching 9 per cent in December 2024, which exceeded the government target range ceiling (Figure 3).

FIGURE 3.

National Consumer Price Index (by per cent and by month)
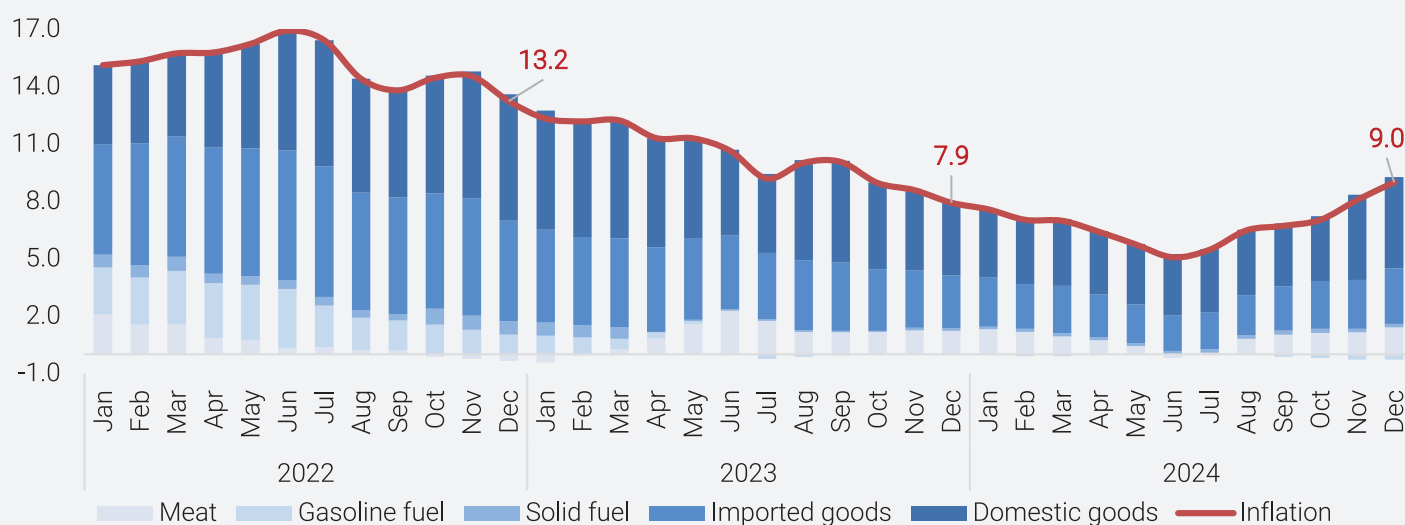
(Source: NSO, Monthly Bulletin of Statistics, January 2025)

Foreign currency reserves ended up with USD 5.5 billion, an amount equivalent to cover five months of import. The Mongolian Tugrig has maintained its stability against USD, standing most of times below 3,400/dollar up to the third quarter, but gradually depreciated in the fourth quarter, ending the year above 3,400/dollar (Figure 4).

FIGURE 4.

Change in exchange rate (MNT to USD) and foreign reserve

Figure 4.1 Official Daily Foreign Exchange Rates - US dollar
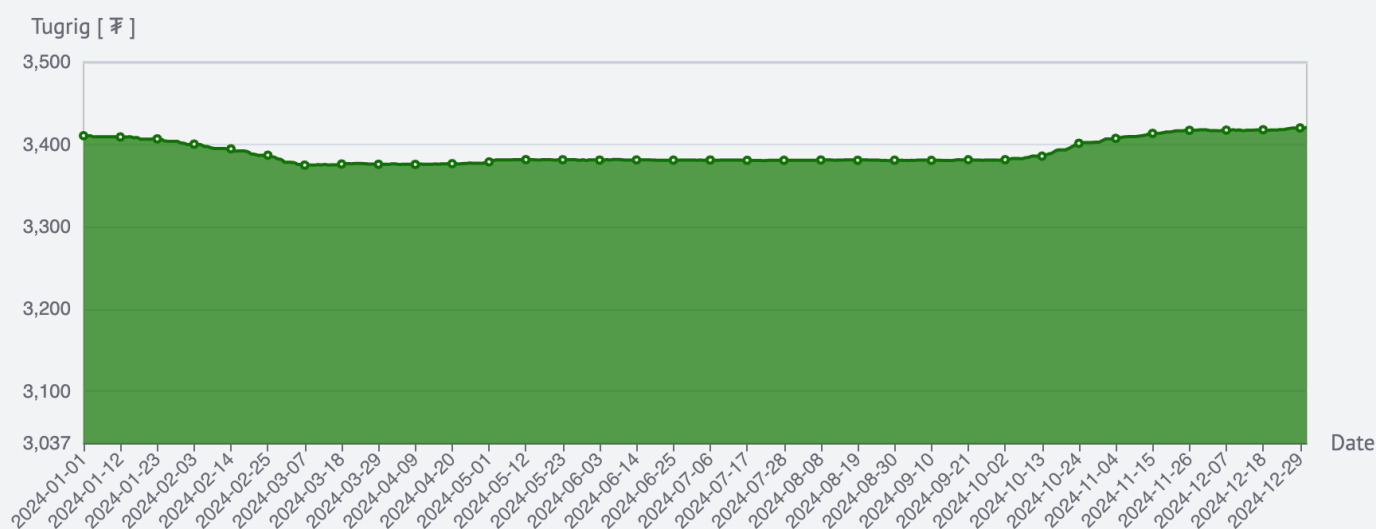
(Source: Bank of Mongolia, accessed on 4 January 2025)

Figure 4.2 International reserves (in million USD)
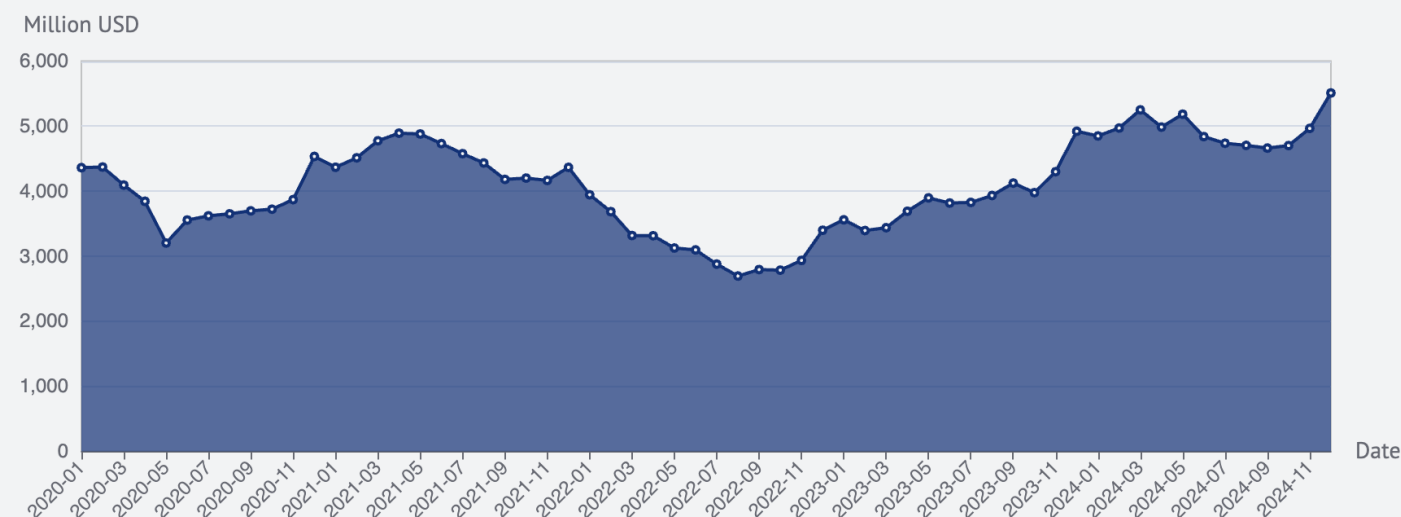
(Source: Bank of Mongolia, accessed on 4 January 2025)

The Monetary Policy Committee (MPC), in its scheduled meeting in December 2024[2], decided to keep the policy rate at 10 per cent and increase the reserve requirement in both domestic and foreign currency by 1 percentage point respectively to 11 per cent and 16 per cent; it was to stabilize inflation at the target level and ensure macroeconomic and financial stability over the medium term.

The three major credit rating agencies upgraded Mongolia's credit ratings in 2024. The Fitch Ratings has upgraded Mongolia's Long-Term Foreign-Currency Issuer Default Rating (IDR) to B+ from B with a stable outlook[3]. The S&P also raised its long-term sovereign credit rating on Mongolia to 'B+' from 'B' with a positive long-term outlook[4]. The Moody's upgraded the Government of Mongolia's long-term issuer and senior unsecured ratings to B2 from B3 with a stable outlook[5]. The Asian Development Bank, in its Asian Development Outlook, updated a projection for Mongolia's economic growth in 2024 from earlier 4.1 to 5.5.[6] The International Monetary Fund, in its Concluding Statement of the 2024 IMF Staff Visit, updated a projection for Mongolia's economic growth as 5.5 for 2024 and 7 for 2025.[7] World Bank, in its semi-annual Mongolia Economic Update in November 2024, revised its projection for economic growth in

2024 as 5.3% and 6.5% for 2025[8].

Just like economic growth in 2023, mining and quarrying, a major sector for export, played a significant role in 2024. Among export items, minerals and coal comprised more than 93%. At the same time, more than 91% of total export was made to China. Dependence of Mongolian economy on the mining sector, mainly directed to a single market, has continued in 2024. Mongolia's export complexity is lower than what is typically anticipated for a country at its income level. Generally, countries with exports that are more complex relative to their income level experience faster growth. Mongolia ranked as the 123rd most complex country in the Economic Complexity Index (ECI) 2023 ranking.[9] Compared to a decade prior, Mongolia's has been rather losing its export diversity, and the economy has worsened in the ECI ranking. To increase resilience to external shocks and sustainability of Mongolian economy, economic diversification remains as a priority in 2025 and onwards (See Chapter 1.1 of 2023 CCA Update[10] for more details on development of non-mining sectors and the National Export Strategy for Prioritized Non-Mining or NES).

2   https://www.mongolbank.mn/en/r/8302
3   https://www.fitchratings.com/research/sovereigns/fitch-upgrades-mongolia-to-b-outlook-stable-18-09-2024
4   https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/3262005
5   https://ratings.moodys.com/ratings-news/432858
6   https://www.adb.org/publications/asian-development-outlook-september-2024
7   https://www.imf.org/en/News/Articles/2024/10/14/mcs-mongolia-concluding-statement-of-the-2024-imf-staff-visit
8   https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099809211252426575/idu12c0fb434188d-214fb6197d51d6b25d4b7e2d
9   https://oec.world/en/rankings/eci/hs6/hs96?tab=ranking
10   https://mongolia.un.org/en/270027-common-country-analysis-mongolia-2023-update

1.2   Crimes

1.2.1   Cybercrime

Mongolia has witnessed a significant rise in cybercrime over the past few years. The number of cases registered jumped from 1,795 in 2020 to 9,270 in 2023, with 6,236 cases already registered by August 2024. This trend indicates the growing digital threat landscape as more citizens access the internet and mobile networks. The majority of cybercrimes (84.4 per cent) consist of online fraud, followed by the spread of false information (5.8 per cent) and cyber security breaches (3.4 per cent). Other crimes include online gambling, enticing minors and human trafficking. Recently, there has been a significant increase in the number of Mongolian citizens being victims to cyber frauds on platforms like Telegram and WhatsApp, where they receive false job offers.

The monetary damages from cybercrimes have escalated, with the total damage reported as 297.7 billion MNT over the past five years (Table 1). Compensation efforts have managed to freeze a portion of these funds (1.78 billion MNT), yet significant economic losses remain due to cyber incidents, underlining the critical need for preventive measures and effective financial tracking in cyber investigations.

In summary, cybercrime has significantly impacted Mongolian society by eroding trust in digital platforms, victimizing vulnerable populations, and spreading false information. Online fraud and scams, particularly on platforms like Telegram and WhatsApp, caused financial harm, discouraging people from adopting digital tools and delaying social benefits of digital transformation. Vulnerable groups, such as job seekers and minors, face heightened risks. Economically, it has led to 297.7 billion tugriks in losses over five years, weakened e-commerce confidence, and burdened public resources.

TABLE 1.   **Monetary damages from cybercrimes**

Years	Damages /mil.tug/	Reimbursed/compensated /mil.tug/	Frozen/mil.tug/
2020	1,233,096,803	321,977,025	10,100,000
2021	13,059,936,865 (10.5 times increased)	4,348,229,347	25,770,000
2022	36,222,717,531 (2.7 times increased)	11,249,479,281	278,045,807
2023	119,492,743,580 (3.2 times increased)	49,049,673,172	55,875,807
First 9 months of 2024	127,708,677,056	43,506,742,143	1,418,991,641
Total	297,717,171,835	108,476,100,968	1,788,783,255

(Source: National Police Agency)

1.2.2   Drug-related crime and violation, and human trafficking

The number of drug-related crimes and violations is increasing; 301 crimes were reported in the first 9 months of 2024, compared to 292 crimes in the same period of 2023; the same period witnessed increased incidents from 139 to 240 in violations. Crimes mainly happened in the capital city with 254 cases (84.4 per cent), while 47 cases (15.6 per cent) were in rural areas.

The number of persons who were accused of drug-related crimes and violations is increasing, especially for young ages from 18-24 and from 25-29. For example, in the case of accusations for crimes, 18-24 group had 30 persons and 25-29 group had 40 persons in the first 9 months of 2023; in the first 9 months of 2024, the same groups had 39 and 35 persons respectively. Similarly, with regard to accusation for violation, 18-24 group had 76 persons and 25-29 group had 17 persons in the first 9 months of 2023; in the first 9 months of 2024, the same groups had 91 and 37 persons respectively. Gender-wise, 126 were males (80.7 per cent) and 28 were females (17.9 per cent) for crime; 190 were males (84.4 per cent) and 35 females (15.5 per cent) for violation.

Total number of crime cases is also increasing over time. For example, there were 774 cases during 2016-2019, while they increased to 859 cases during 2020-2023 (Figure 5). In 2019-2023, 58 minors (under 16 years old) were convicted. Most of drugs were trafficked from outside, mainly from China, Russian Federation, Türkiye, Germany, Netherlands, USA, Canada, Thailand, and Malaysia. Main types of drugs were cannabis, ICE, hashish, morphine, synthetic cannabinoids, etc. Major trafficking routes were by land and air.

Number of crime cases
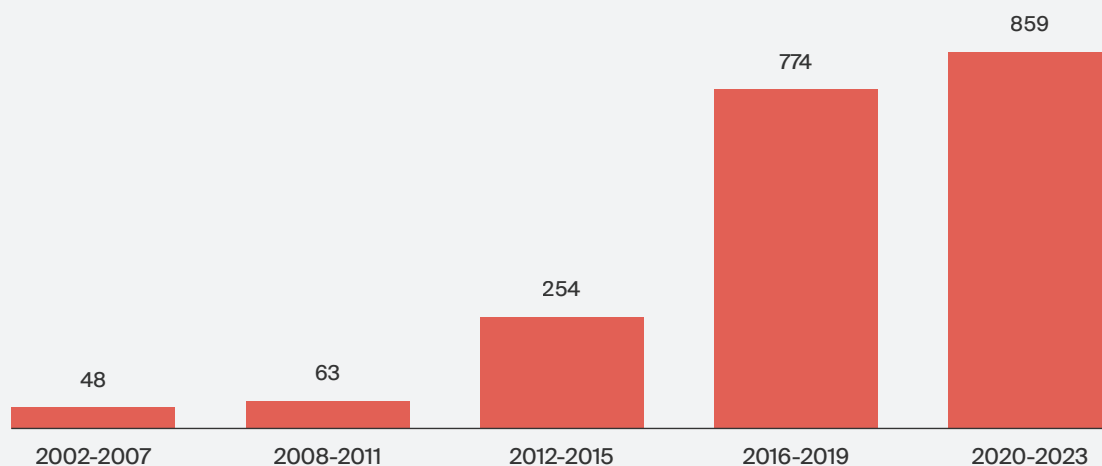
(Source: National Police Agency)

Human trafficking involving Mongolian citizens has significantly increased over the past year, particularly in connection with organized criminal groups from the Golden Triangle. Victims were cheated by fraudulent online offers, such as high-paying jobs or affordable travel abroad. Victims are predominantly young, with 51 per cent aged 17, 34 per cent aged 16, and 15 per cent under 15 years old. This underscores an urgent need for stricter cross-border control, public awareness raising, and stronger protection for vulnerable populations.

An analysis of human trafficking cases in Mongolia, conducted by the Criminal Police Agency and Internation Organization for Migration (IOM), reveals that traffickers are increasingly using the internet to exploit women and girls. Key methods include creating fake social media accounts on platforms like Facebook and Instagram to establish seemingly genuine relationships with victims, obtain intimate photos or videos, and then coerce them into sexual exploitation through threats. Additionally, traffickers advertise high-paying job opportunities abroad online, covering relocation costs to gain trust, only to hand over victims to foreign criminal organizations upon arrival. They also post deceptive ads on platforms such as Facebook, Instagram, and free ads pages, offering false opportunities, exploiting the vulnerability of the recruited women and girls. Another common tactic involves posting ads on Facebook offering financial support, which are used to lure financially desperate women and girls into trafficking situations. These methods highlight the growing use of online platforms to facilitate human trafficking in Mongolia.

1.2.3 Corruption

In the first six months of 2024, a total of 1,233 complaints and information of crimes were received by the Independent Authority Against Corruption (IAAC), among which 114 were carried over from the previous year and 1,119 were newly received. 165 out of 1,233 complaints and information were forwarded to the relevant authorities in accordance with the Law on Resolving Petitions and Complaints from Citizens to State Authorities and Public Officials. The number of complaints and information reviewed and resolved has increased by 5.8 per cent compared to the same period of the previous year.

Regarding criminal cases during the reporting period, investigations were conducted on 1,679 acts under jurisdiction as specified by law, with 966 related parties and 1,424 cases registered. This represented an increase of 5.7 per cent compared to the first half of 2023 (1,347 cases).

Out of the total cases investigated, 218 cases (15.3 per cent) were recommended for transfer to court; 245 cases (17.2 per cent) were refused to initiate criminal inquiry or have had criminal proceedings discontinued; 36 cases (2.5 per cent) were transferred to the prosecutor based on jurisdiction; 39 cases have been consolidated for investigation; and 26 cases have been suspended. Currently, there are 860 criminal cases remaining, consisting of 772 cases of inquiry and 88 investigative cases (Figure 6).

FIGURE 6.

Number of corruption cases under investigation

First half of 2024 — 860

First half of 2023 — 751

(Source: Independent Authority Against Corruption)

The resolution rate for criminal cases that underwent investigation was 37.8 per cent, with a total of 91 cases being conclusively resolved by the court. In the first half of 2024, crimes investigated resulted in losses totaling $126.7 million. Of this amount, $63.2 million was recovered as damage. Additionally, real estate, movable property, apartments, vehicles, and equipment worth $6.1 million had been seized and were being frozen.

In summary, corruption significantly undermines societal trust and governance in Mongolia, as reflected in the 1,233 complaints and 1,424 criminal cases reported in early 2024. It erodes confidence in public institutions, fosters perceptions of inequality, and weakens civic engagement. Economically, corruption has caused $126.7 million in losses, with only half recovered, deterring investment and diverting resources from productive uses. The systemic misuse of assets, such as seized real estate and vehicles, hampers economic growth, while delays in resolving 860 cases heighten uncertainty. Mongolia ranked 114th among 180 countries in the Corruption Perceptions Index 2024[11] of the Transparency International, which assesses perceived levels of public sector corruption.

11   https://www.transparency.org/en/cpi/2024/index/mng

1.3 Human development

Mongolia's human development index (HDI) of 0.741 in 2022 ranked it 96 out of 193 countries, placing it among the high human development category. The country moved from a lower middle-income country to an Upper Middle-Income Country (UMIC) in 2024[12].

However, the country has not fully recovered from a setback in human development progress as measured by HDI. The HDI had risen steadily until 2018, then started to decline and by 2022 it had still not recovered to its 2016 level (Figure 7). The progress in early years depended on the development of mining sector. One of the possible causes for Mongolia's HDI setback in recent years is also country's intensive reliance on fossil fuels and minerals as major contributors to its export revenues. Mongolia's dependence on mining commodities makes its economy vulnerable to global market fluctuations, leading to negative impacts on its national income during global recessions.

12   https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099809211252426575/idu12c0fb434188d-214fb6197d51d6b25d4b7e2d

FIGURE 7.   **Mongolia's HDI and PHDI**
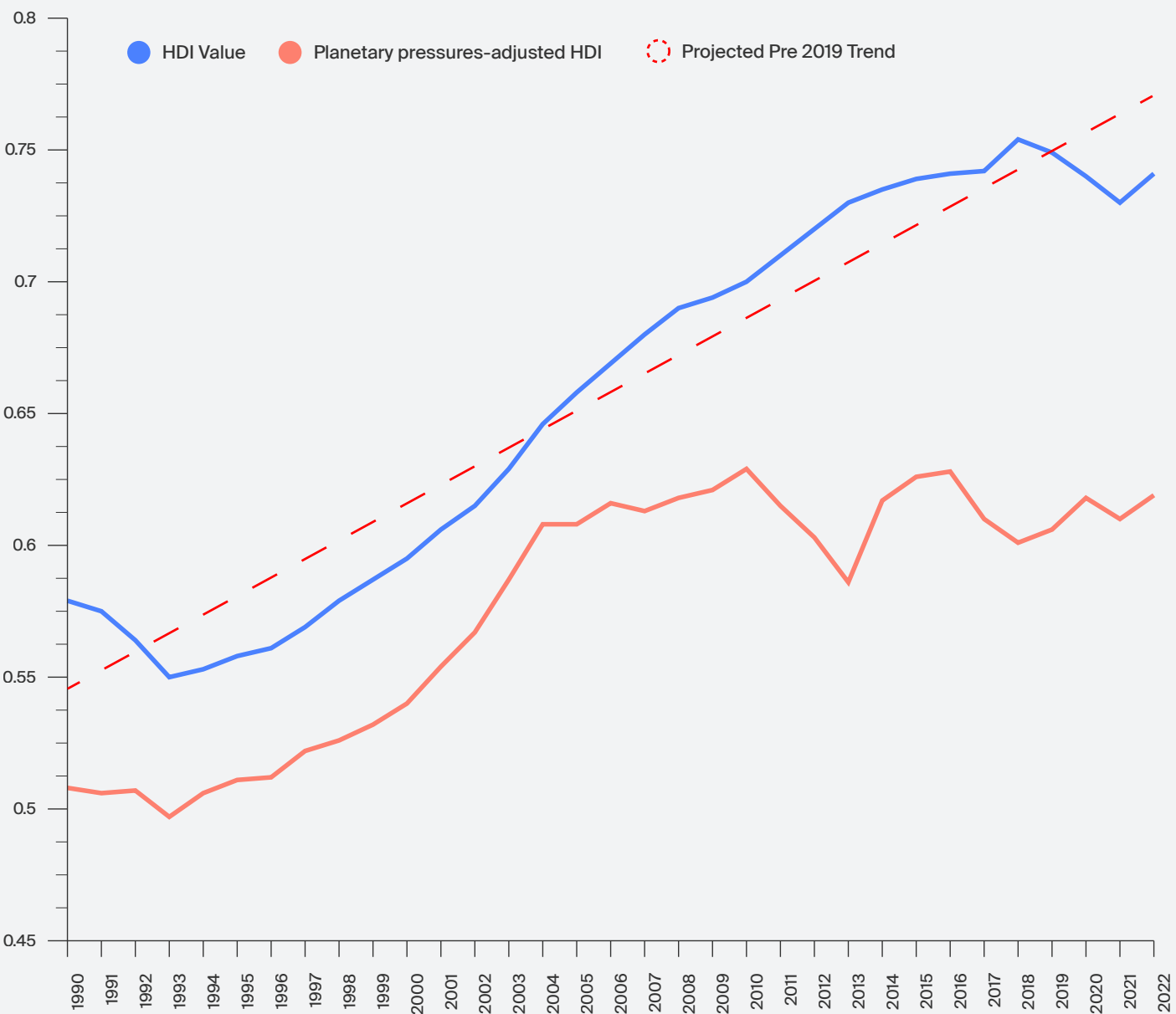
(Source: Human Development Report Office Data Centre)

Mongolia's intensive reliance on fossil fuels to power its economy has caused a significant impact on the environment and people's health. The United Nations Development Programme (UNDP)'s planetary pressures-adjusted human development index (PHDI), which adjusts the overall HDI for carbon dioxide emissions and material footprint, reveals the environmental cost of the country's current development model. The country is now among the highest per capita CO_2 emitters. In 2022, Mongolia's planetary pressures-adjusted HDI was 16.5% lower than its overall HDI, one of the largest adjustment factors across Asia and the Pacific, signaling the unsustainable trajectory of its growth.

In Ulaanbaatar and other urban centres, Mongolia's coal-dependent yet aging energy systems exacerbate power system inefficiencies, health risks, and climate vulnerabilities. The country's power generation through combined heat and power plants and the widespread use of coal stoves in 'Ger' housing contribute heavily to air pollution and greenhouse gas emissions. Despite high costs to human health, such dependence on fossil fuels only provides limited economic benefits. For example, the mining sector, which accounted for 28 per cent of the country's gross value added in 2023, employed a mere 5 per cent of the labor force, highlighting the country's limited economic diversification and untapped potential in other sectors.

To address these development challenges, Mongolia needs to foster a just energy transition — a strategic shift from fossil fuels to renewable energy that is fair and inclusive, leaving no one behind – that is fair to both beneficiaries and those who are negatively impacted from transition. This transition must go beyond environmental goals to align with broader human development objectives, such as sustainable economic growth, social inclusion, energy security, and leveraging partnerships for global energy policy and climate mitigation announced at COP29[13].

A just energy transition offers an opportunity for smooth transition from brown to clean energy, enhances resilience against crises, foster livelihoods and entrepreneurship, and creates decent employment opportunities across the economy[14]. Investments in skills development, worker protections, and adaptive social protection will be pivotal in ensuring that no one is left behind, especially women and youth, during this transformative phase.

13   29th Conference of the Parties: https://cop29.az/en/home
14   National Human Development Paper 2024: https://www.undp.org/sites/g/files/zskgke326/files/2024-11/nhdp_full_mongolia_final.pdf

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1.4 Labour and employment

The labour participation rate in Mongolia remains low at 62.2 per cent, with 71.4 per cent for men and 53.7 per cent for women in the 4th quarter of 2024[15]. The unemployment rate reached 5.3 per cent in the 4th quarter of 2024, indicating frictions in the labor market, including skills and job mismatch. The informal employment[16] accounts for about 46 per cent of the employed population. This means a significant portion of the workforce is engaged in jobs that are not regulated or protected by labour laws, leading to instability and a lack of social protection and benefits. Informal workers are predominantly found in sectors such as agriculture, trade and services, construction, transportation, and logistics. Skills mismatch and low labour productivity continue to pose challenges in the Mongolian labour market, often resulting in high worker turnover and low wages.

15 https://www.1212.mn/en/dissemination/97783262

16 Informal employment refers to all those who worked in informal jobs, i.e. who, during the reference period, were employees with no social protection coverage or with no paid annual leave and/or no paid sick leave, or were employers and own-account workers owners of informal sector enterprises or producing only for own-use production (as households), and all contributing family helpers (www.1212.mn).

1.4.1 Legislative reforms

The labour law was revised in 2021 and went into effect from 2022. The significance of this revised legislation is that it has extended the coverage of labour legislation to those who are working in the informal economy, ensuring key principles of employment, such as prohibition of forced labour and child labour, and non-discrimination and freedom of association and collective bargaining. The law provides that everyone working should have an employment contract in writing; however, if the nature of relations is employment related, then the labour law shall be applied despite signing an employment contract in writing. The law has prohibited forced labour and violence and harassment at work.

Social insurance package laws were approved in 2023, which includes four laws – Social Insurance General Law, Law on Pension of Social Insurance Fund, Law on Assistance to be issued from Social Insurance Fund, and Law on Pension, Assistance and Payment to be issued from Social Insurance Fund in relation to occupational accidents and diseases. The Government approved the Social Insurance package law in 2023, moving the old-age pension system from a notional defined contribution to fully funded individual accounts. The United Nations has advised the Government to implement careful reforms rather than radical changes regarding the fully funded account of old-age pension. With a significant number of low wage earners, the redistributive nature of the current system, including the minimum pension, ensures a decent living amount. For low earners, a pension based solely on their contributions would lead to a drastic reduction in their benefits. In countries with low wages, job instability, and vulnerable forms of employment, relying on individual savings accounts would likely result in greater income insecurity for many elderly people.

1.4.2 Research and study findings

The United Nations has conducted various surveys and studies in past years covering the topics of child labour, conscripts labour and prison labour, together with the National Statistics Office (NSO) and the National Human Rights Commission of Mongolia (NHRCM). According to the NSO, 138,500 children (16.2 per cent of all children) are in child labour, of which 62 per cent are boys and 38 per cent are girls. One in every two children working are in agriculture work and are in rural areas. Following the approval of the Labour law in 2021, the Ministry of Labour and Social Protection (now the Ministry of Family, Labour and Social Protection or MFLSP) has approved a list of jobs prohibited for minors.

The United Nations has concerns about the use of conscripts for non-military work. Reports[17] indicate that military conscripts are sometimes engaged in economic projects, which can include tasks that are not directly related to military duties. This practice has raised questions about the conditions under which conscripts are engaged in non-military work. The involvement of conscripts in non-military work should be carefully monitored to ensure it does not constitute forced labour.

17 ILO and NHRCM (2024) Assessing compliance of the Mongolian armed forces with ILO Conventions Nos. 29 and 105 on forced labour, 2024, available at https://www.ilo.org/publications/assessing-compliance-mongolian-armed-forces-ilo-conventions-nos-29-and-105 and NSO Mongolia, Forced labour survey, 2022, available at https://www.ilo.org/publications/forced-labour-mongolia

According to the NHRCM study[18], majority of prisoners report that they are working voluntarily, but only 55 per cent of them had signed an employment contract. This lack of formal agreements raises an issue of oversight and protection of prisoners' rights.

A big challenge in occupational safety and health is arising from the emergence of new forms of non-standard employment and the growth of informal workers. For instance, truck drivers in the Gashuun Sukhait area, a major hub for Mongolia's coal extraction and export activities, face significant risks. The high levels of dust in the area lead to health issues; also, the prevalence of road accidents threatens their lives and well-being. This situation should be classified as an occupational accident, requiring both the Government and employers to take appropriate measures to address and rectify the issue. A similar picture can be seen in other high-risk economic sectors such as construction.

18   ILO and NHRCM (2024) Assessing compliance of the Mongolian prisons with ILO Conventions Nos. 29 and 105 on forced labour, available at https://www.ilo.org/publications/assessing-compliance-mongolian-prisons-ilo-conventions-nos-29-and-105

1.5 Energy

The energy system in Mongolia takes advantage of its abundant natural resource, coal. Nevertheless, it is inefficient and unhealthy for humans due to air pollution and environmental impacts. In winters, carbon monoxide poisoning results in deaths of Mongolians underscoring the need for clean energy transition. Its negative impact on the environment leaves the country vulnerable to climate shocks. Another issue is that Mongolia's energy infrastructure is aging, and the costs of services are not fully recovered. Additionally, coal briquettes and other harmful materials are used in household stoves for heating during winters in the distinctive Ger (yurt) housing areas, which are unevenly scattered around Ulaanbaatar's suburbs.

In Ulaanbaatar, combined heat and power (CHP) plants are used for a centralized system for electricity and heating supply to downtown core. Domestic electricity consumption demand has overtaken domestic production capacity, forcing the country to fill the gap through imports. Around one-fifth of electricity is imported from China and Russian Federation for power needs in Mongolia's Western and Eastern regions. This situation is likely to get worse, as electricity demand is forecast to double between 2020 and 2050. Consumer electricity demand has surpassed production, adding to the stress on electricity generation and distribution systems. In winter 2023-24, this resulted in frequent blackouts in certain areas. Further, consumer energy tariffs are low. Energy provision of both heat and electricity is highly subsidized and does not fully recover the cost of production. Mongolia has subsidized residential electricity and heat consumption for consumers for years, including the use of modified coal briquettes by Ger area residents. This has resulted in uncontrolled use of energy by households. With low heat charges in the central district heating and absence of heating controls or a metering and billing system, people have little incentive to conserve energy.

Mongolia spent MNT 37,740 billion on electricity energy subsidies in 2023, an increase of 120 per cent over 2018. Fossil-fuel subsidies are considered regressive, as they offer greater benefits to high-income consumers. In November 2024, the government increased the electricity tariff on average by 29.6 per cent (280 MNT/kWh) and heat tariff by 85.9 per cent (62,960 MNT/Gcal). The electricity tariff increase for the mining sector is 16.5 per cent (342 MNT), and for households 50.8 per cent (212 MNT). Similarly, for heat tariff the increase for entities is 72.8 per cent (1,044 MNT/M3) and for households in Ulaanbaatar area 100 per cent while for other areas 56 per cent (1,012 MNT/M2)[19]. An increase in energy tariffs would have worsen economic wellbeing of the people living below or around the poverty line. While there is no increase in electricity tariff for households in need of social welfare support and assistance, the households marginally above the poverty line may fall below it. Therefore, any tariff increase would impact vulnerable populations severely, hence such actions must be taken gradually and accompanied by targeted energy social protection measures. Indeed, energy tariff increase in November 2024 has contributed to significant increase of inflation in November and December 2024.

In this context, renewable energy transition can be considered as an opportunity to reimagine Mongolia's green and diversified economic model. A policy brief by the Stockholm Environment Institute points out that "Mongolia has significant wind and solar energy resources, yet as of 2023, renewable electricity production was about 9 per cent of the total (6.2 per cent wind, 2.3 per cent solar, 0.5 per cent hydro), well below estimated global average of 30 per cent in 2023, highlighting the need for increased development and investment in this sector."[20]

19   https://erc.gov.mn/web/mn/news/921
20   https://www.sei.org/wp-content/uploads/2024/10/solar-and-wind-power-in-mongolia-2024-policy-overview-sei2024-046.pdf

By moving towards clean and affordable energy, Mongolia can reduce its environmental footprint, improve public health outcomes, and create new avenues for employment. A whole-of-society approach that actively involves communities, policymakers, and the private sector can drive this effort, accelerating progress toward the Sustainable Development Goals (SDGs) and net-zero targets. One such example is a pilot solution implemented by the UNDP on coal to solar transition by providing solar powered heating systems to 69 households in Ger districts of Ulaanbaatar and Erdenet. Scaling up such innovative solutions can significantly reduce air pollution.

The government has consulted the development partners and plans to provide clean energy to 80,000 new houses, eliminate energy related debt by 2027 and end coal subsidies. The path towards clean energy transitions is not just about reducing emissions; it's more about securing a better future for Mongolians. By fostering sustainable growth, empowering its people, and embracing innovation, Mongolia can chart a new trajectory that balances environmental sustainability with human development.

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Food security and agriculture

Mongolia faces significant challenges in ensuring access to affordable, healthy diets due to climate change and a heavy reliance on food imports. By addressing these challenges, Mongolia can improve food security, support sustainable development, and enhance the livelihoods of its population, particularly vulnerable herder communities. The government's efforts, including legislative reforms and cooperative initiatives, represent crucial steps toward building a more resilient agrifood system.

Mongolia faces a challenge in affordability of nutritious diets. The widely available cheaper and highly processed convenience foods are energy-dense and high in unhealthy fats, sugars, and salt. These foods contribute to rising rates of malnutrition and obesity. An insufficient supply of fruits and vegetables for daily dietary needs contributes to increasing rates of overweight individuals. Currently, 31 per cent of people aged 15-69 in Mongolia are overweight, while 7.3 per cent of children are overweight and obese. Prevalence of childhood overweight has surged to 28.6 per cent[21]. Moreover, food insecurity remains a critical issue in Mongolia. Recent estimates[22] show that 4.78 per cent of households are moderately or severely food insecure.

Mongolia's climate is warming nearly three times faster than the global average, contributing to more frequent occurrences of dzud, droughts, and other natural disasters. These events have placed the traditional pastoral livestock sector, upon which nearly a quarter of Mongolia's population depends, under significant strain. The 2023-2024 dzud led to the death of 8.1 million livestock, impacting 4,957 herder households losing over 70 per cent of their livestock and more than 500 households losing all their primary source of income and food[23]. The loss of livestock has had far-reaching social and economic consequences, including 1) increased poverty and malnutrition in herding communities, 2) reduced capacity for households to maintain adequate food consumption and 3) weakening of national food security, particularly for vulnerable populations.

On the other hand, the Livestock Census for 2024[24] presents a significant imbalance in composition of livestock. In 2024, the share of sheep to total number of livestock was 42.5%, goats were 39.8%, cattle were 8.8%, horses were 8.1% and camels were 0.8% (Figure 8).

21   https://www.unicef.org/mongolia/reports/fifth-national-nutrition-survey-report
22   National Statistics Office (2023). Indicators for Food Security Statistics 2022
23   State Emergency Commission
24   https://www.1212.mn/en/dissemination/93498272

FIGURE 8.

Share of five types of animals to total livestock (By end of selected years)
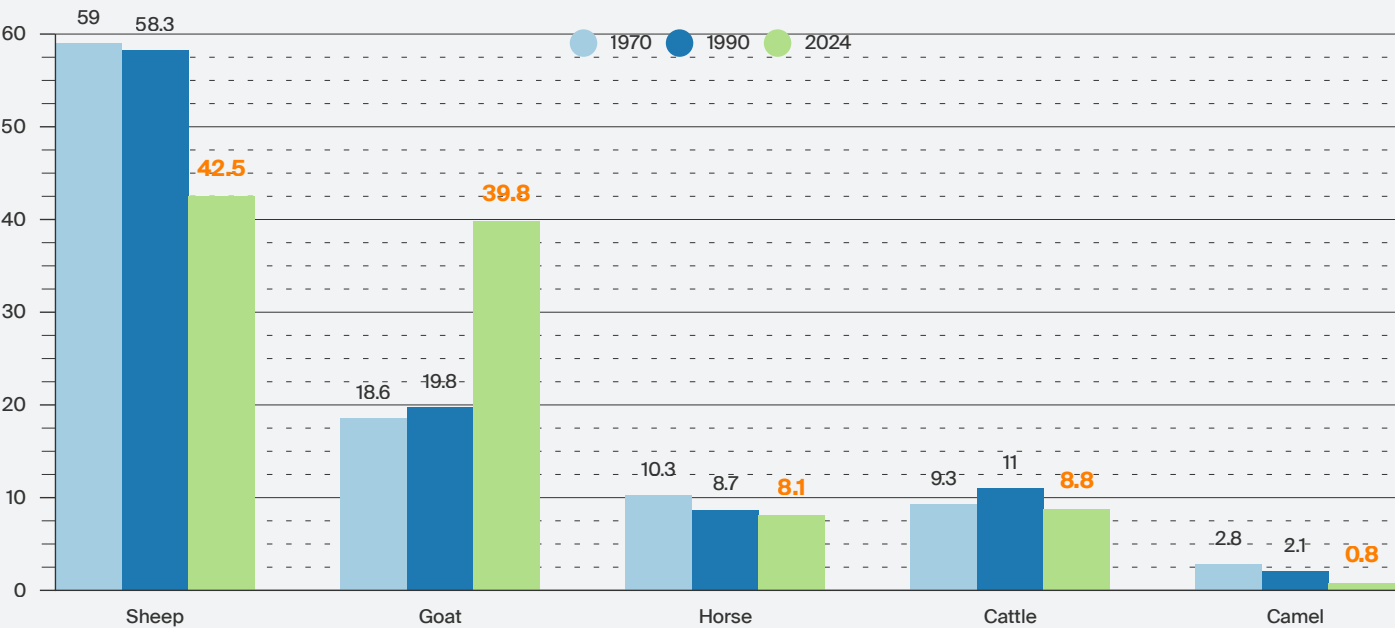
(Source: NSO, Monthly Bulletin of Statistics, January 2025)

The sheep to goat ratio in the herd structure was 75:25 or one goat per 3 sheep until 1990 in Mongolia, which was the traditional composition that livestock pastures and rangeland were used properly. However, this ratio has been reducing for about 30 years. The significant growth in the number of goats started since 1993. It almost reached the same level as the number of sheep in 1994-2003 due to price increase of cashmere. Between 2003-2009, the number of goats exceeded the number of sheep, and goats to sheep ratio became 50:50 during the years from 2009 to 2015. It should be noted that not only climate change and disasters but also improper management of livestock can pose a strain and cause a disruption in the entire eco-system, such as severe land degradation.

Mongolia's domestic food production concentrates on a limited number of staple products, such as meat, wheat, flour, and potatoes. Consequently, the country remains highly dependent on food imports, including key products such as dairy, vegetables, eggs, and poultry. For example, 98 per cent of chicken and poultry, 98.5 per cent of vegetable oil, and 100 per cent of beans, rice, and sugar are imported[25]. This high dependency on import leaves Mongolia vulnerable to global market fluctuations, impacting on its food security and affordability.

The Government of Mongolia has implemented several strategic policies and legislative frameworks aimed at improving food security and promoting sustainable development, including 1) Vision 2050, the country's long-term development policy, 2) Government Action Plan 2020-2024, which prioritizes food security and the reduction of malnutrition, and 3) launch of the "Food Revolution" National Movement (2022-2027), aiming to strengthen agricultural production and reduce Mongolia's dependency on food imports. The Parliament of Mongolia has also introduced amendments to key laws[26] related to food security, animal health, and crop farming to enhance the legal framework for addressing these challenges.

To mitigate the negative impacts of climate change on the livestock sector, the Government of Mongolia has initiated the "New Cooperative and Wealthy Herder" Program[27]. This initiative promotes the formation of herder cooperatives, encouraging collaboration to increase the economic returns from livestock products while enhancing resilience to climate risks. Expected outcomes of the initiative are 1) improved supply systems: stabilizing the supply of livestock products and reducing seasonal price fluctuations, which will in turn stabilize herder incomes, 2) increased affordability of nutritious food: enhancing livestock production to increase the availability and affordability of milk, dairy, meat, and wheat products, and 3) climate adaptation: improving the livestock sector's ability to adapt to climate change, manage risks, and develop sustainable production practices.

25   National Statistics Office, 1212.mn

26   Enacted: Law on Livestock and Animal Veterinary Drugs and Feed Additives; Amended: 1) Law on Livestock and Animal Health, 2) Law on Plant Health and Plant Protection, 3) Crop Law, 4) Law on Ensuring the Safety of Food Products, 5) Law on Food, and 6) Law on Food Products

27   shinehorshoo.gov.mn

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1.7 Digitalization

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Mongolia has made a good progress in digitalization, which was well recognized by international indicators published by UN agencies. In the ICT Development Index (IDI) 2024[28] of the International Telecommunication Union (ITU), Mongolia scored 87, which is 1 per cent increase from the score of 85.9 in 2023. The score under the Universal pillar is 82.9 and the score under the Meaningful pillar is 91.1. In the latest Global Cybersecurity Index (GCI) 2024,[29] Mongolia is categorized as Tier 3 – Establishing, which highlights basic cybersecurity commitment to government-driven actions that encompass evaluating, establishing or implementing certain generally accepted cybersecurity measures across a moderate number of pillars or indicators. The Index highlights the technical, cooperation, and capacity development measures as areas of potential growth for Mongolia.

In the e-Government Development Index (EGDI) 2024 of the United Nations, Mongolia ranked 46 (out of 193 countries) with the index score of 0.8457[30], which is a significant upward movement from 2022 in both rank (74) and score (0.7209). However, Mongolia's main improvement was in telecommunications infrastructure index, which measures connectivity, among EGDI components. The value in human capital index rather dropped much in 2024 (0.77748) from 2022 (0.83910); especially in the newly adopted e-government literacy, which assesses ability of all segments of the population to take full advantage of available e-government services and e-participation opportunities, Mongolia scored relatively low at 0.6111.

Mongolia has to continue improving digital infrastructure and connectivity especially in remote areas, as digital connectivity remains scarce due to geographical barriers. Government of Mongolia has worked on use of satellite communication and Internet services, such as Starlink[31] as well as owning its own satellite. While the Government of Mongolia continued enhancing its digital government services by launching the e-Mongolia 4.0[32] with integration of artificial intelligence in 2024, it is confronted with usage challenges resulting from digital gaps, especially for citizens in remote areas due to limited last-mile Internet connectivity and accessibility as well as lack of digital literacy. The Government of Mongolia established the Regulatory Agency of Government Digital Services[33] in 2023, whose role is to improve accessibility and availability of government digital services, including setting service centers in remote areas and provision of digital skills training to local communities. It should also be noted that Mongolia ranked relatively low as 67th out of 133 economies in the Global Innovation Index 2024[34]. Recognizing importance of expanding digital innovation to all social and economic sectors, the Government of Mongolia added a new portfolio of innovation to the Ministry of Digital Development and Communications by creating the innovation policy and regulation department, thus renaming the ministry as the Ministry of Digital Development, Innovation and Communications (MDDIC).

28 https://www.itu.int/hub/publication/d-ind-ict_mdd-2024-3/
29 https://www.itu.int/epublications/publication/global-cybersecurity-index-2024
30 https://publicadministration.un.org/egovkb/en-us/Data/Country-Information/id/113-Mongolia
31 https://x.com/Starlink/status/1763427037782720980?lang=en
32 https://e-mongolia.mn/guide
33 https://khurdan.gov.mn/
34 https://www.wipo.int/web-publications/global-innovation-index-2024/en/

Education

In the last five years, Mongolia has been implementing significant reforms across all sub-sectors of education based on the Education Sector Mid-Term Development Plan 2021-2030, the law of education, review of education policy, commitment to Transforming Education Summit (TES), commitment to the Education for Sustainable Development, commitment to the Digitalization of Higher Education, commitment to the Pact for the Future, key findings of the Mid-Term Review of SDG 4, and other laws and policies related to different education sub-sectors.

The Government has amended the General Law on Education (article 6, clause 6.1) on 7 July 2023 integrating English subject as mandatory foreign language from 3rd grade, which entered into force in July 2024. This amendment creates an enabling opportunity for learners from lower income quintile to upper income quintile families to learn English as a second language. This would help reducing the disparity of English learning opportunities between children of lower income families and upper income families. On the other hand, families who used to send their kids to private schools and spent a significant amount of money for learning English might change their decision of sending their kids to private schools, which would help them to reduce additional expenditure because English learning is available at public schools. Nonetheless, ensuring readiness of teachers and mentors for teaching English properly remains as a challenge.

One of the rights guaranteed to the citizens of Mongolia, as stated in the Constitution of Mongolia (Parliament of Mongolia, 1992, article 16(7)), is that the "State shall provide universal general education free of charge". A World Bank analysis[35] points out an issue on the coverage of the terminology "free of charge", particularly for the children with socioeconomically disadvantaged backgrounds. Despite the

constitutional rights, students need to spend a significant amount of money on an education-associated cost such as buying notebooks, stationeries, uniforms, etc., which may pose a burden for lower income families to reduce their family living expenses to cover such cost.

While Mongolia's schooling system maintains high enrollment and completion rates, there is substantial scope for the government to improve quality, efficiency, and equity. The quality-adjusted years of schooling in the World Bank analysis of Programme for International Student Assessment (PISA) 2022 is relatively low. Students attend an average of 13.2 years but achieve an 8.8 year equivalent of quality-adjusted schooling based on the PISA 2022 data, revealing a gap of 4.4 years. There is a lack of initiatives for minimizing such gaps from the Government, which will ultimately create a negative impact on developing skilled human resources for competing in the global market despite the satisfactory PISA result in 2022.

The World Bank analysis of PISA 2022 also points out an issue of equity; students from socioeconomically disadvantaged backgrounds, rural areas, non-Mongolia language backgrounds, and herder families underperform compared to their peers. For example, students from the lowest income quintile perform at approximately 4.5 years of schooling behind their peers from the highest income quintile in reading, mathematics, and science; it deserves immediate attention of the Government to mitigate such gaps since disparity can be widened in society without intervention.

Figure 9 shows the share of education and science budget[36] in the share of GDP. There is a significant increase in budget allocation to education in 2022 compared to 2021, while there is comparatively minor increase in 2024 compared to 2023.

35 World Bank Education sector enabling assessment 2024.
36 The budget of the education sector includes the budget of education management and other organizations.

FIGURE 9.

Education budget in the share of GDP
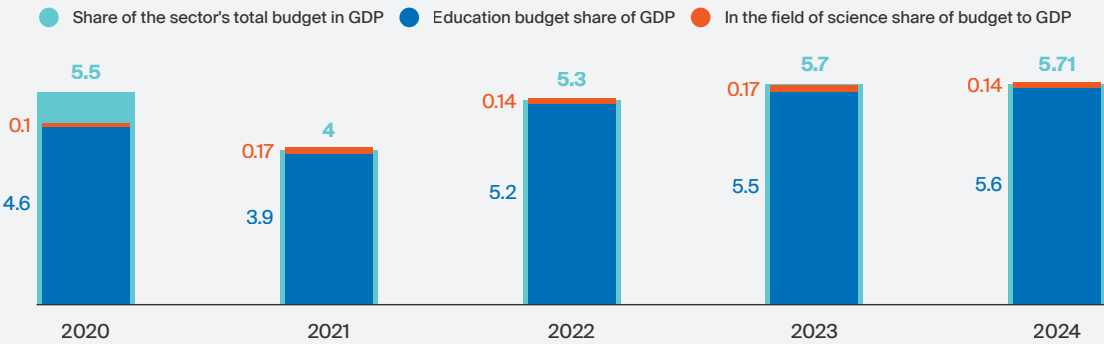
Source: Education and Science Yearbook 2023-2024[37]

37 https://cdn.greensoft.mn/up-loads/users/2649/files/Statistics/Education_and_Science_Year-book_2024.pdf

Legend: ● Share of the sector's total budget in GDP ● Education budget share of GDP ● In the field of science share of budget to GDP

Year	Share of the sector's total budget in GDP	Education budget share of GDP	In the field of science share of budget to GDP
2020	5.5	4.6	0.1
2021	4	3.9	0.17
2022	5.3	5.2	0.14
2023	5.7	5.5	0.17
2024	5.71	5.6	0.14

Human capital development is corelated with investment in education and its equitable distribution. Figures 10 shows HDI and population education index of Mongolia by provinces and Capital city, which indicate a need for an in-depth analysis and taking immediate measures to ensure equitable growth of human capital.

Figure 11 shows ranking and score of Mongolia's competitiveness. It reveals that Mongolia's score got higher gradually from 45.7 in 2016 to 52.6 in 2018 but went down from 52.6 in 2018 to 35.6 in 2023. Ranking-wise, Mongolia ranked 62nd out of 64 countries in 2023. It should be noted that education is a key tool contributing to the overall socio-economic competitiveness of a country.

FIGURE 10.   **HDI and Population education index by provinces and Capital city**

Country Values
● 0.780
■ 0.754

Orkhon
● 0.830
■ 0.735

Darkhan-Uul
● 0.730
■ 0.748

Ulaanbaatar
● 0.850
■ 0.891

Uvs
● 0.700
■ 0.617

Khövsgöl
● 0.690
■ 0.606

Selenge
● 0.730
■ 0.639

Bayan-Ölgii
● 0.720
■ 0.643

Bulgan
● 0.720
■ 0.601

Dornod
● 0.740
■ 0.657

Zavkhan
● 0.720
■ 0.627

Arkhangai
● 0.710
■ 0.596

Khentii
● 0.730
■ 0.625

Khovd
● 0.740
■ 0.652

Töv
● 0.720
■ 0.621

Sükhbaatar
● 0.740
■ 0.601

Govi-Altai
● 0.710
■ 0.619

Bayankhongor
● 0.690
■ 0.615

Övörkhangai
● 0.690
■ 0.592

Dundgobi
● 0.710
■ 0.585

Dornogovi
● 0.730
■ 0.645

Govisümber
● 0.750
■ 0.702

Ömnögovi
● 0.780
■ 0.652

Legend
● Human Development index
■ Population education index

(Source: Education and Science Yearbook 2023-2024)

FIGURE 11.   **Mongolia's competitiveness ranking and score**

● Ranking   ● Score

Year	2016	2017	2018	2019	2020	2021	2022	2023
Ranking	60	62	62	62	61	60	61	62
Score	45.7	48.1	52.6	45.1	43.4	40	36.2	35.6
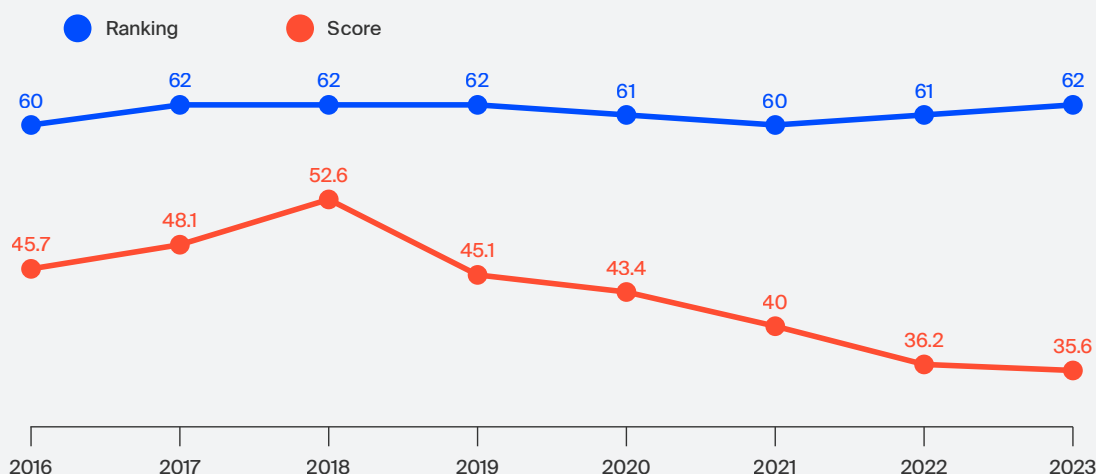
(Source: Education and Science Yearbook 2023-2024)

2 Environmental analysis

Mongolia ranks 143rd in the 2024 Environmental Performance Index (EPI) with a score of 37.2[38]. It faces significant challenges in areas like air quality (ranked 160th), waste management (176th), agriculture (174th), and climate change mitigation (177th). However, Mongolia scores relatively highly in biodiversity and habitat (34th). Although Mongolia is showing progress in overall performance compared to its ranking at 155th in 2022 EPI, the score indicates room for substantial improvement especially in the areas of environment and health, and climate actions.

A study[39] was conducted for analysis of 34 volatile organic compounds (VOCs) using an online VOCs instrument at 30-min intervals in November 2023 in Ulaanbaatar (UB); the top 10 compounds, such as benzene, toluene, ethylbenzene, and xylenes (BTEX), constituted 80 per cent of the total. Benzene poses a significant cancer risk to adults, emphasizing the need for continuous monitoring. These findings provide crucial data for developing air quality policies in UB, particularly to mitigate benzene-related health risks and protect public health.

The World Bank's Country Climate and Development Report of Mongolia[40] points out that an additional investment of more than $10 billion is needed over the next 25 years to achieve Mongolia's climate and development goals. The report recommends a series of short- and medium-term policy actions that balance climate concerns with economic development objectives, including:

1. Increase climate resilience and reduce emissions in rural areas by optimizing the management of its natural capital, reforming agricultural incentives and taxes, managing and restoring forests, and improving agricultural water use efficiency;

2. Prepare for an eventual reduction in coal demand while positioning the country as a global supplier of other minerals and related services; the report notes that while global decarbonization efforts are expected to reduce coal demand by the 2040s, posing economic risks for Mongolia, they could also boost demand for Mongolia's copper and other minerals, thereby creating potential economic opportunities;

3. Implement electricity and heating tariff reform to reduce subsidies, invest in energy efficiency measures to reduce current energy system pressures, integrate energy storage, and improve grid capacity and flexibility to facilitate wind and solar deployment; and,

4. Augment and recalibrate disaster response financing, boost disaster preparedness in rural areas, and better monitor and report adaptation and decarbonization efforts.

38   https://epi.yale.edu/measure/2024/EPI

39   First measurement report for volatile organic compounds characteristics during winter in Ulaanbaatar, Mongolia, available at https://www.science-direct.com/science/article/pii/S2405844024161166

40   https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099101624054513645/p5005041b4ccef0d-218575140014314d1e5

2.1   Dzud situation

In the winter of 2023/2024, the country experienced severe iron and white dzud, a unique natural disaster that significantly impacted the livelihoods of herders reliant on livestock income.[41] During the peak dzud conditions, 58 soums (17 per cent of the total) were under iron dzud, while 139 soums (41 per cent) faced white dzud[42]. This situation led to over 4,957 households losing more than 70 per cent of their livestock[43]. See Box 1 for analysis on socio-economic impact of the dzud 2023-2024.

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41   Publication on Livestock Loss, dated 16 July 2024, National Statistics Office. Available at: https://downloads.1212.mn/QEldsBK6gBJH-ZoP3epsF0u9bo6tiOklqk8euRaP.pdf

42   https://mongolia.un.org/en/264825-mongolia-dzud-response-plan-march-2024-update

43   Presentation made by State Secretary of the Ministry of Food, Agriculture and Light Industry in the Humanitarian Country Team meeting, dated on 30 April 2024.

BOX 1. | Socio-economic impact of dzud 2023-2024

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Livestock loss:
8.1 million heads of livestock, with the highest losses occurring in Sukhbaatar, Gobisumber, Khentii, Arkhangai, Tuv, and Dornogovi Aimags located in the eastern and central parts of the country.

Economy:
The agriculture sector (80 per cent from livestock) contributes to approximately 15 per cent of Mongolia's GDP. As of July 2024, the agricultural sector's GDP declined by 27 per cent due to the impact of the dzud and the resulting loss of livestock.

Household income:
On average, net income per household member per month is expected to decrease by MNT 77,000, or around 12 per cent, with reductions ranging from 9 per cent for households with fewer than 200 animals to 20 per cent for households with more than 1,000 animals. There is also a very high risk of households with 201-500 animals falling into poverty in Dornod, Zavkhan, and Sukhbaatar.

Food security:
Livestock losses lead to a decrease in the production of staple meat and dairy products, particularly in the most affected Aimags. This resulted in higher prices, lower product accessibility to the poorer section of society, and worsening food security

Physical and mental health:
It is observed that extreme climatic events impact the health of family members and around 20 per cent of households are highly impacted by health-related issues. A study carried out by World Vision on the impact of dzud in 37 Soums of 5 Aimags during 2023 shows that 67 per cent of the men herders were under depression. Surveys carried out under the ADAPT project depict that 46 per cent of the family members could not stay together in winter camps.

Migration:
As livestock, which is the primary source of income and sustenance for herders, perishes, families are left with few resources to sustain their traditional way of life. As a result, they migrate to cities in search of alternative employment, education for their children, and social services. The influx of rural populations into cities, particularly Ulaanbaatar, places significant strain on urban infrastructure. Baruun-Urt, one of the worst affected soums showed higher migration rate than other soums in Sukhbaatar Aimag during the dzud 2023-2024.

Education:
High levels of snowfall combined with cold temperatures (less than -40°C) make it very difficult for students and teachers to get to school. As such, older kids don't often go to school in the centres; instead, they stay home to help out the family. Due to the weather conditions, 90 kindergartens, 88 schools, 18 boarding houses, and 6 gymnasiums had problems such as frozen water and heating lines, damaged roofs, etc. Migration also resulted in temporary school dropouts and learning losses since only children from families who have domicile certificates from the governor's office get admission in schools.

Source: UNDP (2024). Socio-economic Impact Assessment of Dzud 2023-2024 and Development of Dzud Resilience Strategy. Ulaanbaatar.

In response, the Humanitarian Country Team (HCT), led by the UN Resident Coordinator, issued two international appeals at the request of the Government of Mongolia. The aim was to provide timely humanitarian assistance to 76,000 people across multiple sectors, including food security and agriculture, health, nutrition, protection (Gender-based violence or GBV, and child protection), and WASH[44]. To meet this target, the HCT successfully delivered direct assistance to 66,685 individuals and raised a total of $10.6 million out of a goal of $13.7 million[45].

Looking ahead to the winter of 2024/2025, the National Agency Meteorology and the Environmental Monitoring (NAMEM) forecasts lower temperatures than the multi-year average in central, eastern, and western regions starting in December 2024. Additionally, increased precipitation is expected in the northern areas in January 2025 and in the eastern areas in February 2025. These predictions suggest a potential for dzud conditions to re-occur in the winter of 2024/2025[46].

With warming climate, the frequency and the intensity of dzud is expected to increase. The "Fourth National Communication of Mongolia under the United Nations Framework Convention on Climate Change" submitted in May 2024 discusses the significant impacts of climate change on various natural and socio-economic sectors of the country.[47] Following future impact assessment based on SSP 8.5 (Shared Socioeconomic Pathway 8.5) and RCP 8.5 (Representative Concentration Pathway 8.5) maximum greenhouse gas emissions scenarios of the 6th and 5th Assessment Report respectively from the Intergovernmental Panel on Climate Change (IPCC) for the period 2046-2065, the national communication reports that the frequency of drought will increase by 5-45 per cent, and the frequency of dzud will increase by 5-40 per cent. Due to the increasing intensity of drought and dzud, mortality of livestock will increase 5.5 per cent compared to number of animals of beginning of the year in middle of this century. According to this estimation, the mortality rate is projected to increase 50 per cent in the middle of this century.

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44   Dzud Response Plan 2024 https://mongolia.un.org/en/264825-mongolia-dzud-response-plan-march-2024-update

45   Dzud Monitoring via 5W dashboard https://shorturl.at/gG2cX

46   https://weather.gov.mn/

47   https://unfccc.int/documents/638318

2.2 Multidimensional analysis on impact of dzud

Dzud has a severe impact on Mongolia's livestock population, causing large-scale animal deaths due to starvation, cold stress, and the unavailability of pasture. These losses significantly affect household income, food security, and the rural economy. Animals weakened by drought in previous summers are particularly vulnerable, worsening the effects of dzud.

The consequences include massive livestock deaths, as animals are unable to access pasture under snow, leading to malnutrition and freezing. Surviving livestock often suffers reduced productivity, impacting milk, wool, and meat production, which in turn affects herders' incomes. The economic strain on herders can push families into poverty, as many rely entirely on livestock for their livelihoods. Additionally, dzuds contribute to selected overgrazing and land degradation, which can lead to long-term desertification.

Severe dzuds may also cause displacement or force herders to migrate to better pastures and urban areas, increasing urban poverty and straining city infrastructure. Due to this uncontrolled situation, some settlement areas, particularly Ulaanbaatar city, are facing challenges such as air pollution, traffic congestion, social service problems, including

schools, kindergartens, medical attention, etc. Most importantly, severe dzuds and dzud-induced migration are exacerbating the socioeconomic vulnerabilities of herders and internal migrants in Mongolia.

Dzud has far-reaching and complex environmental impacts, profoundly affecting not only domestic livestock but also wildlife and biodiversity. While livestock populations plummet, many wild animals, including herbivores like black-tailed gazelles and ibex, face the same challenges in accessing food. Predators may initially benefit from the abundance of carcasses, but as prey populations decline, their survival also becomes threatened, leading to an overall reduction in biodiversity. The delicate balance within ecosystems is disturbed, and recovery can take years, especially for species that are already vulnerable.

According to the Wildlife Conservation Society (WCS), the 2023/2024 dzud has severely impacted vulnerable wildlife like Khulan (Asiatic Wild Ass). Urgent monitoring and conservation efforts are needed to protect these ungulate populations, particularly as habitat fragmentation and limited resources during harsh winters pose significant threats to their survival.

A multi-faceted approach addressing both dzud preparedness and habitat connectivity is essential for their long-term conservation.

Land degradation is another critical consequence of dzuds. Prior to these extreme winters, overgrazing by livestock often leaves the land stripped of vegetation and highly vulnerable to erosion. When a dzud occurs, the already weakened soil structure becomes even more susceptible to degradation. The loss of vegetation accelerates desertification, severely compromising the land's ability to recover. This cycle of overgrazing and dzud-induced damage can lead to a continuous decline in land quality, making it increasingly difficult for ecosystems and human livelihoods to recover. The migration of livestock to limited grazing areas further intensifies pasture degradation.

Mass die-off of livestock creates additional challenges. The large number of livestock carcasses left behind often complicates disposal efforts, posing environmental and logistical difficulties. Decomposition of thousands of animal carcasses during dzuds introduces risks of soil and water pollution. As carcasses break down, they release organic waste and pathogens into the environment, potentially contaminating water sources. Snowmelt can carry these pollutants into rivers, lakes, and groundwater, exacerbating the problem. Improper disposal of dead animals further heightens the risk of disease transmission, impacting both wildlife and human populations that depend on these water resources. Although the decomposition of carcasses may temporarily enrich the soil with nutrients, this benefit is negligible compared to the extensive environmental damage caused by dzuds.

In response to these challenges, Mongolia became the second country to conduct "A One Health Joint Plan of Action" in the Asia Pacific region in September 2024[48]. The "One Health (2022-2026)" is for addressing interconnected health risks affecting humans, animals, plants, and the environment, and it emphasizes the importance of tackling critical issues such as emerging zoonotic diseases, antimicrobial resistance (AMR), food and water safety, and environmental health. However, implementing this comprehensive approach faces numerous challenges, including inadequate cross-sector collaboration, insufficient integration of environmental considerations, and limited resource availability. These barriers highlight the urgent need for stronger institutional frameworks and sustainable investments to advance One Health principles effectively.

In April 2024, the government adopted the Law on Mitigating the Negative Effects of Climate Change on Traditional Livestock Husbandry, designed to improve the resilience of the livestock sector to climate change. To support this legislation, the New Cooperative - Wealthy Herder Program has been launched. This programme focuses on strengthening local supply systems and promoting value-added agricultural manufacturing and livestock husbandry.

The initiative is aimed at fostering a risk-resilient nomadic lifestyle by diversifying and stabilizing herders' income sources. It offers coaching programmes and provides herder cooperatives with soft financing options at low interest rates, helping them improve their economic stability and adaptability in the face of climate-related challenges. These efforts work together to build a sustainable and resilient livestock industry while supporting the livelihoods of herding communities.

Additionally, in April 2024, the Mongolian government implemented the Decision No. 173, titled "About Some Measures for Disposal of Animal Carcasses and Animal Disease Prevention", to address the severe consequences of the devastating dzud that resulted in significant livestock deaths. The decision outlines essential actions to manage animal carcasses, aiming to prevent the spread of zoonotic diseases and environmental contamination as temperatures rise and snow melts.

The plan includes organized burial and incineration of carcasses to prevent groundwater contamination and mitigate the risk of disease outbreaks. Veterinary teams are being deployed to ensure the safe handling and disposal of these remains, minimizing the spread of pathogens from decomposing animals. Provincial authorities have been directed to prepare for large-scale carcass removal operations, prioritizing environmentally safe methods to protect water sources and soil from contamination.

The combination of biodiversity loss, land degradation, and water pollution creates significant long-term challenges for ecosystem recovery. Given the frequency and severity of dzuds in Mongolia, these impacts underscore the urgent need for sustainable land management practices and improved disaster preparedness to mitigate the effects of future dzuds.

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48   https://extranet.who.int/sph/mongolia-becomes-second-country-conduct-one-health-joint-plan-action-asia-pacific-region

3 Political development and governance

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3.1   Policy, governance and institutional changes

3.1.1   Outcome of 2024 parliamentary election

Ahead of the Parliamentary election, all political parties agreed for the constitutional reform to increase the number of parliamentary seats while enabling a proportional system, knowing well that it benefits the opposition and smaller groups. On 28 June 2024, the parliamentary election took place after significant constitutional amendments in May 2023, which increased the size of the parliament from 76 to 126 members and introduced a mixed electoral system, aiming to enhance the parliament's strength and diversity. Out of 2.2 million registered voters, approximately 69.4 per cent cast their votes during the elections nationwide (70 per cent in Ulaanbaatar and 60 per cent in the rural constituencies). Also, 9,579 Mongolian citizens, living abroad voted at 47 polling stations in 33 countries.

In the Parliamentary election, the Mongolian People's Party (MPP) achieved its third consecutive victory since 2016, securing 68 seats in the parliament and remaining as the largest parliamentary grouping. The ruling MPP has dominated the political landscape for the past eight years and further consolidated power by winning the presidency in 2021. The consecutive victory was historic, as no party was able to secure such success in three decades of democratic elections. Yet the price was a diminished majority, 54 per cent of the seats compared to the previous 83 per cent it secured in the previous election (Table 2).

The center-right opposition Democratic Party (DP) received 42 seats, boosting its parliamentary weight from under 20 per cent to 33 per cent. The HUN party secured eight seats and increased its parliamentary presence from 1.3 per cent to 6 per cent. The National Coalition, consisting of the Green and National Democratic parties, and the Civil Will-Green Party, each secured four seats. The success of multiple parties highlights a desire among the country's citizens for more varied representation in the young democracy context.

TABLE 2.   Outcome of 2024 parliamentary election

Political Party	Party Leader	Seats	Seat %	+/–
Mongolian People's Party (MPP)	Luvsannamsrain Oyun-Erdene	68	54.0%	+6
Democratic Party (DP)	Luvsannyamyn Gantumur	42	33.3%	+31
HUN Party	Togmidyn Dorjkhand	8	6.3%	+7
National Coalition (Mongolian Green Party, National Democratic Party)	Nyamtaishiriin Nomtoibayar	4	3.2%	New
Civil Will-Green Party	Batyn Batbaatar	4	3.2%	+4

The changes in the Election Laws and larger constituencies are also intended to strengthen political parties and make them more like the classic parliamentary parties, weakening electoral patronage linkages. The proportional representation system has diversified voices in parliament. Representation of five political parties in the parliament is a novel phenomenon in Mongolian politics. 16 out of the total 21 parties that ran remained outside the parliament. But nine political parties secured access to a public fund for party consolidation starting in 2025.[49] In this election all parties elected to the parliament claimed success. The DP's 42 seats are a big jump from 2020 election. The Civil Will-Green Party comes back to the political stage after being last represented in the 2012-2016 parliament. With 60 per cent of elected ones being first-time representatives, the new Parliament is the most diverse ever. Their arrival signals a generational shift and a desire for fresh perspectives on national law-making procedures. The representation of Kazakh nationals has increased to five.

The parliamentary elections in Mongolia were well run and candidates could campaign freely overall, but competitiveness was negatively affected by the lack of a level playing field and a series of pay rises and social benefit increases in the run-up to the elections gave an unjust advantage to the ruling party, as pointed out by the international observers.[50]

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49   Orgil Dugersuren, Mongolia's coalition dominance may undermine democracy. Published: 23 August 2024
https://eastasiaforum.org/2024/08/23/mongolias-coalition-dominance-may-undermine-democracy/
50   Mongolia, Parliamentary Elections, 28 June 2024: Statement of Preliminary Findings and Conclusions | OSCE

Overall, the technological advancements used in Mongolia's electoral process contributed to the transparency and efficiency of the voting process. Mongolia has a diverse media scene and coverage of the election was extensive, but the lack of in-depth news coverage and analytical reporting undermined the ability of voters to make an informed choice.

According to the Law on Parliamentary Elections (2023), particularly nominations from political parties and coalitions, changes were made that at least 30 per cent of all candidates in the 2024 election and 40 per cent in the 2028 election shall be either gender. When nominating candidates by political parties' lists, it shall be made based on the order of the list with a 1:1 gender ratio. In the 2024 elections, 61 per cent of total candidates were men, and 39 per cent were women. In the 2024 election, 32 women were elected to the new Parliament. The proportion of seats held by women in the parliament has increased to 25.4 per cent. 24 of these women were elected through party lists which use the 'zipper' system mandating equal gender representation. This achievement is close to the world average of 26.9 per cent and represents an 8.3 per cent increase compared to the election in 2020. As of January 2025, Mongolia is ranked 96th in the Inter-Parliamentary Union's ranking of women in national parliaments.[51] This ranking reflects the significant increase in female representation, with 32 women holding seats in Mongolia's 126-member parliament in 2024.

For the Mongolian diaspora community, 2024 Parliamentary elections marked a significant shift in the country's electoral landscape, reflecting a deliberate effort to modernize the process and enhance inclusivity. The change in the number of seats not only diversified the electoral process but also empowered the diaspora by allowing them to vote for political parties, thereby integrating their voices more effectively into Mongolia's political discourse. The digitization of voter registration for the diaspora was another critical advancement, addressing logistical and financial barriers that previously hindered participation. By enabling online registration, the reform eliminated the need for multiple visits to diplomatic missions, making the process more efficient and inclusive. Moreover, the extension of the voting period from two to four days, including weekends, demonstrated a commitment to accommodating the diaspora's diverse schedules and increasing voter turnout. Finally, the increased attention from political parties to diaspora-related issues highlighted a shifting political landscape. As parties actively incorporate diaspora concerns into their agenda, it reflects an understanding of the diaspora's potential influence and the importance of addressing their unique needs. This effort has not gone unnoticed as this year marked a 'record-breaking' number of 9,768 out of the registered 13,095 Mongolian diaspora casted their ballot at the 47 diplomatic missions of Mongolia in 34 countries (Figure 12).

51   Monthly ranking of women in national parliaments | IPU Parline: global data on national parliaments

FIGURE 12.   **Voter registration and turnout (By elections)**
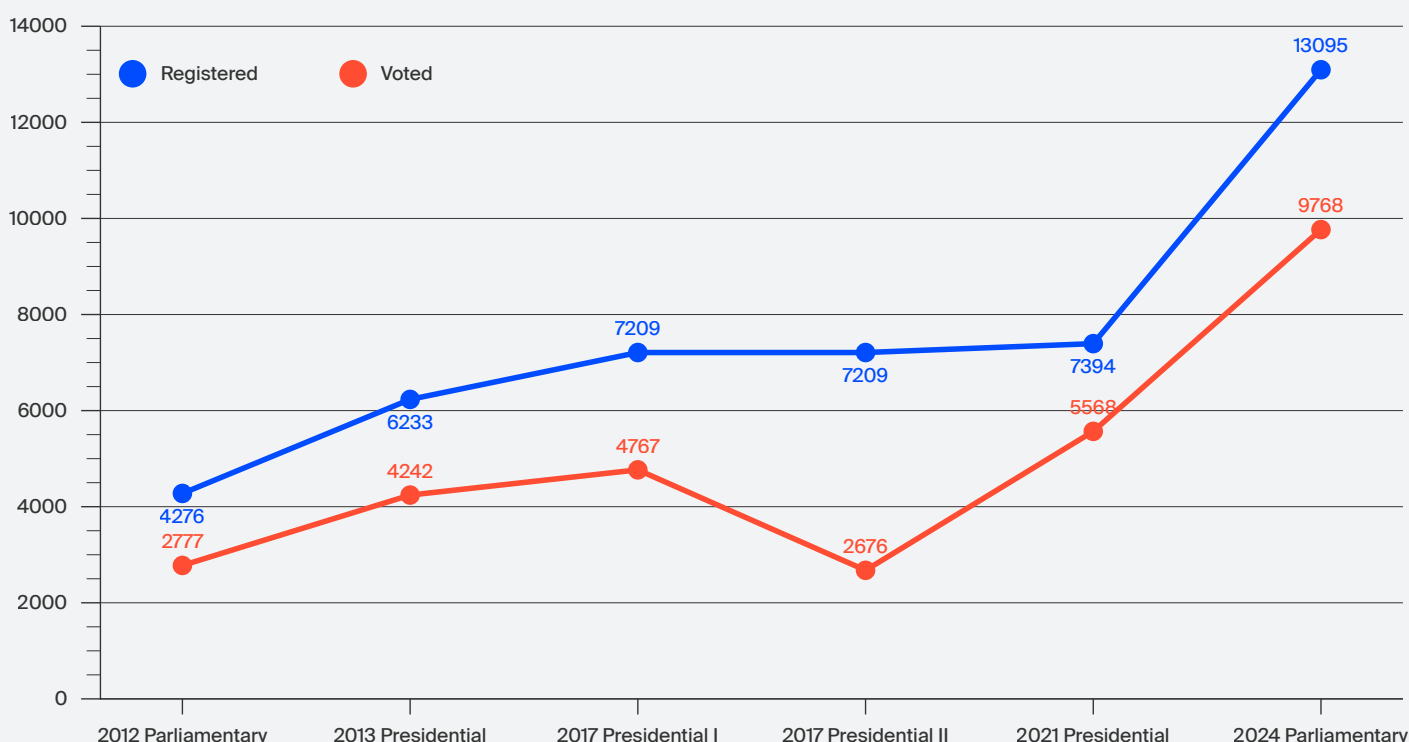
(Source: General Election Committee, 2024)

3.1.2 Coalition government and the Government Action Program 2024-2028

The MPP formed a coalition government despite holding the majority of Parliamentary seats. But despite progress in political pluralism with five political parties represented, concerns have been raised over the lack of a strong opposition potentially impacting checks and balances within Mongolia's democracy. But former prime minister S. Bayar took a different tone, stated that 'the opportunity to resolve large-scale infrastructure projects will arise only when national consensus is achieved, with internal and external policies aligned, and political parties unified towards attracting foreign investment'.[52] The decision to form a coalition government aims to swiftly address Mongolia's development challenges, consider the critical international relations and geopolitical situation, and emphasize national unity, according to the parties.

A memorandum of understanding (MoU) was signed on 8 July 2024 by the MPP, DP, and Hun Party to establish a coalition government that includes a prime minister, 22 ministers, and 16 ministries. On 10 July 2024, Mongolia's coalition government was inaugurated. Although the MPP holds the Prime Minister post and majority of cabinet positions, the DP and HUN parties maintain control over critical portfolios, such as economic policy, mining, and foreign investment.

Mr. Oyun-Erdene Luvsannamsrai, the chairman of the ruling MPP, was re-elected as the prime minister for a second term. Twelve ministers are from the MPP, eight ministers are from the DP, and the remaining two are from the Hun Party (Table 3). The Prime Minister maintained certain ministers from his previous administration. Some of the ministries have been restructured in the new coalition government. The Ministry of Environment and Tourism has been renamed as Ministry of Environment and Climate, while Tourism has been added as a portfolio of the Ministry of Culture, Sports, Youth and Tourism.

52   Orgil Dugersuren, Mongolia's coalition dominance may undermine democracy. Published: 23 August 2024
https://eastasiaforum.org/2024/08/23/mongolias-coalition-dominance-may-undermine-democracy/

TABLE 3.   Composition of the coalition government

#	Name of Ministry and Official title	Name and Surname	Political Affiliation
1	Prime Minister of Mongolia	**Oyun-Erdene** Luvsannamsrain	MPP
2	First Deputy Prime Minister of Mongolia and Minister of Economy and Development	**Gantumur** Luvsannyam	DP
3	Deputy Prime Minister of Mongolia	**Dorjkhand** Togmid	HUN Party
4	Deputy Prime Minister of Mongolia	**Amarsaikhan** Sainbuyan	MPP
5	Minister of Mongolia, Chairman of the Cabinet Secretariat	**Uchral** Nyam-Osor	MPP
6	Minister of Mongolia, Chairman of the National Committee for Monitoring and Evaluation	**Odbayar** Erdenebileg	DP
7	Minister of Mongolia, Chairman of the National Committee for Port Revival	**Tulga** Buya	MPP
8	Minister of Mongolia, Chairman of the National Committee for City Standard	**Erdeneburen** Ravjikh	DP
9	Minister of Foreign Affairs	**Battsetseg** Batmunkh	MPP
10	Minister of Finance	**Javkhlan** Bold	MPP
11	Minister of Justice and Home Affairs	**Altangerel** Oyunsaikhan	DP
12	Minister of Industry and Mineral Resources	T**uvaan** Tsevegdorj	DP
13	Minister of Defense	**Byambatsogt** Sandag	MPP
14	Minister of Environment and Climate Change	**Odontuya** Saldan	DP
15	Minister of Education	**Naranbayar** Purevsuren	HUN Party
16	Minister of Family, Labour and Social Protection	**Enkh-Amgalan** Luvsantseren	MPP
17	Minister of Roads and Transport Development	**Delgersaikhan** Borkhuu	MPP
18	Minister of Culture, Sports, Tourism and Youth	**Nomin** Chinbat	MPP
19	Minister of Construction, Urban Development, and Housing	**Batsuuri** Jamba	DP
20	Minister of Food, Agriculture and Light Industry	**Enkhbayar** Jadamba	MPP
21	Minister of Digital Development, Innovation and Communications	**Baatarkhuu** Tsend	DP
22	Minister of Energy	**Choijilsuren** Battogtokh	MPP
23	Minister of Health	**Munkhsaikhan** Togtmol	MPP

The Coalition government is confronted with problems that include securing affordable housing for a growing population, tackling air pollution, building energy and road infrastructure and finding ways to narrow the income gap created by mining linked to global markets. The domestic economy requires substantial public and private investment and quality governance. The new coalition government may bring more balanced solutions, potentially spurring rapid economic growth like that between 2008-2012 under the last coalition government when the GDP growth reached 17.3 per cent.

In order to demonstrate their dedication to jointly addressing the national development challenges and issues, the leaders of three political parties signed a Coalition Agreement titled "Will for Accelerated Development" on 12 August 2024. The Agreement was a reflection of the shared objectives of the MPP, DP, and Hun parties, as delineated in their respective platforms for the parliamentary elections.

In accordance with this agreement, the Government Action Program (2024-2028) was developed. The action program emphasizes that this should not only be for four years but also as the main outline of development policy to be carried out stably in the next 10-20 years. Four primary policy domain-regional development

policy, human development policy, economic policy, and human rights-based governance policy-formed the basis of the government's action plan, which sought to execute 619 actions. The second chapter contains policies that pertain to human development in three distinct domains: education, health, and employment. In conjunction with the Law on Sovereign Wealth Fund, this chapter demonstrates intersectoral coordination in the implementation of housing, health, and education policies. The action plan includes launching the long-awaited reforms in the energy sector without delay, increasing domestic energy production, and implementing 14 mega projects for economic expansion such as industrialization, regional development, and new city development, which are expected to bring progressive changes to Mongolia's social and economic life.

In the 2024-2028 period, the MFLSP established a goal of halving the unemployment and poverty rates, increasing GDP per capita to USD 8,000 – 10,000, and advancing ten positions in the HDI. The MFLSP also intends to implement a private pension system, improve transparency in the Social Insurance Fund, utilize artificial intelligence to digitalize services, eliminate welfare grant duplication, adhere to the policy on the transition from welfare to employment, and provide social welfare to the target group.

3.1.3 Regular election for the local councils 2024

The regular election for the local councils (Citizen's Representatives Khural) for the capital city, provinces, districts, and sums concluded on 11 October 2024. The local elections were organized under a majoritarian system, with 17,278 candidates competing for 8,031 seats across 2,395 constituencies. Out of total 17,278 candidates contested the elections, women comprised 32.43 per cent (5,604 candidates), a notable increase of 5.9 percentage points compared to 2020.

The ruling MPP eliminated the mandatory "turnout threshold" for local legislative elections in January 2020, even though the voter turnout for parliamentary elections is validated at "50% plus one." Consequently, the validity of local legislative election results is now solely determined by the percentage of votes cast, irrespective of voter turnout. The correlation between the outcomes of the local elections and voter turnout is noteworthy. The 2024 local elections concluded with a nationwide turnout of 53.1 per cent. Voter turnout during previous elections barely exceeded the 50 per cent threshold. To be more precise, voter turnout was 59 per cent in the 2009 elections, 53 per cent in 2012, 60 per cent in 2016, and 56 per cent in 2020.

As a result of the "50 per cent turnout threshold" being eliminated from the local election law in 2020, the MPP was declared the victorious party.

The MPP secured 40 seats in the Ulaanbaatar city council (total of 45 seats), won 14 provinces, and emerged victorious in all eight districts with the exception of Sukhbaatar District. The DP secured a majority in seven provinces, one UB district, and 150 soums' legislative councils, while the Hun party was unable to secure any seats. Interestingly, the DP emerged victorious in regions with a high voter turnout. The Hun party, which had three representatives on the previous UB City council, underperformed. The party has nominated candidates to all constituencies, but no representative has been elected in UB city, despite its commitment to appointing the first female mayor. The absence of a "turnout threshold" in local legislative elections may contribute to a lack of emphasis by relevant governmental bodies on the electoral engagement of citizens.

A total of 2,212 women secured mandates, constituting 27.5 per cent of the total 8,031 seats. While there was notable progress in representation of women at the aimag and capital levels, no improvements were observed at the district and soum levels compared to 2020. The 2024 local councils elections demonstrated steady progress in women's political participation, with an increase in both candidates and elected representatives. However, structural barriers remain, as growth in elected women representatives has not kept pace with the rise in candidacies.

3.1.4 | Media freedom

The media landscape in Mongolia is diverse but politically polarized, with private and public media perceived as lacking independence from political structures. Mongolian media ownership is highly concentrated and lacks transparency. Whether owned privately or by the state, most Mongolian media openly show their affiliation to the government or political parties[53]. "Despite legal principles supporting media freedom and over 600 registered media outlets, the National Human Rights Commission of Mongolia (NHRCM) notes undue influence of financial interests and incomplete information, hampering the full realization of media freedom in Mongolia[54].

Mongolia broadly respects the principles of freedom and pluralism of the media, although it still lacks basic legal protection for the confidentiality of sources, while flawed defamation laws facilitate arbitrary lawsuits against journalists, inciting self-censorship. The Law on the Freedom of Press (1998) needs to be refined to protect freedom of expression further to include, among others, measures to support media diversity, including the community media, self-regulation of the press and independence of editorials, protection of confidential journalistic sources, proper limitations of the media monopoly.

Mongolia ranked 109th out of 180 territories in the Reporters Without Borders (RSF)'s 2024 World Press Freedom Index,[55] plummeting down 36 places since 2020. The press freedom situation is considered "difficult" due to frequent abusive legal proceedings against journalists, the concentration of media ownership, and growing political pressure and corruption among political elites that impact the media[56]. Mongolian media owners use their media as a tool to promote their political preferences and protect their economic interests. As a result of low salaries and high workload, journalists accept to be paid for producing certain content, which damages public trust in the media.

53   Reporters without borders – Mongolia 2023
54   National Human Rights Commission of Mongolia (NHRCM)
55   https://rsf.org/en/index
56   https://rsf.org/en/mongolia-closed-door-appeal-trial-detained-journalist-alarming-sign-press-freedom

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3.2 Regional development

Mongolia's rural-urban development disparities have grown and been a development bottleneck since the early 2000s. Due to inappropriate, inconsistent, and impractical policy decisions, Mongolia ended up with only one growth center, the capital city Ulaanbaatar, which attracts almost half of the population (47 per cent), 90 per cent of tertiary education institutes, and 80 per cent of trade and services. The economic and government service gap between urban and rural areas is a major issue.

Mongolia has implemented several strategic policies and legislative frameworks to create a comprehensive development framework for both urban and rural areas. These strategic policies and legislative frameworks, like Vision-2050 and the New Revival Policy, address structural issues like regional competitiveness, insufficient public services, and policy volatility.

The Parliament of Mongolia approved the Regional Development Concept[57] on 5 June 2024. This framework divides the country into seven regions: West, Khangai, North, Central, Gobi, East, and Ulaanbaatar. The concept aims to enhance regional connectivity, drive economic growth, and promote social progress. Each region is expected to strengthen its competitiveness by leveraging its unique characteristics and key development advantages. The Government of Mongolia has already identified the core development functions of each region and is committed to supporting them through cluster policies, such as agriculture, intensified animal husbandry, ecological and historical tourism, energy, and heavy industries.

The government has identified regional priorities as follows:

1. The Khangai Region: A traditional animal husbandry and urban development sub-region.
2. The Western Region is a specialized energy and nature tourism sub-region.
3. The Northern Region is a specialized nature tourism and industrial sub-region.
4. The Gobi Region is a specialized industrial and green energy sub-region.
5. The Central Region: A specialized agricultural and industrial sub-region.
6. The Eastern Region is known for its specialization in historical tourism and agriculture.
7. The Ulaanbaatar Region is a hub for international banking, finance, and business development.

The government wants to promote diverse economic development by implementing tax policies that match each region's strengths. This strategy uses local resources and skills to promote regional development. The 2024 Parliamentary Election was held in zonal constituencies to improve regional representation and governance. According to the zonal constituencies, each electoral constituencies (total 13) had two to ten seats and covered up to four provinces. The goal is to increase government support for regional development, benefiting multiple provinces and avoiding patronage links that fund single provinces and pet projects. Larger constituencies may prioritize regional infrastructure projects.

The "New Cooperative-Prosperous Herdsmen" initiative is part of the New Revival Policy of Urban and Rural Development to prevent climate-related livestock disasters and sustain livestock production and herdsmen's cooperatives. In 2024, the New Cooperative movement offers discounted investment loans of up to 50 million MNT at 6 per cent interest rate for 60 months. Herders' cooperatives perform animal fertilization, workshops for by-product production, veterinary services, water point construction in pastures, wool and leather processing, livestock and animal-derived raw material storage, and meat and milk production.

The Government of Mongolia has declared 2025 as the Year of Infrastructure Development of the Ulaanbaatar City. Parliament received the government's draft General Development Plan for Ulaanbaatar City until 2040 and the draft law to reduce air and environmental pollution on 8 January 2025. Satellite cities are a key goal of the General Development Plan 2040. According to the Plan, Ulaanbaatar will become a network of smaller, decentralized urban areas. The "20-Minute City" concept will be used to build fourteen cities in Ulaanbaatar urban area. By 2040, 405,000 people will move to satellite cities, while increasing Ulaanbaatar's population from 1.6 million to 2.1 million.

To ensure that the regional development concept is in line with the Government Action Program 2024–2028, the extended Cabinet meeting on 14 January 2025 was given the task to all province governors to establish regional councils and develop plans for each region until 2040.

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57   Regional Development Concept of Mongolia - Resolution No. 64, State Great Khural of Mongolia, 5 June 2024
https://legalinfo.mn/mn/detail?lawId=17140840005441

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According to the Sustainable Development Report 2024[58], the overall SDG Index for Mongolia is 66.3 (ranked 99th out of 167 countries)[59], which is an improvement from the previous year but remains slightly below the East and South Asia regional average of 66.5. The report indicates that Mongolia is decreasing in Goal 13 climate action (in particular CO_2 emissions from fossil fuel combustion and cement production), while it is on track on maintaining SDG achievement in Goal 17 partnerships for the goals.

58   https://dashboards.sdgindex.org/
59   In the 2023 report, the overall SDG Index for Mongolia was 64.7 with the rank of 106th out of 166 countries.

4.1 Pact for the Future

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At the Summit of the Future (SoTF) on 22 September 2024, world leaders adopted the Pact for the Future that includes a Global Digital Compact (GDC) and a Declaration on Future Generations[60]. The United Nations Mongolia, in cooperation with the Government of Mongolia, has organized a series of dialogue and consultations, focusing on three themes that have direct implications to Mongolian stakeholders, namely 1) Sustainable development and financing for development, 2) Science, technology and innovation (STI) and digital cooperation, and 3) Youth and future generations. The purpose of series of dialogue and consultations were to 1) raise awareness of and share the SoTF agenda with national stakeholders, 2) discuss what Mongolia should do to achieve SDGs as per SoTF priorities, and 3) come up with comprehensive recommendation to the Government on priority areas. Suggestions and recommendations from the series of dialogue and consultations are summarized in Table 4.

60   https://www.un.org/en/summit-of-the-future/pact-for-the-future

TABLE 4.	Summary of suggestions and recommendations from the series of dialogue and consultations on the SoTF

Thematic areas	Suggestions and recommendations
Accelerating SDGs	• Reduce market involvement by the State to boost private sector growth and focus on key sectors for green development through multilateral cooperation • Build capacity across all sectors, raise awareness of the SDGs, align policies with SDG goals, and improve monitoring, evaluation, and cooperation mechanisms
Financing for sustainable development	• Improve the foreign investment environment, utilize SDG taxonomy, and incorporate criteria for cooperative and subsidized loans supporting green development • Encourage private sector investment in human resource development, strengthen budget control, and enhance the efficiency of government financial support
Youth development	• Strengthen legal and social support for youth development, including youth-friendly healthcare and increased wages • Increase opportunities for youth participation and employment, including through enhanced practical education and entrepreneurship support • Enhance youth-friendly health information, expand mental health services, and strengthen preventive health programmes • Improve digital education access, enhance educational quality in rural areas, and promote gender-sensitive education
STI	• Focus on key sectors for increased investment, improve infrastructure, environment, and human capacity, and establish legal frameworks and mechanisms for inter-agency coordination • Establish an integrated, publicly accessible research and information system, and improve the legal environment for science and technology development • Enhance STI capacities in education, universities and academia, including through expanding state support and creating a unified intellectual property valuation system • Bolster human resource capacities through enhanced skill development and financial support • Introduce capacity building and talent support programmes and improve compensation for STI personnel
Digital cooperation	• Continuously improve and update the eMongolia (digital platform) to ensure it remains inclusive and accessible for all citizens • Increase digital skills training for individuals with disabilities, and improve the availability of specialized digital equipment and solutions tailored to their needs based on international standards and platforms to ensure their compatibility and effectiveness • Align local digital initiatives with global digital norms and instruments to ensure comprehensive and effective digital transformation. • Assess implication of international digital norms, like the GDC, before implementing them at national level in developing countries. • Use existing local coordination platforms, such as the Internet Governance Forum Mongolia, for effective implementation of the GDC

The Pact for the Future clearly defines follow-up mechanisms in it, including national-level engagement, implementation and accountability. The UN Mongolia should support the Government of Mongolia in implementation of relevant commitments and actions in the Pact for the Future, in connection with the CF implementation and national priorities as well as taking into account suggestions and recommendations from stakeholders consultations.

4.2 Leave no one behind (LNOB)

4.2.1 Gender

The Mongolia Gender Assessment by the World Bank[61] presents situational analysis in gender and proposes recommendations. Major findings presented in the assessment include:

- Gender gaps in Mongolia impact also men in negative ways. Men live on average 9.4 years less than women. Such life expectancy gap is the largest in the East Asia and Pacific (EAP) region and the 12th largest in the world, comparable to Eastern European and Central Asian countries. Men and boys in rural areas are affected by reverse gender gaps in education; more women complete tertiary education than men.

- Even with protective laws, gender minorities are still being stigmatized and discriminated by the public. 80 per cent of sexual and gender minority respondents refrain from disclosing their sexual orientation or gender identity to their employers; and 70 per cent refrain from disclosing it to their family.[62] 28 per cent of sexual and gender minority respondents live on less than the minimum wage. Fears of violence and loss of employment or housing are some of the key contributing factors for sexual and gender minorities in Mongolia not disclosing their sexual orientation or gender identity.[63]

- The most persistent gender gaps in Mongolia are rooted in gendered social norms. Based on UNDP's 2020 gender social norms index, 47 per cent of men and 48 per cent of women in Mongolia either "agree'" or "strongly agree" that when jobs are scarce a man should have more right to a job than a woman. Gender social norms translate to the lagging participation of women in leadership and decision-making roles. Women only constitute 30 per cent of mid-level managers and 15 per cent of managers in high-level positions.

- In the medium and long term, climate mitigation and green transition policies can present opportunities for women's economic empowerment if targeted actions are taken to foster women's employment in growing sectors. Mongolian women are in a good position to take advantage of new opportunities in these sectors given their higher levels of education, including in the science, technology, engineering, and mathematics fields.

Preliminary findings from the 2023 Social Indicator Sample Survey (SISS) [64] reveal disparities in sexual and reproductive health and rights (SRHR) among certain groups in Mongolia. Notably, women and girls in rural areas face challenges accessing maternal healthcare, family planning, and safe abortion services. Adolescents in the Eastern region experience a high adolescent birth rate, while women in Ulaanbaatar have limited access to family planning. Additionally, people with disabilities struggle to obtain essential SRH services.

The Sustainable Development Goals Report 2024[65] notes that the prevalence of intimate partner violence, in all forms, is higher among women with disabilities than those without disabilities based on existing evidence. It further mentions that 41 per cent of women with disabilities has experienced physical violence by a partner compared to 28 per cent of women without disabilities in Mongolia.

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61 World Bank Mongolia Gender Assessment, available at https://shorturl.at/u14VV

62 Flores, A. 2019. Social Acceptance of LGBT People in 174 Countries: 1981–2017. Los Angeles: The Williams Institute.

63 A Research Report Examining the Human Rights Abuses, and Development Needs, of Sexual and Gender Minorities in Mongolia. Gateshead, UK: ReportOUT.

64 National Statistics Office of Mongolia. (2024). Mongolia Social Indicator Sample Survey 2023: Key Indicators Report. https://www.unicef.org/mongolia/media/6891/file/Mics%20ur%20dun_2.pdf.pdf

65 https://unstats.un.org/sdgs/report/2024/

4.2.2 Youth

The 2024 Situational Analysis of Youth in Mongolia, conducted by the United Nations Population Fund (UNFPA), identifies additional challenges and opportunities related to the youth population (aged 15-34). This analysis provides a comprehensive overview of the current state of youth development in Mongolia and offers actionable policy recommendations to address existing gaps.

Key Findings from the analysis include:

1. **Digital divide:** A significant portion of Mongolia's youth, especially those in rural areas, face a digital divide that limits their access to digital tools and resources. This gap hampers educational opportunities and restricts their participation in the digital economy. Enhancing digital infrastructure and integrating digital literacy into educational curricula are essential steps to

ensure equitable access to digital education and employment opportunities.

2. **Mental health:** Mental health issues are increasingly prevalent among Mongolian youth. The analysis indicates that only 56% of young individuals experiencing symptoms of anxiety or depression seek help, highlighting a substantial gap in mental health services and support systems. Expanding access to youth-friendly mental health services and launching awareness campaigns to reduce stigma are crucial for improving overall well-being of young people.

3. **Employment and skills gap:** There is a pronounced mismatch between the skills possessed by young Mongolians and those demanded by the labor market, particularly in sectors beyond mining and agriculture. This discrepancy contributes to higher unemployment rates among youth and underutilization of their potential in the workforce. Policy interventions focusing on vocational training, entrepreneurship education, and partnerships between educational institutions and industries are necessary to bridge this gap.

4. **Political and civic participation:** Youth participation in political and civic activities remains limited, hindered by factors such as socioeconomic status, employment instability, and distrust in political institutions. Initiatives like the Teen Parliament and Youth Advisory Panels demonstrate potential in enhancing youth involvement and empowering them to influence policies that affect their lives. Creating more platforms for youth engagement and fostering mentorship programmes can further support their active participation.

5. **Regional disparities:** Youth in urban areas face different challenges compared to those in rural regions. Urban youth experience higher unemployment rates and greater labor underutilization, while rural youth grapple with limited access to education, job opportunities, and social services. Legal and policy frameworks must prioritize reducing these regional inequalities by designing strategies that improve youth opportunities across all regions.

Policy Recommendations from the analysis include:

1. **Enhance digital literacy and infrastructure:** collaborating with the government and private sector to expand digital infrastructure, especially in rural areas, and developing and promoting online learning tools tailored to the needs of youth.

2. **Expand mental health services:** increasing funding and resources for youth-friendly mental health services and training more mental health professionals and support staff.

3. **Bridge the skills gap:** promoting entrepreneurship education and supporting youth-led startups and fostering partnerships between educational institutions and industry to align curricula with labor market needs.

4. **Foster political and civic participation:** creating platforms for youth to engage in policy-making processes supporting community-based youth initiatives that promote active participation and leadership development.

5. **Address regional disparities:** implementing targeted programmes to support youth from disadvantaged regions and ensuring equitable distribution of educational resources and job opportunities across all regions.

Complementing the broader situational analysis of youth development in Mongolia, the UNFPA conducted the 2024 Adolescent and Youth behaviour research jointly with UNICEF, which provides additional insights into the health behaviour of youth (15–24 years). This important study reveals key gaps in health education, service access, and behavioural challenges that hinder youth development, thereby guiding targeted, evidence-based interventions to support their healthier lifestyles and improved well-being. The findings from the research include:

- **Healthy lifestyles:** Youth emphasize healthy eating, exercise, and mental well-being, though access to quality food and exercise facilities varies between urban and rural areas.

- **Sexual and Reproductive Health (SRH):** SRH education is viewed as inadequate due to outdated teaching methods and lack of gender-sensitive content. While most youth are aware of modern contraception, its consistent use is lower among females.

- **Substance use:** There is limited or incorrect knowledge about alcohol, tobacco, and other substances, with peer pressure and cultural norms influencing early use.

- **Mental health:** Over 20 per cent of participants report suicidal ideations; 10 per cent have attempted suicide, highlighting the urgent need for accessible, youth-friendly mental health services.

- **Bullying and Gender-Based Violence (GBV):** Bullying is prevalent, and there is a limited understanding of GBV, with traditional gender norms contributing to these issues.

The study reinforces the need for improved SRH education, expanded mental health support, and targeted initiatives to address substance use, bullying, and GBV among youth.

4.2.3 Persons with disabilities

Mongolia has guaranteed the right to vote and be elected for persons with disabilities (PWDs). PWDs exhibit a relatively high rate of voting and participation in political elections. For instance, 85.7 per cent of PWDs participated in the 2020 parliamentary elections, 84.1 per cent in the 2020 local elections, and 84.7 per cent in the 2021 presidential elections. The introduction of a mixed electoral system and the increase in the number of members to 126 by the 2023 amendments to the Constitution of Mongolia have contributed to the increasing social representation in the legislature. Provisions for providing financial support to political parties that nominate women and PWDs for national elections are included in the Law on Political Parties, which was implemented in January 2024.

Consequently, in 2024, two individuals with disabilities were elected to Parliament through party lists for the first time. Previously, eight PWDs had been nominated in seven parliamentary elections; however, they had not been elected. Furthermore, the Law on Civil Service was amended in 2023 to reduce the formal requirements for state administrative employees who are disabled, thereby increasing the opportunities for PWDs to work in administrative positions in the Government ministries and agencies.

In 2024, the NHRCM, with the assistance of UNDP and Korea International Cooperation Agency (KOICA), conducted a study to evaluate the implementation of the political rights of PWDs to participate in politics, vote, and be elected. Participants with disabilities who completed the survey evaluated the implementation of their right to vote and right to be elected as adequate (8.0 per cent), average (33.5 per cent), and insufficient (58.5 per cent). 12 per cent of the survey participants rated themselves as very active in terms of political participation, such as voting in elections and participating in political activities, while 40.5 per cent rated themselves as average. However, about 14-16 per cent of the survey participants indicated that they did not participate in any elections. They clarified that they were unable to participate in the elections due to their inability to travel to the polling station independently, inaccessibility of the polling stations, their lack of comprehension of the elections, limited information they had, and their low level of social engagement. The 23rd Status Report on Human Rights and Freedoms of Mongolia by the NHRCM, which was discussed in parliament in 2024, reflected the main findings of the survey.

It should be noted that PWDs continue to be the most isolated social group in Mongolian social contexts. The primary challenges to the political engagement and participation of PWDs include their inability to work, partake in social interactions, and live independently. The inability to travel independently, inaccessibility of the social environment, and inability to obtain information in a manner that is suitable for the characteristics of disability are secondary factors that restrict active social relations. During the winter, environmental restrictions are particularly severe in Ulaanbaatar city.

However, PWDs have the eagerness and motivation to participate in political and social life. Financial status, personal development, and the tendency to engage in social interactions independently are the primary factors that restrict their political participation and right to be elected of. The active political participation of social groups such as women, youth, the elderly, and PWDs are significantly restricted by the cost of running for political office in Mongolia, which is significantly higher than the standard of living. Much of the income of PWDs is allocated to health services and treatment, while the least is allocated to education and self-development.

The Government of Mongolia's report on the implementation of the Convention on the Rights of Persons with Disabilities (CRPD) was reviewed by the UN Committee on the Rights of Persons with Disabilities in August 2023. The Committee suggested that the Government enhance the political engagement of PWDs. This encompasses the following: (a) The development of electoral and voting procedures and information in an accessible format and their accessibility to all PWDs; (b) the implementation of special measures to increase the political participation of PWDs; and (c) the amendment of the Civil Code and electoral legislation in accordance with the Convention. Consequently, the Government and development partners must intensify their efforts to guarantee the political rights and active participation of individuals with disabilities, as well as to enhance social security and implement specialized projects and programs in this domain.

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4.2.4 Mongolian diaspora

The 1990s transition to a democratic system and market economy granted Mongolian citizens greater freedom of movement. The number of outbound Mongolians in the past 25 years has increased 4.4 times, travelling to 251 territories worldwide. The total number of citizens living abroad increased by 14.2 per cent between 2010 and 2020. According to the Ministry of Foreign Affairs (MFA) 2023 estimates, over 210,000 Mongolian citizens (6.1 per cent of the population) reside abroad; 90 per cent of them are of working age. From 2010 to 2020, the number of Mongolians living abroad increased by 9.8 per cent in the Asia-Pacific region, indicating increased intra-regional mobility. The 2020 census[66], compared to the 2010 census, showed a 14.2 per cent increase in the total number of Mongolian citizens living abroad. There has been a change in age structure, with children aged 0-14 almost doubling due to families staying abroad for extended periods. More Mongolian women (53.7 per cent) live abroad than men (46.3 per cent).

The Republic of Korea (RoK), United States of America (USA), Japan, Kazakhstan, the Czech Republic, Australia, and People's Republic of China (PRC) host most of the Mongolian diaspora. As for the duration of stay among the Mongolian diaspora, over 40 per cent stay for 2 to 5 years; another 30 per cent reside abroad for six years or more. The main motivations driving Mongolian emigration are the prospect of higher earnings, improved living conditions, and quality of education.

The Mongolian diaspora faces a range of socioeconomic challenges that stem from their status as migrants, cultural differences, and the complexities of integrating into host societies. These issues vary depending on the country of residence, but some common themes emerge. One of the most significant challenges is employment and economic integration. Many Mongolian migrants struggle to secure stable and well-paying jobs due to language barriers, lack of recognition for their qualifications, and limited professional networks in their host countries. This often forces them into low-skilled or informal work, which can be precarious and underpaid, limiting their ability to achieve financial stability or upward mobility.

The Government of Mongolia (GoM) refers to diaspora engagement issues in its long-term development policy of Vision 2050. Current government policy documents and programmes aim to build community with the diaspora members through social and cultural initiatives that speak to their nationalist sentiment. No direct economic engagement strategies with the diaspora members to tap into their economic potential through collaborative approaches are in sight. Often, the most impact a government can have in successful and spontaneous diaspora initiatives is that of a steward or incubator providing guidance or bureaucratic support. The GoM needs a clearly defined diaspora engagement policy implemented through a designated institutional structure, yet the current legal environment limits the adoption of a new policy, hindering the process of leveraging the full potential of the Mongolian diaspora for the country's development.

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66   https://www.1212.mn/en/statistic/file-library/view/47811341

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Conclusion

2024 is the second year for the United Nations Mongolia to implement its UNSDCF 2023 – 2027 (CF). Mongolia held a parliamentary election and established a new coalition government in 2024. In accordance with the agreement on coalition, the Government Action Program 2024-2028 was developed. The Government action program covers four primary policy domains, regional development policy, human development policy, economic policy, and human rights-based governance policy, broadly incorporating 12 SDGs accelerators, and contains 619 actions to execute. Figure 13 shows a mapping between the CF priorities and outcomes and the Government Action Program 2024-2028.

FIGURE 13.   **Mapping of the CF priorities and outcomes to the Government Action Program**

UNSDCF Mongolia 2023-2027

Human development and well-being

Outcome 1:
By 2027, people in urban and rural areas, especially the most vulnerable and marginalised, equally realize their full human potential and benefit from inclusive, rights-based, gender- and shock-responsive health and nutrition, education, social protection, WASH and other services.

Green, inclusive and sustainable growth

Outcome 2:
By 2027, the Mongolian economy is more diversified, innovative, productive, inclusive, green and geographically balanced enabling decent livelihoods, especially for women and youth, building 21st century skills, and promoting low-carbon development.

Outcome 3:
By 2027, communities and eco-systems in Mongolia are more resilient to climate change with improved capacity for evidence-informed and gender-responsive sustainable natural resource and environmental management and disaster risk reduction.

People centered governance, rule of law and human rights

Outcome 4:
By 2027, policy-making and implementation in Mongolia is more gender-responsive, participatory, coherent, evidence-informed and SDG-aligned; governance institutions at all levels are transparent and accountable; and people, especially the marginalised groups, have access to justice and rule of law for full realization of human rights.

Government Action Program 2024-2028

ONE. REGIONAL DEVELOPMENT POLICY
1.1. Ulaanbaatar City - Adopting the "20-Minute City" Standard
1.2. Economically Independent State-ranked Cities and Satellite Cities
1.3. Diversified Regional Development
1.4. Local Development

TWO. HUMAN DEVELOPMENT POLICY
2.1. A Prosperous Mongolian
2.2. An Educated Mongolian
2.3. A Healthy Mongolian
2.4. Mongolians as true owners of national wealth

THREE. ECONOMIC POLICY
3.1. Economic Freedom
3.2. The Business and Investment Environment
3.3. Economic Diversification and Liberalization
3.4. Environment, Climate Change, and Green Finance

FOUR. GOVERNMENT POLICIES THAT RESPECT HUMAN RIGHTS
4.1. Human Rights and Freedoms
4.2. Corruption-Free Governance
4.3. E-Governance and State Productivity Re-engineering
4.4. National Resilience and a Peaceful Society

The overall analysis from the 2024 CCA update, including mapping of the CF priorities and outcomes to the Government Action Program 2024-2028, confirms that change in the course of actions for implementing the CF at the level of priorities and outcomes is not needed. However, effective support to the Government in implementing the Government action program may demand the UNCT to prioritize related sub-outputs of the Joint Work Plans (JWPs) or develop new joint programmes. Based on analysis of new developments in 2024 as presented in the 2024 CCA update, the UNCT may put priority on sub-outputs of the JWPs related to the following areas (most of them were already identified in the 2023 CCA update and remain relevant):

- Economic diversification, including through digitalization and agricultural sector development, which would help Mongolia transition to digital society and economy, enhance food security and develop non-mining sectors:

- Just energy transition, including transition to renewable energy, which can reduce air pollution-inflicted health risks, climate change related disaster risks and ecological imbalance through conservation of biodiversity:

- Enhancement of governance to improve accountability, transparency and stability of government operation and services, including using digitalization:

- Enhancement of resilience to climate change, including sustainable land management practices and improved disaster preparedness to mitigate the effects of dzuds and other disasters

- Support to the GOM in regional and rural development to narrow rural-urban development disparities and improve livelihood of rural areas, in particular in connection with the Government action program: and,

- Reducing poverty and leaving no one behind, in particular through developing private sectors to create more decent jobs, empowering youth by creating more opportunities for them, preventing GBV including through women's empowerment, and untapping potential contribution opportunity from diaspora.

Under the strategic guidance of the UNCT, the CCA taskforce should continue its regular monitoring of new development and inform the UNCT of any issues having implications for implementation of the CF.

List of abbreviations

AMR	antimicrobial resistance
CCA	Common Country Analysis
CF	United Nations Sustainable Development Cooperation Framework
CHP	combined heat and power
CRPD	Convention on the Rights of Persons with Disabilities
DP	Democratic Party
EAP	East Asia and Pacific
ECI	Economic Complexity Index
EGDI	e-Government Development Index
EPI	Environmental Performance Index
GDC	Global Digital Compact
GDP	Gross Domestic Product
GoM	Government of Mongolia
HCT	Humanitarian Country Team
HDI	Human Development Index
IAAC	Independent Authority Against Corruption
IDI	ICT Development Index
IDR	Issuer default rating
ILO	International Labour Organization
IOM	Internation Organization for Migration
IPCC	Intergovernmental Panel on Climate Change
ITU	International Telecommunication Union
KOICA	Korea International Cooperation Agency
LNOB	Leave no one behind
MDDIC	Ministry of Digital Development, Innovation and Communications
MFA	Ministry of Foreign Affairs
MFLSP	Ministry of Family, Labour and Social Protection
MNT	Mongolian Tugrig
MoU	memorandum of understanding
MPC	Monetary Policy Committee
MPP	Mongolian People's Party
NAMEM	National Agency Meteorology and the Environmental Monitoring
NHRCM	National Human Rights Commission of Mongolia
NSO	National Statistics Office
PHDI	planetary pressures-adjusted human development index
PISA	Programme for International Student Assessment
PRC	People's Republic of China
PWDs	persons with disabilities
RCP	Representative Concentration Pathway
RoK	Republic of Korea
RSF	Reporters Without Borders
SDGs	Sustainable Development Goals
SISS	Social Indicator Sample Survey
SoTF	Summit of the Future
SRHR	sexual and reproductive health and rights
SSP	Shared Socioeconomic Pathway
STI	Science, technology and innovation
TES	Transforming Education Summit

UB	Ulaanbaatar
UMIC	Upper Middle-Income Country
UNCT	United Nations Country Team
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
USA	United States of America
USD	United States Dollar
VOCs	volatile organic compounds
WCS	wildlife conservation society