



Evaluation of Country Programme Action Plan (CPAP) 2012-2016

United Nations Development Programme, Mongolia

February 2016

Prepared for UNDP Mongolia by:

Abhijit Bhattacharjee (Team Leader), Natsagdorj Batjargal, Uranbileg Jamba, Battulga Sergele

Acknowledgement

We are grateful to a number of people who played an important role in assisting us during the research and fieldwork for this evaluation: Buyandelger Ulziikhuu, Monitoring and Evaluation Officer at UNDP country office who facilitated and organised all the meetings in Ulaanbaatar and ensured logistics for the team deserves special mention. Besides logistical support, she was meticulous in ensuring that we had access to all available documents at during the evaluation process.

The programme teams and the Deputy Resident Representative did a splendid job in providing valuable comments and inputs on draft versions of this report. Our sincere thanks are also due to all the staff we interviewed at UNDP, various Ministries of the Government of Mongolia and external stakeholders for giving us their valuable time during the fieldwork and research, which were carried out during December 10-26, 2015.

The views expressed in this report are those of the evaluation team and may not necessarily represent the views of UNDP.

Evaluation team

09 February 2016

Table of Contents

Executive Summary	vii
Section 1: Introduction, Purpose and Methodology of the Evaluation	1
1.1 Background	1
1.2 Purpose, objectives and scope of the evaluation	1
1.3 Organisation of the evaluation	2
1.4 Methodology	3
1.5 Sampling, schedule and data collection	4
1.6 Limitations	5
Section 2: The Context of CPAP 2012-2016	5
2.1 Country and programme context.....	5
2.2 Implications for UNDP programming.....	13
2.3 UNDP CPAP (2012-2016).....	13
Section 3: Evaluation Findings on Outcomes	16
3.1 Outcome 1 – Economic development and poverty alleviation	16
3.1.1 Policy, guidelines and institutional capacity	16
3.1.2 Poverty alleviation.....	18
3.1.3 Livelihoods and social protection support	20
3.1.4 South-South cooperation	22
3.2 Outcome 2 – Strengthened governance and human rights.....	23
3.2.1 Contribution to policies and legislative process.....	24
3.2.2 Institutional capacity – anticorruption and human rights.....	24
3.2.3 Sub-national/local governance	26
3.2.4 Political empowerment of women.....	28
3.3 Outcome 3 – Natural resource management and resilience to climate change.....	30
3.3.1 Environmental governance.....	30
3.3.2 Sustainable natural resource management	32
3.3.3 Climate change adaptation and mitigation at community level	34
3.3.4 Disaster management and disaster risk reduction	35
3.3.5 Innovative models for increasing access to water and sanitation.....	36
Section 4: Conclusions - Assessment Against Evaluation Criteria.....	38
4.1 Relevance	38
4.1.1 Alignment with national priorities and UNDAF.....	38
4.1.2 Adjustments to evolving needs and challenges.....	39
4.1.3 Programme rationale, linkage and scale.....	39
4.1.4 Gender, rights-based approach and human development.....	40
4.2 Effectiveness	41
4.2.1 Progress on outcomes, key outputs and contributing factors	41
4.2.2 Strategic partnership, linkages and comparative advantage.....	42
4.3 Efficiency	43
4.3.1 Implementation modality and partnership.....	43
4.3.2 Monitoring, quality assurance and outcome reporting	44
4.3.3 Resource utilisation	44
4.4 Sustainability	44

Section 5: Overall Findings, Conclusions and Recommendations	45
5.1 Findings.....	45
5.2 Summary conclusions	47
5.3 Lessons.....	49
5.4 Recommendations	50

Tables

Table 1: Summary data on stakeholders interviewed and sites visited by evaluation team	4
Table 2: CPAP outcomes, associated outputs and indicators	14
Table 3: CPAP (2012-2016) resources by Outcome (US\$).....	15
Table 4: Alignment of CPAP with CNDS & UNDAF	38

Annexes

Annex 1: Terms of Reference – UNDP Mongolia CPAP (2012-2016) Evaluation
Annex 2: List of projects under CPAP (2012-2016)
Annex 3: Inception Report – UNDP Mongolia CPAP (2012-2016) Evaluation
Annex 4: Itinerary of the evaluation team, CPAP Evaluation, 2015
Annex 5: List of people met and sites visited by the evaluation team
Annex 6: List of key documents studied

Abbreviations

ADB	Asian Development Bank
ALP	Alternative Livelihoods Project
BEEP	Building Energy Efficiency Project
CBA	Cost Benefit Analysis
CCA	Climate Change Adaptation
CO	Country Office
CO ₂	Carbon Di-Oxide
CPAP	Country Programme Action Plan
CPD	Country Programme Document
CSLSGB	Capacity Strengthening of Local Self-Governing Bodies
DIM	Direct Implementation Modality
DP	Development Partners
DRR	Disaster Risk Reduction
DyRR	Deputy Resident Representative (UNDP)
EITI	Extractive Industries Transparency Initiative
EMP	Enterprise Mongolia Project
FAO	Food and Agriculture Organisation
FGD	Focus Group Discussion
GDS	Green Development Strategy
GHG	Green House Gas
GIZ	German Cooperation Agency
GNI	Gross National Income
GoM	Government of Mongolia
HDI	Human Development Index
IAAC	Independent Authority Against Corruption
ICC	International Coordinating Committee of National Human Rights Organisations
IFI	International Financial Institution
IR	Inception Report
ITT	International Think Tank
KFW	German Development Bank
KII	Key Informant Interview
LDF	Local Development Fund
LDPP	Law on Development Policy and Planning
LGBT	Lesbian Gay Bisexual and Tran-gender
LLDC	Land-locked Developing Countries
LSGB	Local Self-Governing Bodies
MASAM	Mainstreaming Social Accountability in Mongolia
M&E	Monitoring and Evaluation
MDG	Millennium Development Goal
MED	Ministry of Economic Development
MEGDT	Ministry of Environment, Green Development and Tourism
MIA	Ministry of Industry and Agriculture
MIC	Middle Income Country
MoCUD	Ministry of Construction and Urban Development
MoF	Ministry of Finance
NCGE	National Committee on Gender Equality
NDS	National Development Strategy
NEMA	National Emergency Management Agency
NGO	Non Government Organisation
NHRCM	National Human Rights Commission of Mongolia
NIM	National Implementation Modality
NPRP	National Poverty Reduction Plan

NSO	National Statistical Office
OECD/DAC	Organisation for Economic Cooperation and Development/Development Assistance Committee
PA	Protected Area
RBAP	Regional Bureau for Asia Pacific
REDD	Reducing Emission from Deforestation and forest Degradation
ROAR	Result Oriented Annual Report
RRF	Results and Resources Framework
SDC	Swiss Agency of Cooperation and Development
SDG	Sustainable Development Goals
SLP	Sustainable Livelihoods Project
SME	Small and Medium Enterprises
TOC	Theory of Change
ToR	Terms of Reference
UNCAC	United Nations Convention Against Corruption
UNDAF	United Nations Development Assistance Framework
UNFCCC	United Nations Framework Convention on Climate Change
US	United States
WTO	World Trade Organisation

Glossary of terms (Mongolian words)

Aimag	Largest administrative unit of Mongolia equivalent to Province
Bagh	Administrative unit within a <i>Soum</i>
Dzud	A severe winter in which large number of livestock die
Ger	Traditional dwelling for nomads
Khural	People's representative governing body at different levels of government
Soum	Administrative unit within Aimag equivalent to a county
Tugrik	Mongolian currency (US\$1=tugrik 2,000)

Executive Summary

Introduction

The United Nations Development Programme (UNDP) Country Programme Action Plan (CPAP) 2012-2016 was approved by the Government of Mongolia in January 2012. In line with UNDP's emphasis on result-oriented programming, an evaluation of the CPAP was carried out in December 2015 to assess UNDP's partnership strategies and higher level outcomes, as well as draw lessons for the future programme (2017 onwards) which is currently under formulation. This evaluation was commissioned by the UNDP Mongolia country office (CO) to assess the specific intended outcomes stated in CPAP. The evaluation team of four consultants used mixed-method approach comprising key informant interviews, focus group discussions, desk reviews and field observations to gather data which provided evidence base for the evaluation. The findings were analysed using standard UNDP criteria for outcome evaluations based on detailed methodology which was agreed with UNDP (inception report attached as Annex 3).

This report presents findings, conclusions, lessons and recommendations that emerged from the evaluation.

Findings

Overall findings

UNDP's role as a trusted partner to the Government of Mongolia (GoM) on complex and politically sensitive issues of governance and development as well as its convening role creates space for engagement with the GoM on development and governance issues. Development partners see it as a unique role of UNDP. This has enabled development of various legal and policy instruments in the country, though implementation and enforcement of these lag behind. UNDP has been instrumental in developing capacity of various institutions mostly at the national level, namely: National Human Right Commission of Mongolia (NHRCM), International Think Tank for Landlocked Developing Countries (ITT-LLDC), National Emergency Management Agency (NEMA) and the Ministry of Finance (MoF), in particular. A key challenge in the country is to ensure focus on poverty; this will require moving away from a conventional notion of poverty and a new construct which UNDP is now developing linking poverty and vulnerability to climate change, disaster risk reduction and overall resilience of the economy. Future programming in the areas of poverty and environment will demand ability to bring cross-thematic linkages at all levels, underpinned by a well-articulated theory of change. With competition for resources getting tougher, it will require UNDP to demonstrate strong comparative advantage and innovative approaches in resource mobilisation.

Detailed findings

Outcome 1: Economic development and poverty alleviation

- UNDP's capacity building support has been crucial in developing critical policy frameworks as well as for building institutional capacity for economic policy. A comprehensive database of macroeconomic indicators has been created for use in macroeconomic policies. UNDP's capacity building support has also been crucial for the steady progress made by ITT-LLDC in its evolution to a multi-lateral institution.
- Within the political establishment, there is a tendency to overlook poverty as a critical issue in the country. Though UNDP has made attempts to influence discourse and policy in the country on poverty and livelihoods, its approach to addressing poverty and livelihoods at community level have been scattered.

Outcome 2: Governance and human rights

- UNDP enabled NHRCM to extend its outreach to provinces and this has provided people access to its services. A number of legal instruments and frameworks have been put in place to promote good governance, but the main challenge remains in capacity gaps in implementing these. Mongolia has improved its standing in the Transparency International's Corruption Index, but there is cause for concern as several provisions of anticorruption measures fall short of international standards.
- While UNDP's initiative to provide training to representatives in local *khurals* is building the latter's capacity, it is also vital that citizens are empowered simultaneously to ensure that they can hold the representatives and local authorities to account.

Outcome 3: Natural resource management and resilience

- UNDP played a significant role in formulation of green development strategy and in creating a favourable legal environment for sustainable use of natural resources, aligned with internationally recognised norms and principles. Several initiatives like the protected area legislation, energy efficient building codes, ecosystem based adaptation measures have been supported by UNDP and are producing results to varying degrees. UNDP has recently launched new initiative to integrate rule of law and rights-based approach in environmental governance in the country. At the national level, the National Emergency Management Agency (NEMA) has developed institutional capacity over the years for disaster preparedness, response and risk reduction. As disaster risk reduction (DRR) is a multi-disciplinary area requiring whole-of-Government approach, developing appropriate capacity and strategy to coordinate and facilitate such an approach across various parts of the GoM will be a crucial priority for the future.
- With increasing competition for pastureland and water resources, traditional arrangement for sharing and rotations are breaking down leading to potential conflicts between different *soums* and herder groups. At the local level there is increasing realisation that overstocking and uncontrolled grazing exceed the ecological carrying capacity and are posing serious problems. However, at the national level these issues are often skirted and there is a tendency to deny due importance to this issue which is considered politically sensitive.

Key conclusions

Relevance

- UNDP ensured close alignment with the GoM through its national implementation modality and this close linkage with the government provided space to DPs to engage with the GoM on critical issues of national development. Leveraging the strong alignment and close working relationship with the government, UNDP could have done more to bring objective and evidence-based data which may not have been wholly in line with current thinking within the country's establishment (for example, social protection, overgrazing/overstocking, energy efficiency in building, etc).

Effectiveness

- Due to limited political space accorded to discourse on poverty in the country, UNDP may not have achieved its intended aim on poverty reduction. There are worrying signs that increasing number of people may slip back into poverty in future. A new approach is needed integrating resilient development, disaster risk reduction and climate change mitigation/adaptation, and this may resonate better with the country's political establishment. UNDP is already developing a more coherent approach to its work on livelihoods, poverty and environment through its partnership with a Asia-regional

initiative (Poverty Environment Initiative). UNDP's capacity building support for the ITT-LLDC initiative, National Human Rights Commission and for building institutional capacity for economic policy and modelling has been effective. UNDP's training support for local representatives is building the latter's capacity; it is now necessary that citizens are empowered simultaneously to ensure that they can hold the local *khurals* and local authorities to account.

- The country has taken steps to strengthen legislation on environmental governance and regulatory framework; however, implementation of these newly adopted laws remains a challenge. At the local level there is increasing realisation that overstocking and overgrazing are posing serious problems. UNDP's ecosystem based adaptation measures hold the promise of addressing some of these problems, integrating physical measures with issues of local governance for controlled grazing, rotational system and conflict resolution among herder groups.
- In the areas of poverty and environment, future programming will require sophisticated analysis and ability to bring cross-thematic linkages at all levels. With competition for resources getting tougher, it will require UNDP to demonstrate strong comparative advantage. Towards this end, closer partnership with technical agencies like the Food and Agriculture Organisation (FAO), United Nations Environment Programme (UNEP), GIZ, World Wide Fund for Nature, Swiss Agency for Development and Cooperation (SDC), etc., will be essential. Some of the emerging issues on which development interventions will be needed to be focused in future are: (a) capacity of line ministries and Ministry of Finance (MoF) in cost benefit analysis of policy options; (b) participatory rangeland management using conservation and rotational approach; (c) urban governance and poverty; (d) leveraging a whole-of-Government approach in DRR and CCA; and (e) developing a holistic framework for addressing poverty, disaster vulnerability and climate change nexus. These will demand specialised expertise as well as ability to work across different disciplines.

Efficiency

- The national implementation modality (NIM) which has been rolled out in the past couple of years has brought in mixed results. While this does give greater ownership to the GoM, the system has affected efficiency of operations of various implementing partners. UNDP needs to improve its outcome reporting and assessment, especially with regard to attributing overall results to UNDP interventions.

Sustainability

- The GoM's ownership of some of the policies and regulatory framework is demonstrated well enough through resource and political commitments - initiatives like ITT-LLDC, NEMA's capacity building and local self-government training where government has already demonstrated its commitment, sustainability is likely to be high. However, sustainability of outcomes of some of the community-based interventions is uncertain because of weak follow up and lack of clear exit strategy built into the project design.

Lessons

- Lack of a theory of change (TOC) means that part of the results framework of the CPAP looks like a list of activities, with very little interconnectedness and links to outcomes, resulting in UNDP getting involved in a diverse range of activities often without clear linkages to overall outcome or considerations of sustainability.
- In Mongolia's efforts to strengthen transparency, especially in the mining sector, the role of civil society in contract monitoring is likely to become significant with the new

requirement under Mongolian law that all mining license holders also enter into a cooperation agreement with local governments. Enforcement of these provisions will however be a challenge due to weak capacity of local authorities.

- Due to multiplicity of governance institutions in cities and authority for decision making being dispersed at various levels, the local governance training provided to elected representatives in urban areas may not be as effective as in rural areas.
- For effective rangeland management, there is need for a coordinated approach between the Ministry of Agriculture which is responsible for grazing land and the Ministry of Environment, Green Development and Tourism (MEGDT) responsible for forests management.

Recommendations

Strategic management

- R1: UNDP's country programme needs to be informed by a well-articulated theory of change (TOC) which identifies critical issues, drivers and inhibitors of change, assumptions underlying intended interventions, outputs and outcomes. The TOC will need to provide an overarching framework and a new construct for addressing the issues of economic development and resilience, poverty, climate change and disaster risk reduction, based on SDGs.
- R2: UNDP will need to develop its staff capacity and competence to work across thematic areas by establishing lateral linkages and demonstrating ability for holistic analysis as well distinctive competence in programmatic areas with clear focus that directly links to the TOC. In this regard, the following areas of expertise will be of particular relevance:
- Social protection programmes, especially targeting the poor and vulnerable
 - Participatory rangeland management in semi-nomadic pastoralist system
 - Linking vulnerability, DRR and CCA in programme design and delivery
 - Urban poverty and governance.
- R3: As a general principle, where UNDP resources are involved, it should invest in helping the government to develop policies and new legislations only when it has undertaken a satisfactory analysis of political commitment, change drivers, resource commitments and implementation/enforcement capacity of the government. Otherwise, its future focus ought to be on enabling the government at both central and local levels to implement/enforce the existing legal and policy frameworks.
- R4: Besides partnership with conventional DPs, innovative approaches to working with international financial institutions (IFI) and private sectors will be needed in future, as funding environment gets restricted.
- R5: While developing the results framework and monitoring and evaluation (M&E) plan for the new CPD, special attention needs to be paid to identifying data points that will be required to be generated in order to objectively attribute overall outcome results to UNDP's outputs.

Programmatic

- R6: Working with the World Bank and Asian Development Bank (ADB), develop capacity building strategy for the MoF and line ministries to undertake the necessary cost-benefit and feasibility analysis of national policies before these are proposed for adoption.

- R7: Building on the work of CSLSGB, in the next phase focus on strengthening community groups and local civil society groups through introduction of social accountability mechanism (like social audit, accountability scorecard). In this, UNDP may explore partnership with initiatives like '*Mainstreaming Social Accountability in Mongolia*' (MASAM), initiated by the World Bank, where it could bring in voices of women and other vulnerable sections of society in functioning of the social audit system.
- R8: In partnership with SDC, undertake a thorough study of issues in rangeland management in different zones of the country and, working with local authorities and herder groups, design scalable system to be implemented in one or two zones in the country. This could integrate UNDP's current work related to ecosystem-based adaptation.
- R9: Working with the Deputy Prime Minister's office, MoF, NEMA and Ministry of Environment, explore an inter-Ministerial coordination group which could provide a platform for a whole-of-government approach for working on disaster risk reduction and developing resilience framework for the country.¹

Administrative

- R10: Review *implementation* of the NIM and capacity gaps within MoF and implementing partners and put in place support mechanisms to address current implementation challenges.

¹ It is reported that a draft law on disaster management is currently under discussion and this incorporates the principles outlined in this recommendation.

Section 1: Introduction, Purpose and Methodology of the Evaluation

1.1 Background

1. The UNDP Country Programme Action Plan (CPAP) 2012-2016 was approved by the Government of Mongolia and the UNDP Mongolia in January 2012.² The document is aligned to the national development goals and objectives and represents UNDP's contribution to the development priorities identified in the Common Country Assessment (CCA) and the United Nations Development Assistance Framework (UNDAF) for 2012-2016.
2. Since the inception of the Country Programme, UNDP has conducted two CPAP reviews (2012/2013 and 2014) and a number of project evaluations, measuring progress against established CPAP targets. As a result of the reviews and in conjunction with national counterparts, targets and indicators at output and outcome level were revised and adjusted taking into account evolving national development priorities and context.
3. In line with UNDP's emphasis on result-oriented programing, an evaluation of the CPAP is required to assess UNDP's partnership strategies and higher level outcomes, as well draw lessons for the future programme (2017 onwards) which will be formulated during 2016. This evaluation was commissioned by the UNDP Mongolia country office (CO) to assess the specific intended outcomes stated in the CPAP.

1.2 Purpose, objectives and scope of the evaluation

4. As described in the Terms of Reference (ToR, attached as Annex 1), the main purpose of this evaluation was to take stock of progress made and lessons from implementation of UNDP's current country programme document (CPD) and the attendant CPAP for 2012-2016. The evaluation focused at an outcome level to assess contributions made in relation to the following CPD outcomes:
 - Outcome 1: Economic development is inclusive and equitable, contributing towards poverty alleviation;
 - Outcome 2: Strengthened governance for protection of human rights and reduction of disparities; and
 - Outcome 3: Improved sustainability of natural resources management and resilience of ecosystems and vulnerable populations to the changing climate.
5. The key objective of the evaluation was to assess overall performance against outcome indicators in the CPD/CPAP Results and Resources Framework (RRF) and the United Nations Development Assistance Framework (UNDAF) priorities. The evaluation focused on identifying and analysing the external and internal factors that contributed to or hindered the realisation of outcomes, and draw lessons from these. Towards this end, the evaluation had the following four main objectives:

² This was based on the country programme document (CPD) approved in September 2011 which specified outcomes, indicative outputs and indicators.

- i. Assess the extent to which the planned outputs and related outcomes have been achieved³ or are likely to be achieved by the end of current CPAP, and suggest any *course correction* that may be necessary;
 - ii. Comment on *factors that facilitate and/or hinder progress* in achieving the outcomes, both in terms of external environment and those internal to the UNDP, including: weaknesses in design, management, resource mobilisation and human resources;
 - iii. Analyse the extent of engagement of partner-institutions and stakeholders in the programme, and assess the *strategic partnerships and linkages* created by the project; and
 - iv. Examine the strategic *value addition and distinctive contribution* of UNDP to the outcomes vis-a-vis similar work implemented by other key partners and stakeholders in the country.
6. The scope of the evaluation covers the period of the CPAP, 2012 to 2015. Various projects under the three outcomes are spread over the entire country and hence the geographical focus of the evaluation covers the entire country. Annex 2 provides a list of key projects under the CPAP 2012-2016.
7. The ToR (Annex 1) include a list of questions which (together with the purpose and criteria) enabled the evaluators to develop an evaluation matrix which was approved by UNDP during the inception phase and included in the Inception Report (IR) presented as Annex 3. As described in the IR, the evaluation has used the following standard criteria for drawing overall conclusions based on the findings. These are based on UNDP evaluation guidelines and Organisation for Economic Co-operation and Development /Development Assistance Committee (OECD/DAC) criteria for evaluation of development assistance:
- Relevance
 - Effectiveness
 - Efficiency
 - Sustainability

1.3 Organisation of the evaluation

8. The evaluation was commissioned by the UNDP country office (CO) in Mongolia and managed by the Deputy Resident Representative (DyRR). Through UNDP's procurement process regulating recruitment of short-term consultants, one international and three national independent consultants were hired to conduct the evaluation. The field visit for the evaluation took place from December 10 to December 27 2015. The UNDP CO provided support in arranging meetings and interviews, field visits and ensured that the team had access to necessary documents.
9. The IR was drafted in advance of the field visits and finalised following initial briefings by UNDP programme teams and in consultation with CO management. In the fieldwork phase, the evaluators travelled to two *aimags* to gather data from an extensive range of sources, including *soum*, local government authorities, beneficiary communities and staff of implementing partners including NGOs. A full itinerary of the evaluators is attached as Annex 4. At the end of the field visit exit debriefings were conducted in Ulaanbaatar with UNDP staff and management. This provided feedback on preliminary findings which have been taken into account in the present report.

³ This will include assessing performance against the evaluation criteria of relevance, efficiency, effectiveness and sustainability of UNDP's interventions.

1.4 Methodology

10. The overall methodology followed by the evaluation is described in detail in the IR. As is customary with any mixed-method evaluation, the evaluation ensured that opinions, views and perspectives offered by each interviewee or key informant were tested against information obtained from other interviewees and documents. Triangulation with multiple sources of data comprising field observations, key informant interviews (KII), focus group discussions (FGD) and desk reviews has been crucial for developing the evidence-base for this evaluation.
11. As outlined in the IR, key questions examined by the evaluation were as follows (Box 1):

Box 1: Key questions addressed in the evaluation

Relevance

- (a) To what extent the intended outcome and relevant outputs address national priorities and to what extent are these aligned with national and UNDAF priorities and UNDP mandate in Mongolia?
- (b) Is there a clear rationale in the programme logic in terms of linkage between activities, outputs and outcome? Were the implementation approaches, resources and scale of programming relevant to achieve the intended outputs and outcome?
- (c) Have there been changes to the CPAP context since its inception? If so, what are these changes and how do they impact on CP implementation? How did CPAP respond to these changes?
- (d) Did the strategies and partnerships developed for each outcome take into account the emerging development challenges and opportunities? Did UNDP make strategic adjustments in response to situations and evolving needs?
- (e) How has UNDP's programming incorporated gender equality, rights based approach and human development priorities in all aspects of planning and implementation?
- (f) What are the potential areas of engagement for UNDP's next Country Programme in relation to poverty reduction and sustainable development of Mongolia? Which strategic partnerships and linkages are critical in producing the intended outcomes?
- (g) To what extent is UNDP's engagement a reflection of strategic considerations, including UNDP's role in Mongolia's development context and its comparative advantage?

Effectiveness

- (a) To what extent has each outcome been achieved or has progress been made toward their achievement? What factors have contributed to achieving or not achieving intended outcomes? What were the challenges?
- (b) How have corresponding results at the output level delivered by UNDP affected outcomes, and in what ways have they not been effective?
- (c) Has UNDP best utilised its comparative advantage in deciding to deliver planned outputs? What are the key gaps that UNDP interventions could address within its comparative advantage that would significantly contribute to the achievement of the outcomes in future?
- (d) Has UNDP's partnership strategy been appropriate and effective in contributing to the outcomes? What were the main factor(s) in effectiveness/ ineffectiveness of the partnerships?
- (e) Are the outcome indicators chosen appropriate/sufficient to measure the outcomes? If not, what indicators should be used? Are the progress reports evidence-based and do these track outcomes?

Efficiency

- (a) What are the synergies manifest between the outcome areas and with the efforts of other partners? To what extent were partnership modalities conducive to the delivery of outputs?
- (b) To what extent were human resources capacity, administrative, finance, and logistics/supply systems able to meet the demands of the programme? Were implementation capacities of partners adequate to deliver activities in a timely and efficient manner?
- (c) To what extent has the programme outputs resulted from economic use of resources? Have the interventions been implemented within intended deadlines and cost estimates? How is value for money monitored, and if so, what type of data /mechanism used?
- (d) What measures were taken to assure the quality of results and what mechanism was in place to monitor and track performance of the overall response? Were issues that negatively affected operational response identified and dealt with in a timely and effective manner?

Sustainability

- a) How sustainable (or likely to be sustainable) are the outputs and outcomes of the UNDP interventions? Have the interventions created capacities (systems, structure, and staff) for sustained results? To what extent are policy and regulatory frameworks in place that will support the continuation of benefits?
- b) How strong is the level of ownership of the results by the relevant government entities and other stakeholders? To what extent local institutions and communities have participated in the various activities of the project and taken ownership of activities?
- (c) What is the level of capacity and commitment from the Government and other stakeholders to ensure sustainability of the results achieved? Has partnership strategy enabled integration and embedding of programme implementation in the government system?

Cross-thematic

- (a) How does the programme establish linkages across thematic areas – any examples? What mechanism exists within the team to build such linkages?
- (b) How is evidence gathered to report outcomes in the ROAR based on outputs reported in Progress Reports?
- (c) What are the emerging lessons from implementing the CPAP and how are these being internalised in programming?

[Source: UNDP (2015). *Evaluation matrix – Inception Report, Evaluation of CPAP 2012-2016*]

1.5 Sampling, schedule and data collection

12. For key informant interviews and documents research, the evaluation used purposive sampling - i.e., based on an informed judgment by the evaluators (after initial briefing and preliminary desk research), sources were selected for their ability to contribute relevant and representative data to answer the evaluation questions. Attempt was made to select partners/stakeholders and project locations to represent different types of activities/interventions undertaken through the CPAP outcome areas.
13. The evaluation team met a total of 41 individual key informants and interviewed them through a semi-structured process; besides these the evaluation team visited three *soums* in two *aimags* to discuss with local community groups and micro-enterprises business promoted through UNDP's support. The following table (Table 1) shows the breakdown of primary-data sources (key informants, focus group discussions, semi-structured interviews and site visits) in different locations during the fieldwork:

Table 1: Summary data on stakeholders interviewed and sites visited by evaluation team

Sr. No	Category of stakeholder group met	Number of individuals - Ulaanbaatar	Number of individuals - regions
1.	UNDP staff	15	0
2.	Government of Mongolia	10	5
3.	Implementing partners/NGOs	7	2
4.	Development partners/other UN agencies	5	0
5.	Communities/project sites visited	0	6

[Source: Constructed by evaluation team]

14. A full list of all interviews and KIIs and FGDs is provided at Annex 5. Data from these were supplemented with those obtained from desk research carried out by the team. A detailed list of the key documents consulted is attached as Annex 6.

Limitations

15. The timing of the evaluation was far from ideal: the effective time available for data-gathering from primary sources was limited to about 7-10 days only. This was further compounded by uncertainty over availability of one national consultant as recruitment for this was completed only after a week of the commencement of field work by rest of the team. All these, besides difficulties of travel in the country during the season, restricted the scope of primary data gathering by the evaluation team. The evaluators relied on secondary data, project evaluation reports and self-reported data provided by UNDP to a large extent, and attempted to triangulate these through interviews with key external stakeholders as far as possible to make up for limited data from field visits.
16. Time-constraints faced by the team also led it to decide not to focus on the following question under the efficiency criteria as this would have distracted the team from gathering as much data as possible on the outcomes: ‘To what extent were human resources capacity, administrative, finance, and logistics/supply systems able to meet the demands of the programme? Were implementation capacities of partners adequate to deliver activities in a timely and efficient manner?’ It needs to be noted that this question was not in the ToR and was added by the evaluation team at the inception stage – with hindsight, this was unrealistic.

Section 2: The Context of CPAP 2012-2016

2.1 Country and programme context

Economy

17. The Mongolian economy is facing challenges from persistent economic imbalances. After registering double-digit economic growth during 2010-2013, the last two years have been marked by economic slowdown due to slump in international demand for commodities which is the lifeline of Mongolia’s national economy. Mongolia’s economic growth decelerated from 7.8 percent in 2014 to 3.0 percent in the first half of 2015. Growth is now projected to bottom out at 2.3 percent in 2015,⁴ before an uptake to 3.0 percent⁵ in 2016.⁶ Inflation remained high at 11 percent and the national currency, tugrik, has depreciated significantly at 12.4 percent in comparison to the previous year against the US dollar.⁷
18. The mining boom on which the country has relied to propel its growth brings risks associated with dependency on minerals and a non-diversified economy. The past few years have shown the vulnerability of Mongolia’s economy to uncertain external environment. Its reliance on China (which accounted for nearly 87 percent of Mongolia’s exports in 2013⁸) and substantial increase in global supplies and growing competition are exposing Mongolia’s economy to the risks of commodity price volatility, inflation, unemployment, rising corruption, inequality and social disruptions. These issues, along

⁴ Source: <http://www.worldbank.org/en/country/mongolia/overview#1>

⁵ UNDP Result-oriented Annual Report (ROAR) for 2015 cites the figure of 0.8 percent growth in 2016

⁶ Asian Development Bank (<http://www.adb.org/countries/mongolia/economy>; site accessed 12 December 2015)

⁷ Government of Mongolia/UNDP. Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2014), January 2015 (by the end of 2015, inflation declined to less than 10 percent owing to fall in energy prices globally).

⁸ Asian Development Bank (2014). Mongolia - Asian Development Outlook 2014 Fiscal Policy for Inclusive Growth

with rapid economic transition and population growth, are amongst the factors directly and indirectly placing pressure on Mongolia's unique natural resource base.⁹

19. The Mongolian economy relies heavily on mining and agriculture. According to National Statistical Office (2014), mineral products accounted for nearly 85 percent of total export in 2012-2014 (89.2 percent in 2012), followed by textiles and textile articles (approximately 6 percent in 2012-2014), metal and jewellery (nearly 6 percent in 2012-2014). About 7 percent of export is contributed by the agriculture sector including live animals, and animals-origin products accounted for only 0.3 percent of total exports in 2014. Mongolia is trying to diversify its exports in order to be less dependent on fluctuating prices of the main export commodities (copper concentrate, raw cashmere, gold, fluorspar, coal).¹⁰ Agriculture contributes about 11% of Mongolia's gross domestic product, of which 75 percent is derived from livestock production. About 30 percent of Mongolian households depend on livestock production for their livelihoods.¹¹ But Mongolia is not meeting international quality and health standards of meat production that would enable it to export on a large scale to international markets.¹²

Human development and millennium development goals (MDG)

20. Mongolia's human development index (HDI) rank has progressively increased in the past decade, and it currently (2015) ranks 90th (HDI 0.727) out of 188 countries.¹³ This is a significant improvement, increasing by 13 positions from that of 2014¹⁴ when it was ranked 103 among 187 countries and now shares a position among high human development countries. The fifth MDG progress report estimated that in spite of within-country variations, Mongolia had achieved, or was on track to achieve, more than 70 percent of the MDG targets.¹⁵ Poverty has been on a downward trend over the past decade. Though not fully achieved its MDG target of halving poverty to 18 percent¹⁶ by 2015, the country came close to its target - poverty rate declined from 27.4 percent in 2012 to 21.6 percent in 2014,¹⁷ although many remain near the poverty line and the eastern region has still quite high poverty rate (31.4 percent in 2014) compared to other regions. Moreover, according the World Bank (Mongolia-Economic Update November 2015) many people who escaped poverty are bunched just above the poverty line. About 11 percent of the population is within 10 percent of the poverty line. Small negative economic shocks can easily push these people back into poverty, implying that more than a tenth of the population are highly vulnerable and at risk of falling back into poverty.
21. The transition towards a market economy has led to increasing social inequality (Gini index = 36.5)¹⁸ and substantial unemployment. Growing income inequality is compounded by a geographically uneven growth distribution - while the emerging mining centres in the South Gobi region and the capital Ulaanbaatar are benefitting from economic opportunities, the peripheral regions are lagging behind. Mongolia today has a shortage of qualified workers and technicians and often needs to call on foreign labour. Mongolia has a large young population (28.1 percent of the population are aged under

⁹ FAO/Global Environment Facility (2014). Project Document, Mainstreaming biodiversity conservation, SFM and carbon sink enhancement into Mongolia's productive forest landscapes. February 3, 2014

¹⁰ Mongolia - European Community Strategy Paper, 2007-2013, Version: SP Mongolia EN - 23-02-2007 - final

¹¹ Mongolian Statistical Yearbook (2012)

¹² The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017 (p6)

¹³ UNDP (2015). Human Development Report – Work for Human Development

¹⁴ UNDP (2014). Sustaining Human Progress: Reducing Vulnerabilities and Building Resilience

¹⁵ Government of Mongolia/UNDP. Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2014), January 2015

¹⁶ United Nations, DP/DCP/MNG/2. Executive Board of the United Nations Development Programme. Draft country programme document for Mongolia (2012-2016), 17 March 2011

¹⁷ <http://www.worldbank.org/en/country/mongolia/overview#1>

¹⁸ UNDP (2015). Human Development Report – Work for Human Development

15, 45.5 percent are under 25)¹⁹ and the country cannot always provide adequate education and job opportunities for its young people. Even though more than 97 percent of Mongolians have attended school through the secondary level, there is a mismatch between skills they learn and skills the changing job market demands, resulting in a well-educated but unemployed population where 1 in 10 are out of work.²⁰ Currently 34 percent of working population is engaged in agriculture including herding, 61 per cent in services (mostly informal sector) and just five per cent in industry.

22. Mongolia has a social security system, with a compulsory social insurance scheme extended to herders, self-employed and informal workers on a voluntary basis. The country also has a mandatory social health insurance, a universal child allowance and a number of social welfare programmes. However, the administration and delivery of social security benefits and employment services across a very sparsely populated country is challenging, leaving more than 80 per cent of herders, self-employed and informal economy workers with insufficient income security. To distribute the wealth obtained from Mongolia's minerals equitably, Mongolia adopted the Comprehensive National Development Strategy (CNDS) in 2008 and created a Human Development Fund (HDF) with the ambitious goal of bringing Mongolia's human development status to the same level as that of the developed countries by 2020.²¹

Climate change, environmental degradation, poverty and vulnerability

23. Mongolia has been rated high in terms of its vulnerability to climate change, being among the top ten countries most affected worldwide (Climate Risk Index of 31.33).²² Climate change poses a serious threat to Mongolia's economy and people's livelihood. According to the Mongolia Second Assessment Report on Climate Change-2014, the annual mean temperature has increased by approximately 2.1⁰ Celsius with noticeable increase in summer temperature during the last 70 years. Climate change is likely to be contributing to reduced rainfall in the future. Evidence shows that in the past 10 years, Mongolia's arid area has extended by 3.4 percent.
24. Already visible signs of climate change impacts can be seen in the drying up of lakes and springs in areas without permafrost, overgrazing and soil degradation, deforestation and forest depletion, intensified desertification, change of wildlife habitat, and the increasing frequency of forest and steppe fires, with overall environmental degradation. Because of intensified human activity, 70 percent of total land has been degraded. The biomass has decreased by 50-60 percent.²³ Much of the country's growth is derived and will continue to be generated from its natural capital. Overgrazing and unregulated mining activities have contributed to desertification of grasslands, and the forest area has decreased by 25 percent in the past two decades.²⁴ Desertification is driving the Gobi desert to expand by 10,000 square kilometers every year.²⁵ Compounded by increasingly harsh winter storms, the changing climate is driving herders to relocate to Ulaanbaatar and other cities in search of better opportunities. Melting of permafrost, which covers more than 60

¹⁹ CIA World Factbook (based on population estimate of 2014).

http://www.indexmundi.com/mongolia/demographics_profile.html

²⁰ Kate Diamond (2012). In Mongolia, Climate Change and Mining Boom Threaten National Identity, July 23, 2012 (<http://www.newsecuritybeat.org/2012/07/in-mongolia-climate-change-and-mining-boom-threaten-national-identity/>)

²¹ Alicia Campi (2012). Mongolia's Quest to Balance Human Development in its Booming Mineral-Based Economy, January 2012. <http://www.brookings.edu/research/opinions/2012/01/10-mongolia-campi>

²² Germanwatch. 2014. *Global Climate Risk Index 2014*. Bonn. <https://germanwatch.org/en/download/8551.pdf>

²³ Ministry of Nature and The Environment of Mongolia. Netherlands Climate Change Studies Assistance Programme Climate Change And Sustainable Livelihood of Rural People In Mongolia (Preliminary Report), 2006.

²⁴ The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017

²⁵ Cicero Lucena and John Gummer (2012). Why Rio failed in the past and how it can succeed this time. The Guardian, 12 June, 2012

percent of the territory of Mongolia, will have adverse impacts on agriculture, water resources and infrastructure development. Agriculture and livestock, which are already heavily exposed to climate risks, will continue to remain vulnerable and large shocks (like *dzuds*) will affect Mongolia's society and overall economy.²⁶ Increased temperature, however, may also have a positive effect by extending the otherwise short growing season for crops.

25. Nearly 40 percent of Mongolians are herders whose livelihoods are irrevocably intertwined with their environment.²⁷ The environmental degradation in the country so far has been caused by intensive human activity through overgrazing, uncontrolled mining and severe air and water pollution. Although pastoralism has been a mainstay of life in Mongolia for centuries, the transition from a centralised economic system since 1992 has seen an explosion both in the number of herders and herd-size which more than doubled between 1990 and 2007.²⁸ Almost half of the herders live on incomes below the national poverty line. The majority of herders have fewer than 200-300 heads of livestock,²⁹ which is considered too few to provide sufficient income to support a household.
26. The country is prone to natural disasters including snowstorms, forest fires, floods, earthquakes and *dzud* (harsh winter conditions leading to widespread death of livestock), forest fires, floods and earthquakes.³⁰ A series of *dzuds* between 1999 and 2002 were unprecedented but were surpassed by events in 2009-2010, as a result of which close to 10 million of the country's estimated 44 million livestock perished. There are fears that such events will become more frequent and/or severe while the country is also getting warmer and drier. The devastating loss of livestock as a result of these climate events has prompted a large number of herders to move to urban areas in search of employment,³¹ adding to sprawling slums and Mongolia's notorious cook stove-driven air pollution.³² Ulaanbaatar is also situated in one of the most seismically active parts of the world, experiencing 30 to 50 quakes above 5.0 on the Richter magnitude scale on an annual basis.³³
27. The untrammelled mining industry exacerbates country's delicate environmental balance. Unlicensed operations pollute scarce above-ground water supplies (which are frozen half the year), while large-scale works divert the primary underground sources,³⁴

²⁶ The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017

²⁷ Kate Diamond (2012). In Mongolia, Climate Change and Mining Boom Threaten National Identity, July 23, 2012 (<http://www.newsecuritybeat.org/2012/07/in-mongolia-climate-change-and-mining-boom-threaten-national-identity/>)

²⁸ Mortimore, M. with contributions from S. Anderson, L. Cotula, J. Davies, K. Facer, C. Hesse, J. Morton, W. Nyangena, J. Skinner, and C. Wolfangel (2009). Dryland Opportunities: A new paradigm for people, ecosystems and development, IUCN, Gland, Switzerland; IIED, London, UK and UNDP/DD. p18

²⁹ See <http://www.infomongolia.com/ct/ci/9061/152/Animal%20husbandry,%202014>

³⁰ United Nations, DP/DCP/MNG/2. Executive Board of the United Nations Development Programme. Draft country programme document for Mongolia(2012-2016), 17 March 2011

³¹ The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017

³² Kate Diamond (2012). In Mongolia, Climate Change and Mining Boom Threaten National Identity, July 23, 2012 (<http://www.newsecuritybeat.org/2012/07/in-mongolia-climate-change-and-mining-boom-threaten-national-identity/>)

³³ The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017 (p7)

³⁴ *Ibid.* Also see UN-Water Mongolia Country Brief (June 3, 2013) which states that the country's groundwater withdrawal as percentage of fresh water withdrawal in 2012 was 83 percent.

contributing to more than a third of the population living without access to safe water, according to latest data from the World Bank.³⁵

28. The pastoral livelihood system requires animal populations to be in balance with grazing and water resources, but greater sedentarisation and inadequate provision of livestock support services has led to serious localised overgrazing around trading centres.³⁶ Approximately 90 percent of Mongolia's territory is vulnerable to land degradation and desertification. In Mongolia it is now recognised in the National Action Plan for Combating Desertification and the new Law of Mongolia on Soil Conservation and Desertification Control that overgrazing of pasture throughout the country is a major cause of soil loss and desertification.³⁷ Taken together, climate change and overgrazing have degraded more than two-thirds of pastureland.³⁸ This is compounded by the fact that people have little incentive to invest in developing land and pasture resources. Land tenure and issues related to pastures are crucial issues in both rural and urban areas. The poor need access to land as well as secure, well-defined and enforceable land rights, in order to manage natural resources in a sustainable way and to invest in land improvements.³⁹
29. Growing inequality and increasing vulnerability caused by anthropogenic factors described above have led to demands for a wider and quicker redistribution of mineral wealth. The government responded through increasing investment in universal cash hand-outs in government expenditures in recent years. In 2011 the social welfare law was amended to include an emphasis on poverty targeting for benefits such as food stamps, health and education subsidies and a new poverty benefit to replace the untargeted and inefficient cash transfers.⁴⁰ The National Statistics Office (NSO) has approved a methodology for poverty targeting that is being used by the Ministry of Social Welfare and Labour for identifying poor households.

Migration and urbanisation

30. As discussed above, because of climate change and increased mismanagement of land resources, a large number of people are now moving to urban areas, particularly to the capital city, Ulaanbaatar. Ulaanbaatar has seen its population double to 1.2 million in just two decades and it is expected to reach 1.9 million by 2030. Mongolia's traditional nomadic way of life is alien to the concept of private land ownership. So when people come to cities and trading centres, they simply pitch their *ger* (traditional Mongolian tent) in a suitable place, unaware that they might be infringing existing property rights. The *gers* currently comprise 60 percent of the city's residents and 90 percent of its administrative area (World Bank, 2012). Until recently they were viewed as temporary and did not benefit from the city's development planning or investments. Residents in *ger* areas suffer from limited or no access to public services, and higher rates of unemployment and rely heavily on the informal sector for their livelihoods. To heat their homes in winter and cook, nearly 85 percent of urban residents rely on wood- or coal-

³⁵ Source: <http://data.worldbank.org/indicator/SH.H2O.SAFE.ZS> (according to Government of Mongolia, *Fifth National Progress Report on Achieving The Millennium Development Goals* (2013), 40 percent of population was projected to be without access to safe water in 2015).

³⁶ Mongolia - European Community Strategy Paper, 2007-2013, Version: SP Mongolia EN - 23-02-2007 - final

³⁷ Keith Swenson and Shajinbat Erdenebileg (2012). Report of the Final Evaluation - Sustainable Land Management for Combating Desertification in Mongolia.

³⁸ Kate Diamond (2012). In Mongolia, Climate Change and Mining Boom Threaten National Identity, July 23, 2012 (<http://www.newsecuritybeat.org/2012/07/in-mongolia-climate-change-and-mining-boom-threaten-national-identity/>)

³⁹ Mongolia - European Community Strategy Paper, 2007-2013, Version: SP Mongolia EN - 23-02-2007 - final

⁴⁰ The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017

burning stoves that are highly polluting, making Ulaanbaatar one of the most polluted cities in the world, especially in winter.⁴¹

Emissions

31. Mongolia's per capita emissions of greenhouse gases is above the global average, due mainly to inefficient energy use, large amounts of livestock and use of raw coal for heating. The *ger* areas where families keep warm during harsh winters with little more than coal-fired cook stoves are a driving force behind pollution levels that surpass even those of China's notoriously polluted skies.⁴²
32. Carbon dioxide is the most important greenhouse gas in Mongolia's inventory with a share of 48.5 percent of the total CO₂-eq emissions in 2012 followed by methane, which comprises 32.5 percent.⁴³ Between 1990 and 2012, the share of methane in all greenhouse gas (GHG) emissions slightly increased from 31.1 percent to 32.5 percent, mainly due to increased livestock population. Compared with other countries, the total GHG emissions is small, but per capita emissions are high⁴⁴ - at 9.2 tons /person in 2012 compared to other developing countries because of the extremely cold climate, the use of fossil fuels for energy, and the low efficiency of fuel and energy use. The energy sector produces almost 77 percent of the country's CO₂ and around 12 percent of methane emissions. In 2012, 98 percent of CO₂ emissions accounted for the energy sector due to various types of fuel combustion activities.

Governance

33. Mongolia scores relatively well in international surveys of governance issues. Frequent change in government however is not unusual and political patronage seriously undermines the civil service effectiveness in the country. Civil service in the country is inseparably connected to changing political dispensations and without a permanent cadre of civil servants, there is a problem of providing continuity which affects public service delivery. A report some eight years ago⁴⁵ neatly summed up the situation that still prevails: "... restrictive state secrecy and libel laws as well as economic and political pressures still limit the freedom of the press despite recent positive developments. Human rights generally do not give reason for serious concern, but some worrying individual cases have occurred."
34. Corruption continues to be a serious problem and is reported to be on the rise, though Mongolia fares better than its peer groups in setting up regulatory and institutional framework for greater transparency. Kinship ties and patronage is deeply embedded in functioning of institutions in the country, including political parties, government agencies and businesses. The country's standing in Transparency International's annual corruption perception index offers further cause for concern – since Mongolia first entered the index in 2004, its ranking dropped from the 85th least corrupt country in the world to 120th in 2011, improving significantly by 2014 when Mongolia was ranked 80th among 175 nations.⁴⁶

⁴¹ *Ibid.* p6

⁴² Kate Diamond (2012). In Mongolia, Climate Change and Mining Boom Threaten National Identity, July 23, 2012 (<http://www.newsecuritybeat.org/2012/07/in-mongolia-climate-change-and-mining-boom-threaten-national-identity/>)

⁴³ Government of Mongolia, Ministry of Environment and Green Development (2014). MARCC 2014 -Mongolia Second Assessment Report on Climate Change, Ulaanbaatar

⁴⁴ Damdin Dagvadorj, Ph.D, Ministry of Nature, Environment and Tourism, Mongolia (2010). "Mongolia: Lesson Learned From Capacity Building Of GHG Inventory And National Communications". Nineteenth Asia-Pacific Seminar On Climate Change, 20-22 July, 2010, Kitakyushu, Japan

⁴⁵ European Union (2007). Mongolia - European Community Strategy Paper, 2007-2013, Version: SP Mongolia EN - 23-02-2007 - final

⁴⁶ Kate Diamond (2012). In Mongolia, Climate Change and Mining Boom Threaten National Identity, July 23, 2012 (<http://www.newsecuritybeat.org/2012/07/in-mongolia-climate-change-and-mining-boom-threaten-national-identity/>)

35. Mongolia has an Independent Authority Against Corruption (IAAC) set up about a decade ago. In 2012, it passed a Conflict of Interest Law which will require (i) agencies to adopt and enforce a code of ethics and (ii) public servants to register private interests with the IAAC.⁴⁷ The country has enthusiastically adopted various international standards and code of conduct, but enforcement capacity remains weak and the country is struggling to establish a culture of accountability. While an adequate policy framework is in place, there appears to be a gap between enacted rules and actual practices.⁴⁸ Mongolia joined the Extractive Industries Transparency Initiative (EITI) in 2005 and became EITI compliant. All civil servants and elected officials have to file income and assets disclosure forms annually. Per the revised Public Procurement Law, civil society groups are mandated to participate in public procurement, specifically in bid evaluation and ex-post monitoring of government contracts.⁴⁹ Most of these policies and laws, however, remain largely on paper.

Gender

36. The 2015 Human Development Report⁵⁰ puts Mongolia's Gender Development Index at 1.028, much higher than the world average. A cursory assessment of achievements in Mongolia using indicators like the MDGs and the Human Development Index suggests that women and men benefit in an equitable manner from development especially when compared to other countries in Asia. These indicators suggest equal access to government services with high literacy rates, educational achievements, and increasing life expectancy for both women and men. Women's basic human rights are specifically recognised in the 1992 Constitution. Rates of educational enrolment and achievement are higher for women than for men; one explanation for this is that boys run a higher risk of dropping out of secondary education, since they are often required to help with herding or artisanal mining.⁵¹
37. Women play an active role in Mongolian society and generally have the same rights as men. Education gaps have been reversed at all levels of education and girls now account for more than half of the students in tertiary education. Fertility rates stand today at 2.44. Maternal mortality was reduced from 53 per 100,000 live births in 2012 to 44 in 2015.
38. Despite these positive achievements, women's political participation as a measure of empowerment (MDG3) remains weak. In most countries where majority of women are formally employed, a higher proportion of them are in decision-making positions. In Mongolia, however, the most marked gender gap that has persisted from the socialist era into the transition is women's low participation in political and other forms of decision making.⁵² From a record low of 3.9 percent of parliamentarians being women in 2008,⁵³ it increased to 14.5 percent in 2012,⁵⁴ less than half of the MDG 3 target of 30 percent by 2015, and only two-third of world average. The percentage of female elected representatives in local governments decreased from 30.9 percent in 2008 to 27.3 percent in 2012.

⁴⁷ The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017

⁴⁸ *Ibid*

⁴⁹ *Ibid*

⁵⁰ UNDP (2015). Human Development Report – Work for Human Development

⁵¹ European Union (2007). Mongolia - European Community Strategy Paper, 2007-2013, Version: SP Mongolia EN - 23-02-2007 - final

⁵² Asian Development Bank and World Bank (2005). MONGOLIA COUNTRY GENDER ASSESSMENT

⁵³ United Nations, DP/DCP/MNG/2. Executive Board of the United Nations Development Programme. Draft country programme document for Mongolia (2012-2016), 17 March 2011

⁵⁴ Government of Mongolia/UNDP. Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2012-2013), February 2014

39. Discrimination against women is manifest in several areas of social and economic life. Many mid-level positions in administration and business are held by women, whereas top-level jobs continue to be male domain. Although labour force participation remains adequate at 56 percent (2010), average remuneration is lower for women. Violence against women remains alarmingly high with almost 20 percent of women surveyed by the National Statistical Office (NSO) in 2009 reporting to have been subjected to physical violence by a husband or partner. The gender gap in life expectancy is also widening due to a worrying increase in adult male mortality,⁵⁵ while maternal mortality has reduced from 38 per 100,000 live births in 2012 to 25 in 2014 (NSO).

Other major development partners of Mongolia

40. The World Bank and Asian Development Bank (ADB) are key players in the area of poverty. The World Bank approved the third Sustainable Livelihoods Project in 2014 with total project cost of US\$ 36.2 million. The project is to improve governance and community participation for the planning and delivery of priority investments in rural areas of Mongolia. The World Bank has closely worked with the National Statistical Office, a key partner of UNDP, in the area of poverty estimation. The ADB assisted (US\$ 3 million) the government in its Food and Nutrition Social Welfare Project. Through the project, the most vulnerable households were identified and the government created a food stamp programme that carefully targeted the poorest and most vulnerable 5 percent of the population. This was the first time in Mongolia that poor families nationwide were systematically identified. The resulting database has become an important tool for poverty targeting, which can be used for other social programmes.⁵⁶ The ADB is also involved in rural development and agribusiness development through increasing access to finance for small and medium enterprises (SME).⁵⁷ Another major partner is Japan International Cooperation Agency (JICA) which assists in major infrastructure projects, information technology, education sectors and river basin management in the country.
41. Among other major players, the Swiss Agency for Development and Cooperation (SDC) which has cofinanced UNDP on several projects under Outcomes 1 and 2 is focusing on governance issues and environment. The SDC jointly with the World Bank has launched an initiative (Mainstreaming Social Accountability in Mongolia, 2015-2019) to deepen engagements in civil society development and social accountability. The SDC is also working on the semi-nomadic herding system to support sustainable rangeland management and economic development. The ADB supports community based natural resources management such as sustainable forest and pasture management and local livelihoods development through its projects financed by the Japan Fund for Poverty Reduction. The German Cooperation Agency (GIZ) supports projects on biodiversity and adaptation of key forest ecosystems to climate change and Reducing Emission from Deforestation and forest Degradation (REDD+), as well as in the area of forest and protected areas management.
42. The Food and Agriculture Organisation (FAO) in partnership with the Global Environment Facility (GEF) is assisting the Ministry of Environment, Green Development and Tourism (MEGDT) in forest management in the northern forests through improving livelihoods, mainstreaming biodiversity conservation and carbon management. Another area of GEF assistance has been to strengthen the management effectiveness and financial sustainability of Mongolia's protected areas system. GEF Adaptation Fund promotes activities to maintain the water provisioning services supplied

⁵⁵ The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017

⁵⁶ Asian Development Bank (2015). Food Stamp Program Focuses Aid on Poorest Families in Mongolia.

⁵⁷ Asian Development Bank (2014). Country Operations Business Plan, Mongolia 2014-2016, August 2014.

by mountains and steppe ecosystems through implementing integrated strategies/ management plans for target landscapes and adaptation techniques to maintain ecosystem in two critical river basins of Mongolia. The UN-REDD Programme will launch a National Programme in early 2016 to assist the Government of Mongolia in protecting the country's forest resources.

2.2 Implications for UNDP programming

43. The economic development trajectory Mongolia has set itself on will see future growth being held hostage to boom and bust cycles of global commodity market, which will register negative pressures on the country's human development parameters that have so far performed better than many of its peer groups. In particular, this would lead to increasing rural poverty, rural-urban migration, youth unemployment, overstretched capacity of urban centres to provide basic services and worsening GHG emissions with adverse immediate consequences for cities like Ulaanbaatar. Despite significant decrease in poverty rate, it should be noted that, as pointed out by the World Bank,⁵⁸ many people who escaped poverty are bunched just above the poverty line. About 11 percent of the population is within 10 percent of the poverty line. Small negative economic shocks can easily push these people back into poverty, implying that more than a tenth of the population are highly vulnerable and at risk of falling back into poverty.
44. The problem of overgrazing and overstocking will continue to exacerbate land and pasture degradation, further decreasing productivity of herding and farming. Without clear policy and institutional framework at national and local levels involving pastoralists, and without clearly defined rights of access and usufruct rights agreed among herder groups, communities have no incentive to protect and develop pastures, but only to draw on these. This prisoners' dilemma phenomenon notwithstanding, overstocking will further rise as herders will continue to increase their size to make up for low marginal productivity of herding. Low productivity is also accentuated by the fact that animal healthcare and quality control of meat production to meet regional and international standards is non-existent.
45. Mongolia has developed fairly stable institutions to promote democracy, although shifting political landscape is a regular phenomenon in the country, leading to frequent changes in government. This often results in a lack of coherence in policy framework from one government to the next. Although Mongolia is not a country in turmoil and its security stable, failure to address the issues of chronic as well as transient poverty caused by economic and anthropogenic factors may threaten this stability in future. This is compounded by persistent high inflation⁵⁹ and increasing unemployment among youths.

2.3 UNDP CPAP (2012-2016)

46. The CPAP outlines following outputs and outcome indicators for the three outcomes which form subject of this evaluation. Output targets/ indicators are detailed in the CPAP Results and Resources Framework (Revised, 2014).⁶⁰ The Table below (Table 2) also

⁵⁸ The World Bank (2015). Mongolia-Economic Update November 2015. (101064)

⁵⁹ According to Mongolbank (http://mongolbank.mn/dblistcpi_mng.aspx), inflation moderated to single digit after January 2015 (9.8 percent) and as of December 2015, it was 1.9 percent.

⁶⁰ UNDP Mongolia (2015). UNDP Country Programme Action Plan, CPAP (2012-2016), Monitoring matrix for Results and Resources Framework, 2014 update presented in Progress Report 2014, 14 January 2015

shows a mapping of key counterparts/partners through which various outputs are being delivered.

Table 2: CPAP outcomes, associated outputs and indicators

CP outcome	CP outputs	Key counterparts/ implementing partners
<p>1. Economic development is inclusive and equitable, contributing towards poverty alleviation.</p> <p><i>Indicators:</i></p> <p>1. Progress of formulating and approving the development policy and planning law</p> <p>2. NPRP with pro-poor measures focused on disparity reduction.</p> <p>3. Capacities of LLDC Think Tank; number of studies commissioned on LLDC issues.</p>	Output 1: National Development policy and planning system improved.	National Statistics Office. Ministry of Finance, Macro-Economic Policy Department
	Output 2: Improved capacity for pro-poor policies including support to the development of a national poverty reduction programme (NPRP).	Micro-insurance companies; Financial Regulatory Committee (Insurance Department) Ministry of Finance, Macro-Economic Policy Department; Ministry of Labour (Department of SME policy and development); Mongolian Chamber of Commerce and Industry.
	Output 3: Pro-poor and trade policies supported through promoting global and South-South Cooperation.	Ministry of Foreign Affairs (International Think Tank for Land-locked Developing Countries)
<p>Outcome 2: Strengthened governance for protection of human rights and reduction of disparities.</p> <p><i>Indicators:</i></p> <p>1. Relative values of corruption perceptions index reduced.</p> <p>2. Positive change in the enjoyment of human rights</p> <p>3. Increased representation of women in parliament, local khurals and Cabinet.</p>	Output 1: Functions, financing and capacity of subnational level institutions enabled to deliver improved basic services and respond to priorities voiced by the public.	Parliament Secretariat (PS); <i>Aimags/khurals</i> ; NGOs; Centre for Citizenship Education/ MONFEMNET; Ministry of Justice
	Output 2: Parliament and electoral management body enabled to perform core functions for improved accountability, participation and representation.	PS; General Election Commission; National Committee on Gender Equality (NCGE); Civil Society Organisations (CSO).
	Output 3: Capacities of human rights institutions strengthened.	National Human Rights Commission
Outcome 3: Improved sustainability of natural resources management and resilience of ecosystems and vulnerable populations to the	Output 1: Environmental policy reform supported with focus on enhanced law enforcement.	Ministry of Environment, Green Development and Tourism

CP outcome	CP outputs	Key counterparts/ implementing partners
changing climate. <i>Outcome indicators:</i> 1. Effectiveness of environmental law enforcement. 2. Number of policy and legislative documents developed/ updated and adopted; number of local emergency preparedness groups; number of landscape conservation strategies. 3. Number of nationally appropriate mitigation actions (NAMA); number of studies on climate change impact and adaptation. 4. Number of new or updated BCNS for energy efficiency, water and sanitation.	Output 2: Management of pasture/ land, water resources and biodiversity improved through landscape-based planning approach.	Ministry of Environment, Green Development and Tourism (Administration of River basin management, Administration of Protected Areas)
	Output 3: National climate and disaster risk management capacities improved in coordination, communication and networking.	National Emergency Management Agency
	Output 4: Capacities of vulnerable sectors and communities strengthened in climate change adaptation and mitigation.	Soum governments and community groups
	Output 5: Innovative and cost-efficient technologies made available for reducing disparities in access to safe drinking water and adequate sanitation.	Ministry of Construction and Urban Development

[Source: UNDP Mongolia (2015). UNDP Country Programme Action Plan, CPAP (2012-2016), Monitoring matrix for Results and Resources Framework, 2014 update presented in Progress Report 2014, 14 January 2015.]

47. The following table (Table 3) shows the planned and actual financial position of the programme during the CPAP period

Table 3: CPAP (2012-2016) resources by Outcome (US\$)

Outcomes	Source of Fund	Planned CPAP 2012-2016	2012	2013	2014	2015	Total	% of CPAP delivery (end 2015)
Outcome 1 (from UNDAF & CPD): Economic development is inclusive and equitable, contributing towards poverty alleviation								
Sub Total of Outcome 1	Trac	2,482,000	571,866	552,468	730,739	484,826	2,339,899	94%
	Other	3,565,000	584,977	734,806	840,669	281,210	2,441,663	68%
	Total	6,047,000	1,156,843	1,287,574	1,571,409	766,036	4,781,862	79%
Outcome 2 (from UNDAF & CPD): Strengthened governance for protection of human rights and reduction of disparities								
Sub Total of Outcome 2	Trac	3,191,000	610,344	591,824	464,185	310,843	1,977,196	62%
	Other	3,600,000	266,452	501,850	1,329,876	976,993	3,075,171	85%
	Total	6,791,000	876,795	1,093,673	1,794,061	1,287,836	5,052,365	74%
Outcome 3 (from UNDAF & CPD): Improved sustainability of natural resources management and resilience of ecosystems and vulnerable populations to changing climate								
Sub Total of Outcome 3	Trac	1,418,000	697,097	929,113	396,388	136,383	2,158,981	152%
	Other	14,000,000	2,290,047	2,515,421	4,752,321	3,000,404	12,558,193	90%
	Total	15,418,000	2,987,144	3,444,534	5,148,709	3,136,787	14,717,174	95%
TOTAL PROGRAMME								
Total financial delivery	Trac	7,091,000	1,879,306	2,073,705	1,591,312	932,052	6,476,375	91%
	Other	21,165,000	3,141,476	3,752,076	6,922,867	4,258,607	18,075,026	85%
	Total	28,256,000	5,020,782	5,825,781	8,514,179	5,190,659	24,551,401	87%

[Source: UNDP Mongolia Financial data provided to the evaluation team on 19 February 2016]

48. Funding environment in the country has been changing and is more likely to be constrained in future as Mongolia reached has upper middle-income country (MIC)

status. Overall, the transition away from an environment where the CO has ample core to invest as seed funding towards a more full noncore environment is on the way.⁶¹ The CO will need to diversify noncore funding base in future and for this it will need to demonstrate its distinctive competence and comparative advantage in ‘delivery of projects’ in order to compete for the shrinking supply of funds.

Section 3: Evaluation Findings on Outcomes

3.1 Outcome 1 – Economic development and poverty alleviation

Overview

49. The intended outcome relates to ensuring adequate national capacities for pro-poor development and delivery of a poverty reduction programme. This was to be achieved through ensuring appropriate national development policy and planning system to ensure acceleration of MDGs, as well as through pro-poor trade policies that promoted global and South-South cooperation. The key targets under this outcome were as follows:⁶²
 - Policy review and development, including aligning the Comprehensive National Development Strategy (CNDS) to deliver on the MDGs, backed by appropriate action plan, budgets and M&E framework
 - Putting in place a development planning law and guidelines
 - Diagnostic studies for off-track MDGs (poverty, gender and water and sanitation) undertaken which feed into policy making in the country
 - Strengthened national capacity for data collection and macroeconomic modelling
 - A comprehensive national poverty reduction programme (NPRP) developed integrating community level livelihood programme and enhanced social protection
 - Strengthened capacity of Government of Mongolia to facilitate Landlocked Developing Country Think Tank (LLDC-TT) and the country’s capacity for sharing and learning regionally.
50. Development policy and practice thus was sought to be directly aligned with the agenda of equitable development, poverty alleviation and achievement of related MDGs during the period of the CPAP.

Findings

3.1.1 Policy, guidelines and institutional capacity

51. UNDP has assisted the Government of Mongolia (GoM) to draft a development planning law which has generated considerable buy-in and engagement from parliamentarians for improving development planning and setting up a coherent system in the country.⁶³

⁶¹ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

⁶² These are a combination of outputs and key output targets in the RRF which have most relevance for the outcome

⁶³ UNDP Mongolia (2015). CPAP Progress Report for 2014

Mongolia has been used to developing policies often without clear plan of action and cost-benefit analysis of various policy options, with the result that many of the policy documents end up as mere wish lists that are hard to implement as there is no budget alignment and inter-ministerial coordination. This newly approved Law on Development Policy and Planning (LDPP) will enable the Ministry of Finance (MoF) to assess each draft policy for its financial feasibility before it goes to the Cabinet or Parliament for approval. According to key informants in the GoM, this law will contribute to ensuring that policies developed in the country are realistic and pass the test of feasibility of implementation. Moreover, planning and M&E guidelines have been developed and piloted at sectoral and local level. This law and its associated guidelines will serve as a legal base for harmonised and coordinated planning system both at national and local levels in the country bringing together different sectors, local strategies and policies.

52. The country has now developed a vision (Box 2) document setting out economic development roadmap for the period 2016-2030, assisted by UNDP and other DPs. UNDP advocated for integrating poverty eradication in particular as one of the key goals of the vision document and the ensured focus on sustainable development goals (SDGs) for which UNDP helped carry out data needs assessment for outcomes and indicators. The vision document along with LDPP will ensure that any new policy is assessed for their alignment and contribution to the SDGs.⁶⁴ This should give a common framework and language for fostering dialogue and engagement on the country's development.

Box 2: Highlights from the draft Vision 2016-2030

The draft long-term development vision of Mongolia (2016-2030) has in its list the following key goals on poverty:

- Become a leading upper-middle income country, ensure average annual economic growth of 6.6 percent in 2016-2030 and increase its GNI per capita to US\$ 17,500.
- Reduce income inequality, reduce GINI coefficient to 30 and have 80 percent of the population in the upper-middle income class.
- End poverty in all its forms.
- Improve the living environment of Mongolian people to lead a healthy and long life and increase life expectancy to 78.
- Join high human development country group and to be ranked among the first 70 countries.

[Source: Draft Long-term Sustainable Development Vision Document of Mongolia 2016-2030]

53. Implementation of the LDPP will require that each line ministry, besides the MoF, have necessary capacity to undertake thorough cost benefit analysis (CBA) of various policy options and assess their contributions to the sustainable development goals (SDGs). This is an area where systematic capacity assessment will be required, at least of the key ministries which directly contribute to SDGs.
54. UNDP supported the GoM to monitor its achievement of MDGs through which a poverty map was produced to help policy and decision makers in evaluation of progress on MDG indicators.⁶⁵ UNDP's assistance for T-21 macroeconomic modelling is enabling the MoF in scenario planning which has been used for developing long-term vision document for 2016-2030. A comprehensive database for macroeconomic indicators has been created and used as evidence for macroeconomic policies and public investment planning. To complement this, UNDP supported a statistical needs assessment for local

⁶⁴ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

⁶⁵ Government of Mongolia, Ministry of Economic Development/UNDP (2013). Poverty and Millennium Development Goals Monitoring - Terminal Report

level policy making which was conducted and approved by the NSO. Besides the SDC and World Bank which assisted NSO in development of national statistical capacity, UNDP supported the NSO to publish statistical compendiums for 21 *aimags* and the capital city, analysing local trends and providing comparative analysis across locations.⁶⁶ Through this initiative, local level statisticians were trained to collect, interpret and provide data for policy making, thus bridging the gap between gathering of data and policy making. It is the first time that such local data and analysis have been conducted on scale and this is already proving to be an extremely valuable source of information for local and national policy makers. Mongolia's NSO is recognised for its capacity, and is a member of the UN Statistical Commission. It has worked with the UN Statistics Division to develop indicators to support the SDG framework.

55. The MoF is now a major partner for UNDP's assistance on Outcome 1. Within the GoM, the focal point for economic policy, planning and institutional capacity has however changed over the years. In 2009-2010, this responsibility lay with the Prime Minister's Office⁶⁷ which then moved to Ministry of Economy Development (MED). During 2014, a restructuring within the government led to dissolution of the MED and economic policy development and planning then moved to the MoF. It is also to be noted that the institutional capacity of the core division responsible for the nation's economic policy and modelling is still heavily reliant on external support – of the 30 staff, 22 are funded by the World Bank (14) and UNDP (8)⁶⁸ – indicating that the GoM is yet to fully institutionalise this crucial function within its structure.
56. The country has made significant progress in reducing poverty especially in the past decade, led mostly by mining boom. Though promising, the data masks the very fragile nature of Mongolia's economy for its sensitivity to global commodity market on the one hand, and human-induced and climatic factors, on the other (*see* Section 2). The decline in economic growth over the past three years has rendered thousands unemployed or under-employed, forcing many to rely on the informal sector of the economy which has seen a decline in real wages.⁶⁹ A new vicious circle of rural and urban poverty is emerging, each feeding the other. So far, one of the escape routes for the rural poor including those thrown out of pastoralism has been to move to Ulaanbaatar and other key cities. The increasing poverty and vulnerability in urban areas due mainly to unemployment and failure to partake in the benefits of mining-led growth also throws a section of the marginalised population back to the semi-nomadic way of life of herding, and this trend could intensify, if access to employment and basic services in urban and peri-urban areas were not improved in future.

3.1.2 Poverty alleviation

57. A key target of the CPAP was to support the Government to develop a comprehensive poverty reduction programme, but this has not been realised. Within the country's political establishment, there is a reluctance to acknowledge that poverty alleviation needs a concerted strategy directly addressing the root causes. Instead, there is a chorus of opinion among policymakers that economic growth will take care of poverty. Key informant interviews indicated that all development partners (DPs) face this challenge in the country as poverty is dismissed in political discourse – more so in the last few years

⁶⁶ Government of Mongolia/UNDP. Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2014), January 2015

⁶⁷ The government agency under Prime Minister's Office was called National Development and Innovation Committee (NDIC). It operated from March 2009-August, 2012 and later transformed into MED after the 2012 election.

⁶⁸ Key informant interview by the evaluation team

⁶⁹ The World Bank (2012). Report No. 67567-MN. Country Partnership Strategy For Mongolia For The Period 2013-2017

as the country has progressed from low middle income to high middle-income status. Despite these constraints, UNDP was however able to contribute to the following intermediate outputs:

- Ensure that CNDS was MDG-based and has poverty focus
- Development of knowledge products and analytical tools such as poverty maps, National Human Development Reports (NHDR)
- Facilitated agreement on poverty rate in Mongolia between WB and NSO
- Mainstreaming SDG into GoM vision.

58. UNDP has organised several development dialogues on Development Policy and Planning Law, poverty alleviation, mining, micro insurance for the poor, sustainable urbanisation and related issues attended by members of Parliament, government officials, scholars and researchers, civil society, NGOs and development partners. In 2014, in partnership with Mongolian National Chamber of Commerce and Industry, UNDP organised a national consultation on role of small and medium enterprises (SME) in sustainable development. Drawing on its work on microinsurance, UNDP organised an international forum on inclusive insurance which was attended by staff from Financial Regulatory Commission and other agencies. However this is a slow process of education and will require more intensified effort on part of all stakeholders. To bring about transformative changes in this regard will require sensitisation of policy makers and legislators as they are still not used to evidence-based policy-making and planning based on macroeconomic data and scientific modelling.
59. As discussed in section 2, poverty and vulnerability in Mongolia are intricately linked to climate change, environmental degradation and issues related to natural resource management. The recently adopted SDG framework which brings together hitherto separate strands of discourse on poverty (MDG), climate change (UNFCCC) and disaster risk reduction (Sendai Framework) into one coherent framework provides a new lens through which national policies, strategies and development planning can be looked at. This is based on a resilience approach to development, disaster risk reduction and climate change mitigation/adaptation. This may provide an opportunity for UNDP to develop a new construct for its poverty and natural resource management portfolio. Such a narrative may resonate better with the country's political establishment than the current conversation on poverty reduction. An outline of key SDG goals and targets that could underpin a national approach to economic development and resilience is presented in Box 3 below. In this regard, UNDP has already facilitated Mongolia joining a joint UNDP-UNEP initiative (Poverty Environment Initiative)⁷⁰ to address poverty through sustainable natural resource management and moving toward green economy (Partnership for Action on the Green Economy).⁷¹

Box 3: Poverty-disaster-climate change nexus

Goal 1: End poverty in all forms everywhere

1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

⁷⁰ The Poverty-Environment Initiative (PEI) of the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP) is a global programme that supports country-led efforts to put pro-poor, pro-environment objectives into the heart of government by mainstreaming poverty-environment objectives into national development and sub-national development planning, from policymaking to budgeting, implementation and monitoring.

⁷¹ It was reported that UNDP is currently supporting two *aimags* in developing plans integrating the poverty-environment nexus into their local plans.

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services

Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable

11.5 By 2030, significantly reduce the number of deaths and the number of people affected and decrease the direct economic losses relative to gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations.

Goal 13: Take urgent action to combat climate change and its impacts

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

13.2 Integrate climate change measures into national policies, strategies and planning

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

[Source: Extracted from: United Nations (2015). A/RES/70/1. Transforming Our World: The 2030 Agenda For Sustainable Development]

3.1.3 Livelihoods and social protection support

60. UNDP has successfully worked at the downstream level and implemented several livelihood support projects. Following the *dzud* of 2009-2010, UNDP launched a short-term recovery initiative (Alternative Livelihoods Project, 2010-2013) which supported herders in diversifying their household economy through skills and enterprise development. A total of 1500 herders received vocational training and 32 herder groups⁷² were assisted through the project. As a result, jobs were created and beneficiaries broadened their sales channels and increased income by achieving better terms for the purchase of inputs. Another initiative to promote development of small enterprises was the Enterprise Mongolia Project (EMP) in partnership with UNDP in two phases.⁷³ EMP-2 made possible the creation of 273 jobs in target *aimags* and enabled rural business operators to reach new consumers by introducing new products. The evaluation team visited Selenge *aimag*, one of the project locations, to meet project beneficiaries and saw that the project beneficiaries were still successfully doing their own businesses and reported that their annual sales have increased by 30-50 percent.
61. UNDP worked with insurance companies to develop and promote micro insurance products for vulnerable people in rural and peri-urban areas (Box 4). Initially five companies offered products for insurance of *gers* in four *aimags*, but currently only two of them remain in the market as, according to key informants, the low uptake and insurance premium made this non-viable in some areas. However, an offshoot has been that because of the project supported by UNDP, the association of insurance companies have set up information centres in all *aimags* and people are more aware of the concept of insurance and its benefits. It is to be noted that there have been other successful initiatives by DPs in this regard in the country: the World Bank and SDC have been supporting an index-based livestock insurance scheme for herders since 2011 in 15 *aimags*, and reports indicate that by 2013, almost 10 percent of all herders in the participating *aimags* enrolled in this scheme which introduced group-based policy in the country.⁷⁴

Box 4: UNDP's support towards introducing micro-insurance for the poor

UNDP implemented a project on 'Capacity Development for the Micro-Insurance Market' to enhance national social protection programme through strengthened social insurance system. The project piloted two micro-insurance products (health and property) jointly with commercial insurance companies and

⁷² Batkhishig Baival (2013). Terminal Report of Alternative Livelihood Project, UNDP Mongolia

⁷³ Roy Thompson, Bumkhorol Tsendendorj, Solongo Algaa, Arvinbayar Baatar (2012). Evaluation of the Livelihood Support Projects of UNDP Mongolia

⁷⁴ Swiss Agency for Development and Cooperation (2013). Swiss Cooperation Strategy Mongolia 2013-2016

offered the products to low-income socially vulnerable men and women. Two companies (Mongol daatgal LLC and Nomin Daatgal LLC) that got involved in the project sold a total of 705 policies, and insurance compensations were paid to 177 claimants till June of 2011. Product sales were stopped due to the low volume and high claims resulting in large loss⁷⁵ (p 25). The second product was launched in April 2014. As of December 2015, only two insurance companies (Nomin Daatgal LLC and UB City Daatgal LLC) are still offering the product out of the five companies that were ready to launch the product in the beginning. According to key informants, two companies could not sell any product as of the end of December 2015. Even though people showed some interest in the product, they did not buy this despite low insurance premium (the premium is 1000 tugrik (around 50 cents) per month).

62. All of these were successful as individual projects, but there were no follow through on completion of these short-term projects and there was no evidence that leveraging these pilot projects, lessons were drawn to feed into a scalable programme. In recent years (2014-2015) UNDP has been making attempts to facilitate policy discussions through various forums like development dialogue and national/international conferences. In 2014, in partnership with Mongolian National Chamber of Commerce and Industry, UNDP organised a national consultation on role of small and medium enterprises (SME) in sustainable development. UNDP reports that based on experiences of the livelihood support projects, the Ministry of Labour initiated an SME support programme in 2014 which aims at improving the competitiveness of SMEs through concessional loans. Drawing on its work on micro-insurance, UNDP organised an international forum on inclusive insurance⁷⁶ which was attended by staff from Financial Regulatory Commission and other agencies. The results of these however are unclear. A legal environment for the micro-insurance is still not developed in the country and there is no law or directive to regulate micro-insurance market.
63. The social protection programme (*see* Section 2) was expected to provide pension, health, housing, and educational benefits as well as cash pay-out to all citizens. However, its use has become embroiled in Mongolia's populist electoral politics, instead of being determined by social protection needs. Citing UN figures, one acclaimed independent report⁷⁷ stated that in 2011, the government's Human Development Fund spent over \$600 million in cash handouts, an amount that is equal to nearly 40% of state expenditures. The World Bank and other development partners, according to key informant interviews, have been critical of the utilisation of the HDF, and there remains a huge gap between the intent and how it is delivered. This requires thorough research and advocacy for which an agency like the UNDP could help bringing in experiences and best practices from other countries.⁷⁸
64. A related issue of scattered approach to livelihoods interventions within UNDP is that these are often undertaken under different outcome areas (especially, outcomes 1 and 3). Under an ecosystem based adaptation programme,⁷⁹ UNDP supported livelihood strategies through women's cooperatives, which benefited from felt making and greenhouse gardening trainings. Cooperatives were also trained in financial management. While these initiatives may be effective project interventions benefitting number of families, question arises as to their overall contribution to rural poverty in the country. This evaluation echoes the observations made in an evaluation of both ALP and EMP projects that there is a need for rationalizing livelihoods support initiatives within UNDP,⁸⁰ and situate these initiatives within the overall needs of the country. In this

⁷⁵ UNDP Mongolia (undated). Final Report of Capacity Development for the Micro-Insurance Market. p25

⁷⁶ International Forum on Inclusive Insurance, April 16-17, 2014, Ulaanbaatar.

⁷⁷ Bartelsman Stiftung (2014). Transformation Index, BTI 2014. Mongolia Country Report

⁷⁸ It is understood that resources and capacity constraints meant that UNDP could not engage very actively on this.

⁷⁹ Narangarel Yasanjav, Ingrid Hartmann (2015). Midterm Review of the Ecosystem Based Adaptation Approach to Maintaining Water Security in Critical Water Catchments in Mongolia

⁸⁰ Roy Thompson, Bumkhorol Tsedendorj, Solongo Algaa, Arvinbayar Baatar (2012). Evaluation of the Livelihood Support Projects of UNDP Mongolia

regard, the Sustainable Livelihoods Project 3 (SLP, June 2014 – December 2018),⁸¹ currently being undertaken by the World Bank and Swiss Agency for Development and Cooperation (SDC) serves as a good example of a nationwide approach.

65. Mongolia has relatively young population, with a median age of 27.1 years and 63.2 percent of the population falling in the active working age population⁸² (15-54 years). Ensuring productive employment for this group which has been growing over the past 20 years is a challenge Mongolia's economy will need to grapple with. There is a growing concern – indicated by reports⁸³ and interviews – that skills shortage is failing to meet the growing demand of a changing job market (*see* Section 2). This would require a more concerted strategy than piecemeal interventions of the type UNDP has so far attempted, and would need partnership with international financial institutions (IFIs) and other major DPs.

3.1.4 South-South cooperation

66. UNDP's support to the institutionalisation of the International Think Tank on Landlocked Developing Countries (ITT-LLDC) has been crucial in developing capacity of this nascent institution. Since 2012, the GoM has been providing bulk of the funds for this initiative. Eight countries have signed up so far to become members of this multi-lateral forum, with the latest to join being Kazakhstan. In 2014, Mongolia organised a high-level LLDCs International Workshop on Trade Facilitation which reviewed the progress made in improving trade facilitation in LLDCs, assessed the WTO Trade Facilitation Agreement and its implications for LLDCs. ITT-LLDC has also produced a number of substantive deliverables such as the "Multilateral Trade negotiations and LLDC: A Handbook for negotiators and practitioners", research reports on "Facilitating Trade for Fragile and Landlocked States in the post-Bali Institutional Environment" and on "Building resilience".⁸⁴ A paper on "WTO Agreement on Trade Facilitation: Implications for LLDCs" was prepared as a first substantive study and this report was officially launched by ITT within the framework of the 2nd UN Conference on LLDCs in Vienna, Austria. ITT also facilitated discussions on access to seaports for LLDCs.
67. KIIs indicate that UNDP's assistance has been instrumental in getting the ITT initiative this far. Though UNDP's direct financial contribution has been small (approximately, US\$ 50,000 over 2014-2016), UNDP's convening power and links with international expertise and knowledge resources have enabled the ITT to engage on complex trade issues which have been highly valued by members.
68. UNDP supported exchange of experiences between Mongolia and Kazakhstan on development policy and planning; a delegation from Kazakhstan consisting of Government officials and experts visited Mongolia to share experience on their long-term strategic document and its implementation mechanism with parliamentary working group who were drafting Mongolia's long-term vision document. Kazakhstan and Mongolia shared experiences and good practices in promoting women's empowerment in public and private sectors. A group of 18 Kazakh women entrepreneurs also visited Mongolia during 2015. Besides this, UNDP assisted GoM in organising an international conference on best practices in mining to promote human development.

⁸¹ The World Bank (2015). Mongolia to Implement Third Phase of Project Promoting Rural Livelihoods <http://www.worldbank.org/en/news/press-release/2015/01/30/mongolia-to-implement-third-phase-of-project-promoting-rural-livelihoods> (accessed 30 Dec, 2015)

⁸² CIA World Factbook

⁸³ Swiss Agency for Development and Cooperation (2013). Swiss Cooperation Strategy Mongolia 2013-2016. p 9

⁸⁴ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

Main findings

- Through UNDP's support, the country has developed Law on Development Policy and Planning which will serve as a legal base for harmonised and coordinated planning system both at national and local level. This along with the vision document currently being developed would ensure that any new policy is assessed for its alignment and contribution to the SDGs.
- UNDP's support for building institutional capacity for economic policy and modelling (T-21 macroeconomic modelling) is enabling the MoF in scenario planning which is being used for developing long-term vision document for 2016-2030. A comprehensive database for macroeconomic indicators has been created and used as evidence for macroeconomic policies and public investment planning. The institutional capacity is however still heavily reliant on external funding.
- Led by mining boom, Mongolia has made significant progress in reducing poverty. The very fragile nature of Mongolia's economy – because of its sensitivity to global commodity market on the one hand, and human-induced and climatic factors, on the other - does warrant concerns about long term trend in poverty reduction, more so because within the political establishment there is a tendency to overlook poverty as a critical issue for the country. In this regard, the social protection programme as is currently implemented in the country needs an overhaul.
- Though successful as individual projects, UNDP's approach to addressing livelihoods were scattered as there was no follow through on completion of these short-term projects, although in recent years attempts have been made to foster policy dialogue with government and private sector. Besides, the livelihoods initiatives were often undertaken under different outcome areas (especially, outcomes 1 and 3), with little cross-programme linkage.
- The ITT-LLDC initiative has been making steady progress in its evolution to a multi-lateral institution, and UNDP's capacity building support has been crucial to this achievement.

3.2 Outcome 2 – Strengthened governance and human rights**Overview**

69. Under this outcome, UNDP sought to support the GoM in strengthening key institutions and policy regime so as to make these more participatory, transparent and accountable to public, as well as in promoting and protecting human rights at all levels. In particular, the CPAP sought to achieve these through:⁸⁵
- Development of policies for decentralisation and increasing capacity of local *khurals* to fulfill their representational and oversight roles for improved local service delivery
 - Strengthening public service integrity systems by ensuring transparent, accountable governance and putting in place appropriate anti-corruption strategy in the country
 - Increasing parliament's capacity for evidence-based policy making and public consultation
 - Political empowerment of women by increasing representation of women in parliament and local *khurals*

⁸⁵ These are a combination of outputs and key output targets in the RRF which have most relevance for the outcome

- Strengthening legislative framework for human right protection system and legal empowerment of the poor.
70. It is to be noted that in recent years, as the country has graduated from a country in transition to democracy, UNDP's focus of cooperation has shifted from promoting key concepts of good governance in newly set up institutions to promoting transparency, accountability, participatory and inclusive governance, empowerment of women and access to legal services for the poor.

Findings

3.2.1 Contribution to policies and legislative process

71. UNDP has contributed to development of various important laws and policies in the country: Law on Legislation, Law on Legal Aid for Indigent Defendants, Law on Protection of Witness and Victims, and will support implementation of Law on Legislation, General Law on Administrative Procedures, Law on Public Hearing, being some of the most critical ones. Along with the Law on Development Policy and Planning, the Law on Legislation in particular which aims to improve public participation in drafting of laws and anticipating socioeconomic and financial implications of proposed laws holds the promise of transforming policy making in the country by making these responsive to citizen's voices and priorities. UNDP supported awareness raising about the law, training of relevant staff of parliament, ministries, and local governments on the content of the law. UNDP's comparative advantage here lies in the development of a process for public consultation and soliciting public feedback on draft laws.⁸⁶
72. Key informant interviews with all sections of stakeholders during this evaluation revealed that UNDP is a trusted partner and adviser to the GoM on complex and politically sensitive areas of governance, like constitutional and electoral reforms, for example. In a recent draft constitutional reform proposal submitted by the Parliament Working Group, it accepted 7 out of 13 recommendations made by UNDP.⁸⁷ This is a distinctive role played by UNDP and is widely appreciated by all DPs as this enables the latter to design their country assistance strategy and engage with the GoM on development and governance issues.
73. However, main challenge remains in implementing these legal frameworks, in institutional capacity and in developing functioning systems that put into full effect the principles embodied in these legal frameworks. Since its transition from being a centralised state, Mongolia has demonstrated an eagerness to align its legal and policy framework to international standards and best practices, but translating these into regulations and implementing them have lagged behind enormously. Several reasons are cited for this huge gap between policy and practice; the two most important ones that came up repeatedly in discussions were: (a) legislations and policies were brought in without due consideration of financial implications to the exchequer; and (b) lack of professional cadre of senior civil servants to provide continuity.⁸⁸

3.2.2 Institutional capacity – anticorruption and human rights

74. UNDP has made a major contribution towards building capacity of the national Human Rights Commission of Mongolia (NHRCM). In 2014, for the third time the NHRCM

⁸⁶ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

⁸⁷ *Ibid*

⁸⁸ UNDP had a pipeline project to address this issue but could not secure donor funding to implement, and this will become a priority in future.

was granted ‘A’ status by the International Coordinating Committee of National Human Rights Organisations (ICC). A draft revision of the law on the National Human Rights Commission has been developed which fulfils the requirements of the ICC in view of Mongolia’s ratification of the Optional Protocol of the Convention against Torture.⁸⁹

75. UNDP enabled NHRCM to extend its outreach to provinces – now NHRCM has one field officer in each of the 21 *aimags*, all provided for from the GoM’s budget. UNDP’s project support since 2012 enabled the NHRCM to undertake advocacy and lobbying with the GoM at the highest level to make this possible. Having field offices has enabled people in remote areas to access services provided by the Commission. Field officers conduct awareness campaigns and training for communities, police and prison staff regularly. People are coming forward with their grievances and complaints on violations of rights – in 2014, number of complaints increased by 40 percent.⁹⁰ While previously most of the complaints came from prisoners, now a large number of complaints are coming from mine labourers, women (gender-based violence) and people facing discrimination at work places. It is also to be noted that, through its access to justice programme, UNDP was instrumental in setting up legal aid centres in the early part of the CPAP and running of these was later taken over by the Government.
76. The Commission has conducted several studies on various issues related to rights of citizens, children, LGBT communities and presented the findings in its human rights status reports submitted annually to the Parliament (Standing Committee on Law and Committee on Human Rights). As a result of these, in the past three years the Parliament passed two decrees for the GoM to act on specific issues related to mining related labour and human rights. To increase understanding of parliamentarians to human rights issues, the Commission often invites the former to its various activities, conferences and investigations which help legislators to appreciate the work of Commission better. It is however noted that as the GoM faces a financial crunch due to decline in mining revenues which is likely to continue for some years, the NHRCM is facing financial cut from 2016⁹¹ and this may undermine positive achievements made in the past four years.
77. Through UNDP’s support (‘Support to Participatory Legislative Process’), a study on financing, membership and the role of political parties in elections was undertaken, and findings presented in a stakeholders’ consultation workshop and then to parliamentary working groups. UNDP also assisted in commissioning independent studies on the monitoring of the implementation of the Law on Right to Information and the law on regulation of Conflict of Interests. With regard to Mongolia’s 2011 Law on Information Transparency and Right to Information, the country introduced important instruments for providing information on request and proactively, but these are not fully in line with international standards and best practices.⁹² This concerns the scope of the law, exemptions from disclosure, formalities for access to information on request, and establishing an independent supervisory mechanism.
78. UNDP supported drafting of the National Anticorruption Strategy and self-assessment report of Mongolia’s implementation of UN Convention Against Corruption (UNCAC) requirements. Training for staff of the Independent Authority against Corruption, Ministry of Justice and the General Prosecutor’s Office on international mutual legal assistance in asset recovery were also conducted. Overall, Mongolia has been making

⁸⁹ UNDP Mongolia (2015). UNDP Strengthening National Human Rights Oversight Capacity Project Terminal Report 2012-2015, Ulaanbaatar, 2015, p3

⁹⁰ Source: NHRCM key informant, in an interview with evaluation team

⁹¹ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

⁹² Organisation For Economic Co-Operation and Development (2014). Anti-Corruption Network For Eastern Europe And Central Asia - Anti-Corruption Reforms in Mongolia, Assessment and Recommendations report, Istanbul Anti-corruption Action Plan, April 18, 2014. p6

steady progress in relation to anticorruption measures, though results of these are yet to make a significant difference to the country's standing in global corruption league. As discussed in section 2, despite slight improvement in Transparency International's Corruption Index, there is cause for concern. As noted in a report by the Organisation for Economic Cooperation and Development (OECD), "Mongolia has basic provisions criminalising main forms of corruption, but they fall short of international standards – several mandatory elements of bribery offences, offences of corruption in private sector and trafficking in influence, as well as foreign bribery, are not criminalised; definition of "bribe" does not include non-pecuniary and intangible undue advantages."⁹³

79. The EITI and other pro-transparency measures have increased the availability of information about Mongolia's extractive industries, spurring public disclosure of a few key contracts in recent years. The negotiations with a Chinese consortium stalled due to strong criticism of the proposed deal by different politicians.⁹⁴ These isolated instances notwithstanding, Mongolia lacks strong rules or legal instruments for disclosure of contracts.⁹⁵ Contract disclosures are made public on an *ad hoc* basis, sometimes through personal requests, or through political pressure. In future, the role of civil society in contract monitoring is likely to become significant with the new requirement under Mongolian law that all mining license holders also enter into a cooperation agreement with local governments.⁹⁶ These agreements tend to include the types of obligations (e.g., environmental protections, local development/infrastructure support, job creation) in which civil society and local communities are particularly interested, and which they are well placed to monitor. Enforcement, however, of these provisions will be a challenge due to weak capacity of local authorities.

3.2.3 Sub-national/local governance

80. Mongolia's democratic structures have proven to be robust, with elections to national parliament and local *khurals* held regularly. Local Self-Governing Bodies (LSGB) have existed in Mongolia since the promulgation of the new Constitution in 1992, though their functions and authority were restricted. The GoM embarked on a decentralisation process in late 2011 through which it wants to empower sub-national structures to take charge of local development challenges. In 2013 LSGBs were allocated meaningful functions and discretionary budgets, after a revision of the Budget Law in December 2011 and the establishment of the Local Development Fund (LDF) which became active in 2013.⁹⁷ The implementation of the LDF is slowly transforming the capacity of local governments - the share of local government expenditure in total government expenditure rose to 29.6 percent in 2014 from 10.5 percent in 2011.⁹⁸
81. In order to support local *khurals* (citizens' representative councils at sub-national level) in fulfilling their legally mandated roles to represent citizens in overseeing the functions of the executive and to ensure improved accountability of local governments, UNDP initiated the Capacity Strengthening for Local Self-Governing Bodies (CSLSGB) project

⁹³ Organisation For Economic Co-Operation and Development (2014). Anti-Corruption Network For Eastern Europe And Central Asia - Anti-Corruption Reforms in Mongolia, Assessment and Recommendations report, Istanbul Anti-corruption Action Plan, April 18, 2014. p5

⁹⁴ <http://www.resourcegovernance.org/news/blog/contract-transparency-critical-component-civil-society-oversight-mongolia> (accessed on 2 January, 2016)

⁹⁵ EITI International Secretariat (2015). Contract Transparency In EITI Countries - A Review on How Countries Report on Government's Contract Transparency Policy, August 2015

⁹⁶ D. Namkhajantsan and A. Shafaie (2015). Contract Transparency a Critical Component of Civil Society Oversight in Mongolia. Ulaanbaatar, 19 November 2015 (<http://www.resourcegovernance.org/issues/civil-society>)

⁹⁷ Paul J. M. van Hoof, Zorjargal Gantumur (2015). Capacity Strengthening for Local Self-Governing Bodies Mongolia Mid-term Project Evaluation, Final version, 9 December 2015

⁹⁸ NSO Bulletin, 2014

in 2013.⁹⁹ The training of the local *khural* members includes identifying core areas such as legal framework, decision-making, citizen participation, budgeting and financial management, ethics, green development, human rights and gender.¹⁰⁰ An evaluation¹⁰¹ of the project undertaken recently found that the training courses have been effective in terms of improving the capacity of *khural* members to fulfil their functions adequately and that the latter used knowledge and skills gained during the training course. However no systematic study has been done to assess results or changes in behaviour or functioning of the local institutions after the training.

82. UNDP contributed to efforts toward youth empowerment through revision of civic education curricula in secondary schools and tertiary institutions. It also supported extra-curricular activities by the youth, including youth networks. A youth advisory group was created and operationalised in 2012 in the Ministry of Population Development and Social Welfare, and the educational policy is undergoing a major overhaul to increase participation of children and youth in educational institutions.¹⁰²
83. E-governance tools to support the interaction of elected representatives and their constituencies, including online complaints tracking system and integrated website for local councilors are being used to help bring about transparency and inclusiveness in legislative drafting and decision-making.¹⁰³ Local councils are increasingly using interactive website www.khural.mn for disclosure of their budgets and decisions, and it provides news and initiatives from other local self-governing bodies as well.¹⁰⁴ In order to strengthen public accountability of local government institutions, UNDP supported Mongolia's first-ever national survey on the public perception of local self-governing bodies (LSGBs) in April 2015. The survey found that only 20.8 percent and 48.5 percent of the population in Ulaanbaatar city and the countryside respectively regard that citizens' requests, issues and complaints have been effectively considered and resolved by LSGBs.¹⁰⁵
84. Key informant interviews including with two NGOs who are implementing the CSLSGB project revealed that while the elected representatives are now well trained and empowered to play their roles, function of the institutions are still centralised in the hands of a few, and are not inclusive as far as participation of community members are concerned. Remnants of the old system are still very much present in the country as officials and members of political parties tend to concentrate power in their hands and continue to dispense patronage to their followers and cronies. Capacity building of the community members therefore needs to be carried out at the same time to ensure that elected members are held accountable to public. In this regard, this evaluation endorses the observations made by the CSLSGB project evaluation¹⁰⁶ that as the existing local government organisations have limited capacity and are at the same time politicised,

⁹⁹ Implementation of the project (training) however started only in 2015 as approval from the Government was delayed.

¹⁰⁰ Government of Mongolia/UNDP. Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2014), January 2015

¹⁰¹ Paul J. M. van Hoof, Zorjargal Gantumur (2015). Capacity Strengthening for Local Self-Governing Bodies Mongolia Mid-term Project Evaluation, Final version, 9 December 2015

¹⁰² UNDP Mongolia (2014). Youth Empowerment through Civic Education Project Terminal Report, Ulaanbaatar, 2014

¹⁰³ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

¹⁰⁴ Paul J. M. van Hoof, Zorjargal Gantumur (2015). Capacity Strengthening for Local Self-Governing Bodies Mongolia Mid-term Project Evaluation, Final version, 9 December 2015

¹⁰⁵ Swiss Agency for Development and Cooperation/UNDP (2015). Baseline Study Report on the Attitudes of Citizens towards the Local Self-Governing Bodies, the Parliament Secretariat, Swiss Agency for Development and Cooperation, UNDP, Ulaanbaatar, 2015 p.13

¹⁰⁶ Paul J. M. van Hoof, Zorjargal Gantumur (2015). Capacity Strengthening for Local Self-Governing Bodies Mongolia Mid-term Project Evaluation, Final version, 9 December 2015

only empowered citizens can ensure that the LSGBs play an effective role in local development and adhere to the principles of good governance.

85. UNDP supported small grants to encourage improved oversight of local representatives related to LDF implementation and service delivery. This resulted in establishment of inclusive *bagh* auditing groups, citizens' polls, incorporation of *soum* development policies/plans in the LDF decision making, developing LDF implementation guidelines for *soum khurals*, and the creation of templates for improved LDF implementation and monitoring. A midterm evaluation¹⁰⁷ of this initiative highlighted the need to take stock of lessons from these small grants in terms of strengthening local accountability and explore replication of these in other *khurals* without project funding. In this regard, it is worth noting that the World Bank and SDC have a large project (SLP 3) which provides local governments and communities with training and technical assistance related to the implementation of the local development fund.¹⁰⁸
86. Reciprocity and exchange are central to Mongolian herding culture and underlie key strategies such as *otor* (nomadic) movements during *dzud*. Norms of reciprocity that promote pasture sharing with herders on *otor* from other locations and rotational system for utilisation of pasturelands can be essential for herders. Field visits to *soums* by the evaluation team and discussions with *soum* authorities and community elders revealed that this may sometimes be breaking down, raising potential for conflicts between herder groups and miners, and between pastoralists from different *soums* over grazing and water rights. This highlights the need for developing policies and framework to facilitate local mechanisms at the level of *soums* for rangeland management involving pastoralists, with clear agreement on rights of access, usufruct rights and rotational system agreed among herder groups. In this regard, the mid-term project evaluation¹⁰⁹ of environmental governance programme also recommended the need for mainstreaming environmental governance issues and generating capacity at sub-national and local levels of the government.
87. Another issue that emerged from key informant interviews is the need to address the specificities of local governance in urban areas (Ulaanbaatar). Due to multiplicity of governance institutions in cities and authority for decision making being dispersed at various levels, the local governance training provided to elected representatives in urban areas may not be as effective as in rural areas – this issue will need to be studied further as the results of CSLSGB training activities start to produce results.

3.2.4 Political empowerment of women

88. Through the women's political empowerment project, UNDP attempted to promote gender equality in the electoral and political party reform, raise public awareness and create positive images of women in politics through building partnership with media, public outreach campaign, and training of journalists.¹¹⁰ Under the project, several training, workshop and development dialogue were held with women's wings of political parties, civil society, media, academia and government. As a result of lobbying by UNDP jointly with women wings of political parties, the revisions made to the election law in 2015 include increase of quota for women candidates from 20 percent to 30 percent. UNDP also organised a leadership training programme for local elected female

¹⁰⁷ *Ibid*

¹⁰⁸ The World Bank (2015). Mongolia to Implement Third Phase of Project Promoting Rural Livelihoods <http://www.worldbank.org/en/news/press-release/2015/01/30/mongolia-to-implement-third-phase-of-project-promoting-rural-livelihoods> (accessed 30 Dec, 2015)

¹⁰⁹ Erdenetsetseg Divaa, Maria Onestini (2014). Strengthening Environmental Governance In Mongolia - Phase II

¹¹⁰ UNDP Women's Political Empowerment, Project Factsheet, UNDP website, Ulaanbaatar, 2015

representatives. Outcome of these initiatives are yet to be reflected in the result of the national and local elections in 2016.

Main findings

- UNDP is a trusted partner and adviser to the GoM on complex and politically sensitive areas of governance like constitutional and electoral reforms and this distinctive role played by UNDP is widely appreciated by all DPs as this enables the latter to design their country assistance strategy and engage with the GoM on development and governance issues.
- Various legal instruments and frameworks have been put in place in the country to promote good governance. However, the main challenge remains in implementing these legal frameworks, in institutional capacity and in developing functioning systems that put into full effect the principles embodied in these legal frameworks.
- UNDP enabled NHRCM to improve its evidence based reporting on human rights violations and extend its outreach to provinces and this has provided people access to its services. UNDP was also instrumental in developing the GoM's nationwide outreach of legal aid programme.
- Mongolia has slightly improved its standing in the Transparency International's Corruption Index, although there is cause for concern as several provisions of anticorruption measures fall short of international standards, besides weak institutional capacity for enforcement.
- Although as part of the EITI and other pro-transparency measures there have been increased availability of information about Mongolia's extractive industries, Mongolia lacks strong rules or legal instruments for disclosure of contracts.
- UNDP's support to local self-governing bodies has been instrumental in revitalising them as democratic institutions. There is greater awareness about the need for local governments to demonstrate accountability to citizens for service delivery. While UNDP's initiative to provide training to local elected representatives is building the latter's capacity, it is also vital that citizens are empowered simultaneously to ensure that they can hold the legislators and local authorities to account.
- With increasing competition for pastureland and water resources, traditional arrangement for sharing and rotations are breaking down leading to potential conflicts between different *soums* and herder groups. This highlights the need for mainstreaming environmental governance issues within the sub-national and local levels of the government.
- Due to multiplicity of governance institutions in cities and authority for decision making being dispersed at various levels, the local governance training provided to elected representatives in urban areas may not be as effective as in rural areas – this issue will need to be studied further as the results of CSLSGB training activities start to produce results.
- A significant achievement of long-standing advocacy by UNDP has been made in improving legal framework for women's political empowerment. The 2015 revision of the election law includes increase of the 20 percent quota to 30 percent for women candidates.

3.3 Outcome 3 – Natural resource management and resilience to climate change

Overview

89. UNDP's aim under this outcome was to strengthen the environmental and natural resource management framework in the country and reduce disaster risks at community level through:¹¹¹
- Addressing the fundamentals of environmental governance - reform of environment law and their enforcement to promote green development
 - Sustainable natural resource management including development and implementation of national roadmap for REDD+
 - Strengthening capacity for disaster management including disaster risk reduction (DRR) at local level
 - Strengthening climate change adaptation and mitigation at community level
 - Promoting innovative and cost-effective technologies for increased access to water and sanitation.
90. UNDP's approach to delivery of this outcome was premised on a holistic principle of landscape and ecosystem-based conservation for management of pastureland, water and forest resources, and biodiversity¹¹² through strengthening planning, management and coordination capacities at central and local levels, with special attention to monitoring of compliance with environmental legislation in large-scale mineral extraction programmes.

Findings

3.3.1 Environmental governance

91. A significant amount of work in this area has focused on developing laws and regulatory framework for better management of environment and natural resources. During this CPAP, several important legislations were brought in, of which the most crucial one where UNDP played a significant role was the development of green development strategy (GDS) after a year-long review process in the Parliament.¹¹³ The strategy has six primary objectives:¹¹⁴
- Promote resource efficient, low greenhouse gas emission and waste-free production and services (Strategic objective 1)
 - Preserve ecosystem balance through intensification of environmental protection and reducing environmental pollution and degradation (Strategic objective 2)
 - Introduction of financing, tax, lending and other incentives for supporting green economy and increasing investments to promote environmental protection, and clean technologies (Strategic objective 3)
 - Promotion of green employment, poverty reduction and/promoting green life style (Strategic objective 4)
 - Promotion of "Live in harmony with nature" principle - make education, science and innovation as catalysts for green development. (Strategic objective 5)

¹¹¹ These are combination of outputs and key output targets in the RRF which have the most relevance for the outcome.

¹¹² United Nations, DP/DCP/MNG/2. Executive Board of the United Nations Development Programme. Draft country programme document for Mongolia (2012-2016), 17 March 2011

¹¹³ Government of Mongolia/UNDP. Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2014), January 2015

¹¹⁴ Government of Mongolia, Ministry of Environment & Green Development. GREEN DEVELOPMENT POLICY OF MONGOLIA [Unofficial translation by Ministry of Environment & Green Development of Mongolia. Policy passed by State Great Khural (Parliament of Mongolia) on Friday, June 13, 2014]

- Develop and implement population settlement plan in accordance with climate change, availability of natural and other resources in regions (Strategic objective 6)
92. Another important legislation has been with regard to the revision of the Law on Protected Areas (PA) which brings local PAs into the national PA system and outlines various revenue sharing mechanisms and retention; obligation of management and business plans for PAs; co-management and public-private partnership; agreements with NGOs and local communities to reduce management and cost burden to the government.¹¹⁵ National Programme on Protected Areas and regulation on PA entrance fee were amended and submitted for approval. Based on the guidelines supported by UNDP, the Government allocated budget to develop management plans for all PAs of the country.¹¹⁶ Through a needs assessment using UNDP Capacity Assessment Toolkit, a capacity building strategy for environmental NGOs/CSOs was developed, including review of fund raising options. Certified training opportunities were provided on environmental audit, procurement, Geographical Information System (GIS) application and financial management to 180 NGO/CSO representatives.¹¹⁷ However follow up on these have not been done so far.
 93. Through the Environmental Governance project (II), UNDP conducted studies on cost benefit model for mining in Mongolia, together with development of training manual for implementation of cost-benefit analysis studies. However estimation of social and environmental impact costs were challenge to due lack data in Mongolia, according to key informant interviews. It is reported that UNDP has recently started initiatives on responsible mining pilot programme and sustainable land management programme in the mining sector. It has initiated discussions with the GoM on rule of law and human rights based approaches in environmental governance in Mongolia. Using a toolkit¹¹⁸ jointly developed by UNDP and Sweden's Folke Bernadotte Academy, the initiative will lead to development of mechanisms for environmental impact assessment (EIA) and environmental management audits,¹¹⁹ and linking these to issuance of permits and licenses in the mining sector.¹²⁰
 94. UNDP's work on development of energy efficient building standards and codes led to development of laws and regulatory framework for energy efficient buildings and environmental impact assessment for business/commercial units. The GDS stipulates a reduction of building heat loss by 20 and 40 percent by 2020 and 2030 respectively through introduction of green solutions, energy efficient and advanced technologies and standards, including green building rating system, energy audit and introduction of incentives to promote these initiatives.
 95. UNDP supported in undertaking revisions of the Law on Disaster Management which has been submitted for Parliament's approval; this will enable a cross sectoral coordination platform for mainstreaming Disaster Risk Reduction (DRR) into development planning, engaging volunteerism into disaster management and regulation of humanitarian assistance. The Government is currently working on bringing about amendments to the umbrella Law on Environmental Conservation with participation of UNDP and other partners in 2015.¹²¹ Besides these, UNDP's technical assistance were critical for drafting of laws and bylaws for strengthening several laws, namely the Law

¹¹⁵ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

¹¹⁶ *Ibid*

¹¹⁷ *Ibid*

¹¹⁸ Toolkit for Assessing Rule of Law in Public Administration (RoLPA)

¹¹⁹ UNDP-SEPA Environmental governance program (EGP): Strengthening Human Rights and Rule of Law in Environmental Public Administration, EGP NEWS UPDATE, ISSUE 2, JAN 2016

¹²⁰ A project proposal on this is currently under discussion with SIDA

¹²¹ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

on Environmental Protection, Law on Forests, Law on Water, Law on Air, and Law on Wastes.

96. All these interventions and assistance provided by UNDP (and other agencies like FAO, World Bank, SDC) have played a key role in creating a favourable legal environment for sustainable use of natural resources, aligned with internationally recognised norms and principles and consistent with national priorities. However, as with most legal instruments and policies, implementation of these newly developed laws remain a challenge. Developing regulations and rules of business and allocating resources for implementation of these will be the hardest task. It needs to be noted that with over 30 environmental laws approved in the past 20 years as well as several hundred environmental regulations and bylaws and key policy documents,¹²² the implementation and enforcement of these norms has been hindered by a lack of a clear structure to the legislation, internal inconsistency and contradictory norms, as well as duplication of efforts, unclear responsibilities and a lack of capacity within government institutions.
97. An independent evaluation¹²³ noted that gaps exist between the capacity built and effective implementation of environmental governance norms and policies. The project's evaluation pointed out that capacity building is needed, especially regarding guidelines, regulations and bylaws to ensure smooth implementation and enforcement of environmental policy and laws.

3.3.2 Sustainable natural resource management

98. The independent evaluation referred to above noted that the Law on Soil Conservation and Desertification Control which UNDP was involved in facilitating, led to developing a Mongolian action plan on combating desertification which is being implemented successfully. Based on this law and action plan, every year the government allocates budget for activities such as fencing springs sources, establishing water harvesting structures, desertification monitoring and tree planting. These are significant steps towards protection of land and combating desertification.
99. Guidelines on rotational use of pasture was developed with support from UNDP.¹²⁴ Rotational grazing is still practiced in target sites. For instance, in the 13 target *soums* of Tuv, Uvurhangai, Dornogobi and Sukhbaatar *aimags*, an area of 961,700 hectares of pasture has been earmarked for rotational grazing. Support for the Pasture Management Division in the Ministry of Industries and Agriculture (MIA) improved the capacity of staff members in areas of pasture management and livestock policy, monitoring and evaluation.
100. The management system for PA has been strengthened through UNDP's interventions which introduced international best practices and state-of-the-art techniques in management planning, business planning, revenue-sharing, geographical information system (GIS) mapping and monitoring. By developing a systematic online M&E tool and training system for PA managers and staff,¹²⁵ the UNDP programme has had a major impact in development of the Mongolia's PA system, according to an independent evaluation.¹²⁶ As a result, Government funding for PAs has more than trebled between

¹²² Erdenetsetseg Divaa, Maria Onestini (2014). Final Evaluation of Strengthening Environmental Governance In Mongolia - Phase II, UNDP.

¹²³ *Ibid*

¹²⁴ Keith Swenson and Shajinbat Erdenebileg, Final Evaluation (2012) - Sustainable Land Management for Combating Desertification in Mongolia.

¹²⁵ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

¹²⁶ Crawford Prentice and Orgiltuya Dashzevge (2015). Terminal Evaluation Report - Strengthening of the Protected Area Network in Mongolia, September 2015

2008 and 2014.¹²⁷ Additional funding has also been made available through the country's Environment Conservation Fund. It has achieved substantial buy-in from stakeholders, and there is a sense that momentum generated by the project will help to drive continued development of the PA system. The strategic engagement with NGO partners has been a strength in delivering on high quality PA management planning and co-management, and in supporting the policy working group.¹²⁸ PA network was expanded by 600 000 ha,¹²⁹ which led to a substantial recovery of biodiversity and improvement of the hydrological conditions in the area demonstrated by a return of indicator species like white naped cranes in Ulz river basin of Eastern Mongolia.

101. To facilitate Mongolia joining the UN-REDD (Reducing Emissions from Deforestation and Forest Degradation) programme, a national REDD+ roadmap was validated and approved by the UN-REDD Policy Board. A multi-purpose forest inventory using UN-REDD methodology has been developed which is expected to form a basis for measuring, reporting and verification (MRV) for the UN-REDD programme. Several major DPs (GIZ, FAO, SDC, UNDP, KFW) have been involved in this work. Some of the issues in this regard are complex and require sophisticated technical and scientific analysis over which opinion appears to be divided in the country among major DPs. A recent report¹³⁰ UNDP produced for submission for REDD+ has raised eyebrows as this report ignores the role of uncontrolled grazing – a highly sensitive issue within Mongolia's political establishment – either as a driver of deforestation/forest degradation or controlled grazing as one of the measures to address it.
102. Interviews with local government officials (*aimag* and *soums*) indicated that while at the local level there is increasing realisation that overstocking and uncontrolled grazing exceed the ecological carrying capacity and are posing serious problems which the local authorities want addressed, at the national level these issues are skirted. A study following the *dzud* of 2009-2010 observed that communities emphasized the need to reduce livestock numbers, improve animal quality and health care, and enhance collective action to harvest and store hay, protect reserve pastures more effectively, and allow overused summer pastures to rest and regrow.¹³¹ However, according to key informants from various stakeholder groups, within the GoM, there is a strong tendency to deny or ignore the issues related to overstocking and overgrazing as politicians do not want to risk burning their fingers with the electorate. In this regard, through UNDP's support, the Ministry of Food and Agriculture drafted a law on pastureland management in collaboration with other donors (SDC, GIZ, World Bank), but the Parliament's approval has been pending as there is no political consensus on granting grazing rights to herding communities.
103. Questions are therefore raised if UNDP was doing the right thing by following the GoM narrative insofar as problem of overgrazing was concerned. Moreover, it is argued by a few DPs that while conserving forests is a priority, since energy sector (dominated by coal) and herding are the two biggest GHG emitters in the country (forestry sector coming third), addressing emission in the forestry sector is relatively less critical in the overall scheme of things. UNDP however argues that Mongolia's forest is important in the global context for its role as a major carbon sink.

¹²⁷ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

¹²⁸ Crawford Prentice and Orgiltuya Dashzevge (2015). Terminal Evaluation Report - Strengthening of the Protected Area Network in Mongolia, September 2015

¹²⁹ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

¹³⁰ Till Neeff (2015). Analysis of the drivers of forest change in Mongolia – context and methodology. UNDP, November 2015

¹³¹ María E. Fernández-Gimenez, Batbuyan Batjav and Batkhishig Baival, June 2012. Lessons from the Dzud: Adaptation and Resilience in Mongolian Pastoral Social-Ecological Systems

104. A strong need to improve integrated management of forest and pasture land resources based on community-based natural resource management approaches has been highlighted by various technical studies.¹³² Weak rangeland management affects the limited forest resources the country has – every year about 47,000 hectares of forested area disappears due to deforestation, forest fires (mostly human induced), mining, forest pests and uncontrolled grazing. There is need for a coordinated approach between the Ministry of Agriculture which is responsible for rangeland management and the MEGDT responsible for forests management.
105. A solid waste management project ‘Turning Garbage to Gold’ was funded by the UNDP (RBAP Innovation Fund) and implemented successfully to generate household items made from recyclable wastes and support income generation for low-income migrant households at the outskirts of the capital city.¹³³ The project was meant to create employment opportunity for over 100 migrant low-income households. People learned how to set up their own system for recyclable waste collection in their neighbourhood. They were provided with training opportunities to produce recycled goods, such as brooms and benches from plastic bottles, and to market those products. Marketing of products and sustainability of the activity seem to be challenge, and there has been no follow up after the project came to an end in 2014. As the purpose of the initiative was to introduce innovative approaches to solving practical problems of communities, the project needed better follow up, action research and dissemination in order to produce tangible results.

3.3.3 Climate change adaptation and mitigation at community level

106. To address issues related to climate change adaptation (CCA) at community level, UNDP launched an ecosystem based planning in 3 *aimags* and 17 *soums* through integrated management of landscapes and river basins. A midterm evaluation of the project found major successes in improved natural capital base, mainly in rehabilitated creeks, rangelands and protected areas, where already indicator species which had left the area had returned and base flows have increased.¹³⁴ Specific ecosystem based adaptation measures include: spring source protection through fencing, piloting simple water harvesting structures, establishing tree nurseries and promote tree planting, and livelihood improvements through grants such as introducing intensive farming model. UNDP has set up user groups and community mechanisms to ensure that project implementation and follow up process generated local ownership and participation. Key informant interviews with *aimag* and *soum* authorities revealed that such interventions at local level, especially for protection and development of water infrastructure in periphery areas, hold the promise of moving herders away from overgrazed areas.
107. One of the activities supported through the ecosystem based adaptation project has been to promote nurseries and tree planting. Tree planting in Mongolia has been a traditional activity of the government for over three decades. Annually 6,000-8,000 hectares are reforested by state and private companies in the country¹³⁵ and the survival rate of seedlings is reported to be only 30-65 percent¹³⁶ in the first year alone, which further reduces by the third year, especially in the steppe areas. A World Bank study¹³⁷ found

¹³² Hijaba Ykhanbai (2010). Mongolia Forestry Outlook Study. Working Paper No. APFSOS II/ WP/ 2009/ 21, Food and Agriculture Organisation

¹³³ UNDP Mongolia (2015). CPAP Progress Report for 2014

¹³⁴ Narangarel Yasanjav, Ingrid Hartmann (2015). Midterm Review of the Ecosystem Based Adaptation Approach to Maintaining Water Security in Critical Water Catchments in Mongolia

¹³⁵ Hijaba Ykhanbai (2010). Mongolia Forestry Outlook Study. Working Paper No. APFSOS II/ WP/ 2009/ 21, Food and Agriculture Organisation

¹³⁶ Source: <http://www.fao.org/docrep/w8302e/w8302e05.htm>

¹³⁷ World Bank (2006). Mongolia – Lessons from Tree Planting Initiatives, September 2006.

that in southern Mongolia, the highest seedling survival rate at a site was only 8 percent while in the Gobi desert where the GoM undertook a massive planting drive since 2005, the mean survival rate was just 12 percent. Reasons for failure were insufficient or no irrigation, and browsing by livestock. The study concluded that rather than investing in costly planting programmes which have met with little success, promoting natural regeneration of degraded forest landscapes would be more cost-effective (World Bank, 2006).

108. Through the Building Energy Efficiency Project (BEEP), UNDP prioritised improving energy utilisation efficiency in new construction in residential and commercial buildings - 60 codes, norms and standards to improve energy efficiency measures in new constructions were revised and 42 new designs of energy efficient houses developed. About 200 households were assisted with concessional bank loans (subsidised by a grant from Millennium Challenge Account) as an incentive to opt for energy efficient designs. Terminal evaluation¹³⁸ of the project concluded that the UNDP interventions made a significant contribution to reducing key barriers in construction sector energy efficiency and helped in prioritizing energy efficiency agenda within the sector. The project helped set up four quality-testing laboratories (energy efficiency centres) to undertake energy efficiency audit and assist in certification of building standards. Discussions with technical experts in the field suggest that window manufactures and suppliers are now increasingly using energy efficiently standards especially in the capital city.
109. The BEEP project was successful in its own right and led the GoM to recognise energy efficiency in building as a key issue – it is one of the priority issues in the GDS. The project however raises complex questions as to its potential impact. Although there was no theory of change, the key assumptions underpinning the project was that if building codes and standards were developed along with institutional capacity for assisting in implementation of the standards, building owners and promoters would start using energy efficient designs. Key informant interviews indicated that uptake of this has been poor as house owners and builders find the initial cost not its worth, especially because in Mongolia centrally supplied energy prices are heavily subsidised. The current price structure does not provide incentive to end-users to conserve energy by investing in energy efficient products and appliances.
110. In *ger* areas where energy is not subsidised, however, the need for developing energy efficient designs and low cost solutions to heating is a crucial need. As is acknowledged in the country, *gers* contribute significantly to GHG because of the heating methods and materials used. *Ger* owners who pay full market price for their energy consumption certainly have a strong incentive to switch to energy-efficient option, if one was available. It is understood that in the past UNDP undertook a pilot project to test and distribute *ger* insulation blankets and energy efficient stove and fuels. The GoM also had programmes to promote improved stoves in *gers*. More intensive efforts are probably needed to make a significant different in this regard.

3.3.4 Disaster management and disaster risk reduction

111. UNDP continued its support to enhance climate change and disaster preparedness and risk reduction at the community level. Update of a National Disaster Management Plan was completed through UNDP support,¹³⁹ and a Law on Disaster Management has been

¹³⁸ Sandeep Tandon, P Batimaa (2014). UNDP/GEF Project: Energy Efficiency in New Construction in the Residential and Commercial Buildings Sector in Mongolia. (Building Energy Efficiency Project), Terminal Evaluation Report

¹³⁹ Government of Mongolia/UNDP (2015). Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2014), January 2015

developed incorporating gender dimensions and role of volunteers in disaster response and risk reduction. Through UNDP's support, the National Emergency Management Agency (NEMA) has developed a community based disaster risk management (CBDRM) framework drawing on principles of the Hyogo framework (as well as the Sendai framework agreed in 2015). In order to create awareness about disasters and their causes, disaster risk reduction as a subject has been introduced in primary, secondary and tertiary education curricula. From 2016, NEMA plans to launch a systematic training programme on disaster management for officials.

112. Visits to two *soums* and discussions with *aimag* authorities showed that through UNDP's ongoing support over the years, *soums* have developed substantial capacity for localised disaster response. Besides provision of basic equipment, training has been conducted for community leaders and youths on disaster risk assessment, first aid and preparedness. Local level Early Warning System using mobile phones for timely dissemination of warning messages on extreme weather events and other hazards have been developed and introduced in all *aimags* through UNDP support. This enabled provision of localised forecast of extreme weather and hazardous phenomenon to remotely residing herders and rural settlements. Its operational sustainability has been ensured by Deputy Premier's decree issued to local Governments.¹⁴⁰
113. Building disaster management capacity at national and local levels is a long-term process and this evaluation noted that UNDP has focused on this consistently over the years and continues to do so during the current CPAP. NEMA has developed substantial capacity and organisational maturity over the years for disaster preparedness, response and risk reduction. Local governments' however still lack basic equipment and tools to control steppe and forest fires, for example. Due to budget deficit, appropriate emergency response structure at local level to deal with risks is still a challenge. In the coming years, it will be important to move beyond this and integrate DRR, climate change adaptation and SDGs into a coherent approach. In this regard, a joined up approach between NEMA and Ministry of Environment which is responsible for CCA, in particular, will be crucial. Furthermore, as DRR is a multi-disciplinary area requiring whole-of-Government approach, developing NEMA's capacity to coordinate and facilitate such an approach across various parts of the GoM will be a crucial priority for the future.

3.3.5 Innovative models for increasing access to water and sanitation

114. The country met its target to reduce the proportion of population without access to safe drinking water sources to 40 percent by 2015. However the target to reduce the proportion of population without access to improved sanitation to 60 percent by 2015 has been slow, currently at 76.8 percent.¹⁴¹ With support from ADB, the GoM has launched a large-scale public infrastructure programme to provide improved electricity, heating, water and sanitation services to rural settlements. UNDP got involved in the programme in eight *soums* and introduced new models of cost sharing by donors, local and central governments and communities. The model was introduced along with training in operation and maintenance capacities and guidelines/ standards for water and sanitation facilities. A capacity development framework for water and sanitation sector was formulated along with activity plan for implementation. The UNDP model was then taken up by the Ministry of Construction and Urban Development (MoCUD), the lead Ministry for the programme. As a result, approximately 22,000 people benefitted from improved service provision in a total of 24 settlements in 2014.¹⁴²

¹⁴⁰ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

¹⁴¹ Government of Mongolia, Achieving the millennium development goals, (2013) Fifth national progress report.

¹⁴² Government of Mongolia/UNDP. Inclusive sustainable growth (2015): Country Programme Action Plan 2012-2016, Progress Report (2014), January 2015

Main findings

- UNDP played a significant role in the development of green development strategy which is a crucial legislation on environmental governance and regulatory framework. UNDP also played a key role in creating a favourable legal environment for sustainable use of natural resources, aligned with internationally recognised norms and principles and consistent with national priorities.
- Another important legislation has been with regard to the revision of the Law on Protected Areas (PA) which outlines various revenue sharing mechanisms, obligation of management and business plans for PAs, co-management and public-private partnership, and agreements with NGOs and local communities to reduce management and cost burden to the government.¹⁴³
- In an attempt to link the mining operations in the country to human development objectives, UNDP is now moving towards facilitating rule of law and human rights based approach in environmental governance in the country.
- At the local level there is increasing realisation that overstocking and uncontrolled grazing exceed the ecological carrying capacity and are posing serious problems. However, at the national level there is a strong tendency to deny or underplay the issues related to overstocking and overgrazing.
- UNDP's ecosystem based adaptation measures in spring source protection through fencing, piloting simple water harvesting structures, establishing tree nurseries and promoting tree planting, and livelihood improvements through grants hold the promise of moving herders away from overgrazed areas. Promoting nurseries and tree planting however need to be weighed against low-cost option of regeneration of degraded forest landscapes.
- The BEEP project was successful in its own right and led to the GoM recognising energy efficiency in building as a key issue. The current energy price structure does not provide incentive to end-users to conserve energy by investing in energy efficient products and appliances. In *ger* areas, however, where energy is not subsidised, the need for developing energy efficient designs and low-cost solutions to heating is a crucial need.
- Through UNDP's ongoing support over the years, *soums* have developed substantial capacity for localised disaster response. At the national level, NEMA has developed capacity and organisational maturity over the years for disaster preparedness, response and risk reduction. As DRR is a multi-disciplinary area requiring whole-of-Government approach, developing appropriate capacity and strategy to coordinate and facilitate such an approach across various parts of the GoM will be a crucial priority for the future.

¹⁴³ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

Section 4: Conclusions - Assessment Against Evaluation Criteria

4.1 Relevance

4.1.1 Alignment with national priorities and UNDAF

115. The CPD was based on the Comprehensive National Development Strategy (CNDS) of the GoM which set the national priorities on achieving MDGs, consolidating democracy through transparent, accountable and corruption-free governance, and protection of environment and management of natural resources in a way which enabled the country to adapt to climate change. The statements of outcomes and outcome indicators in the CPD are harmonised with those in the UNDAF, indicating full alignment with the latter (Table 4 below). During the CPD formulation, UNDP also ensured that UNDP positioned its own contribution after carefully considering what the GoM and other DPs were doing in the country. The CPAP agreed with the GoM reflected the CPD and broke it down into actionable plan, with analysis of gaps and needs in specific areas of national priority to determine targets and indicators for outputs.

Table 4: Alignment of CPAP with CNDS & UNDAF

CNDS 2008 -2021	To eradicate poverty by intensifying economic growth and increasing jobs and livelihoods	To develop education, health services for all, and reforms in social welfare and security	To adapt environmental and climactic conditions, protect the environment and properly utilize natural resources	Strengthen government accountability and transparency, protect human rights and promote gender equality
MDGs	MDG 1:	MDG 2; MDG4; MDG 5; MDG 6	MDG 7	MDG 3; MDG 8 MDG 9 (Mongolia) – Strengthen human rights and foster democratic governance
UNDAF 2012-2016 SPAs	Sustainable Economic Development and Poverty Alleviation	Basic Social Services and Social Protection	Environment, Climate Change, and Disaster Risk Reduction	Governance and Human Rights
CPAP2012-2016 Outcomes	Outcome 1		Outcome 3	Outcome 2

[Source: CNDS, UNDAF and CPAP]

116. Outcomes and outputs aside, UNDP ensured close alignment with the GoM through its national implementation modality, including ensuring that all administrative and operational procedures conformed to GoM norms, though often at a cost to programme delivery (*see* Section 4.3.1). UNDP's engagement on issues of national policies and legislations to which it brought international experience and insights meant that the GoM considers UNDP as a valued and trusted partner. This close linkage with the government and UNDP's convening role provided space to other DPs as well to engage with the GoM on critical issues of national development.
117. Strong alignment and close working relationship with the government also brings in added responsibility to bring to the table independent and critical voices which enrich dialogue and policy thinking. As discussed earlier (*see* Sections 3.3.2 and 3.3.3), UNDP could have done more to bring objective and evidence-based data which may not have been wholly in line with current thinking within the country's establishment.

4.1.2 Adjustments to evolving needs and challenges

118. During the CPAP period, Mongolia had relatively secure environment that did not demand any major changes in the CPAP. However, several administrative and operational adjustments had to be made in response to changes in the GoM structure in 2013-2014 following a new government coming to power. UNDP undertook periodic review of the CPAP and adjusted output targets based on assessment of ground realities. These reviews have enabled stocktaking of lessons coming out of implementation experience and various evaluations conducted by UNDP. Following a review in January 2015, UNDP prioritised development of gender action plan for each project in order to bring the programme in line with UNDP's gender strategy. The output targets for poverty alleviation and MDG acceleration were amended when the CO realised that the GoM was slow in responding to the key issues on poverty focus. In the early period of the CPAP, substantial emphasis of the governance programme was on providing access to justice through legal aid centres. Subsequently as the GoM took over this programme in 2012, the CPAP output target on this was amended accordingly.

4.1.3 Programme rationale, linkage and scale

119. The results and resources framework (RRF) which flows from CPD becomes the guiding document for CPAP during its implementation and annual reviews. An examination of the results chain (outcome indicators and outputs) shows a strong correspondence between these on outcomes 1 and 2. The quality of outcome indicators in terms of the end results vary: while outcomes 1 and 2 explicitly state desired changes in the country's policy or 'state' (corruption index, poverty rate etc), three of the four indicators under outcome 3 are simply counting the number of activities accomplished (*see* Table 2). This leads to part of the RRF looking like a list of activities, with very little interconnectedness and links to outcome.
120. Furthermore, when output targets are broken down into projects which constitute one of the primary tools for delivery of UNDP programmes, lack of a theory of change (TOC) which analyses the contextual factors, drivers and inhibitors of change, and assumptions that underpin the activities' potential to contribute to the outputs, becomes a limiting factor. Most project documents begin with a description of the situation followed by a statement of desired state and then moves on to identifying project outputs and activities. This misses out looking at change as a process, instead of being a simple input-output logic model. If programme designs were informed by a clearly articulated TOC, the analysis would have identified the assumptions that were being made, for example, in designing the BEEP project or the limitations of the various scattered livelihoods interventions. A TOC would have also provided the programme team opportunities to

work cross-thematically to ensure that linkage between, for example, livelihoods and environment, or governance and environment, were leveraged adequately during programme planning and implementation.

121. UNDP implemented several SME activities and micro-projects (discussed in section 3.1 and 3.3) which, though benefitted a number of people, their contribution to the overall outcome at national level remains uncertain. Besides the small scale of interventions, the fact that there was little follow up undermined the relevance of such interventions by UNDP. To an extent this shortcoming is now been addressed through attempts made in 2014-2015 to foster policy dialogue with government and private sector on SME development and related issues. Besides, these were often undertaken under different outcome areas (especially, outcomes 1 and 3), with little cross-programme linkage. This gave the impression of a lack of focus, especially to external stakeholders interviewed for this evaluation. In this regard, the evaluation notes that the CPAP review¹⁴⁴ undertaken in 2014 also stressed the importance of taking into account the need for scaling up activities in the national context when designing projects, as well as integrating sustainability considerations.

4.1.4 Gender, rights-based approach and human development

122. UNDP is working closely with the National Committee on Gender Equality (NCGE) and the GoM to ensure that the draft long-term vision document reflected gender aspects and have gender-specific target in that strategic document. At the country level, UNDP (DyRR) chairs the gender working group of the UN country team and works closely with the NCGE. SDG data assessment has been conducted for identifying data availability and gaps for SDG indicators and gender related data gaps. The result shows that under Goal 5 of the SDG ('achieve gender equality and empower all women and girls'), new data will need to be collected and new methodologies developed for gender related indicators.¹⁴⁵ The engagement of the UNDP programme teams or of the UNDP-supported project with NCGE however is limited.
123. To promote gender mainstreaming in the programme, a Country Office Gender Equality Strategy and Action Plan (2014-2016) has been developed and adopted in line with the UNDP global Gender Equality Strategy (2014-2017).¹⁴⁶ As part of this, all projects are now (since June 2015) required to have a gender action plan. Key informant interviews and study of programme documents show that by and large, in programmatic terms, besides ensuring that women participate in various project activities and are included as beneficiaries, little has been done in terms of analysing programme from the point of view of gendered nature of poverty, vulnerability and suffering.
124. UNDP uses rights-based approach in its programme and this is reflected in its CPAP outcomes which focus on addressing issues of poverty, human rights, good governance and human development. As discussed in section 3, outcomes 1 and 3 in particular directly address poverty and vulnerability, though due to limited political space accorded to discourse on poverty, UNDP may not have achieved all it set out to do. Outcome 2 has a strong emphasis on human rights and development focus.

¹⁴⁴ Government of Mongolia/UNDP. Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2012-2013), February 2014

¹⁴⁵ UNDP Mongolia (2015). Result-oriented Annual Report, 2015.

¹⁴⁶ Government of Mongolia/UNDP. Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2014), January 2015

4.2 Effectiveness

4.2.1 Progress on outcomes, key outputs and contributing factors

Outcome 1

125. Despite decline in poverty rate in the country, there are worrying signs that increasing number of people may slip back into poverty in future. In this regard, the social protection programme as is currently implemented in the country needs a thorough overhaul. With regard to developing a national poverty reduction programme, there has not been much progress as the GoM has shown a tendency to overlook poverty as a critical issue for the country. This may be an area where UNDP needs to rethink its approach to engaging with the government. A resilience approach to development, disaster risk reduction and climate change mitigation/adaptation which UNDP is now developing through its poverty-environment-climate change initiative may provide a new narrative that may resonate better with the country's political establishment. This would also enable UNDP to develop a more systematic approach to working on poverty issues as well as bring some coherence to its scattered interventions which currently contribute little to outcome.
126. The ITT-LLDC initiative has been making steady progress in its evolution to a multi-lateral institution, primarily due to the fact that it has had strong political commitment at the highest level in the government, besides benefitting from critical support of UNDP to build international linkages.
127. UNDP has been instrumental in building institutional capacity for economic policy and modelling which is enabling the MoF in scenario planning that is being used for developing long-term vision document (2016-2030). The vision document of the GoM along with the recently developed Law on Development Policy and Planning will serve as a legal basis for harmonised and coordinated planning system both at national and local level and would ensure that any new policy is assessed for its alignment and contribution to the SDGs. Implementation of the Law will however require that each line ministry, besides the MoF, have necessary capacity to undertake thorough cost benefit analysis (CBA) of various policy options and assess their contributions to the SDGs.

Outcome 2

128. Mongolia has slightly improved its standing in the Transparency International's Corruption Index, but there is cause for concern as several provisions of anticorruption measures fall short of international standards, besides weak capacity for enforcement. Although as part of the EITI and other pro-transparency measures, there have been increased availability of information about Mongolia's extractive industries, Mongolia lacks strong rules or legal instruments for disclosure of contracts.
129. The National Human Rights Commission of Mongolia has continued to be strengthened through UNDP's support which enabled it to extend outreach to provinces and this has provided people access to its services. Another significant contribution of UNP has been in enabling the GoM to extend its legal aid centres nationwide.
130. At the outcome level, the evaluation came across very little to show the contribution of each outcome area to gender issues in the country. There has been no change in the past four years on representation of women in parliament or in local *khurals*, and the elections due in 2016 will in likelihood show if any changes have taken place.
131. Despite numerous legal instruments and frameworks to promote good governance, the main challenge remains in implementing these legal frameworks as there is a large gap between policy and practice due to the fact that civil service in the country is highly

politicised and there is a problem of providing continuity which affects public service delivery. UNDP's initiative to provide training to local *khural* representatives is building the latter's capacity; it is now necessary that citizens are empowered simultaneously to ensure that they can hold the representatives and local authorities to account. Local governance institutions will need to be capacitated to be able to address emerging issues in both rural and urban governance.

Outcome 3

132. The country has taken steps to strengthen legislation on environmental governance and regulatory framework; the green development strategy and revision of the Law on Protected Areas (PA) which outlines various revenue sharing mechanisms and principles of public-private partnership, including involvement of local communities are of significance. However, as with most legal instruments and policies, implementation of these newly developed laws remain a challenge. Further, to strengthen the environmental governance regime in the country, UNDP is now moving towards facilitating rule of law and human rights based approach in an attempt to link the mining operations to human development objectives.
133. At the local level there is increasing realisation that overstocking and uncontrolled grazing exceed the ecological carrying capacity and are posing serious problems. UNDP's ecosystem based adaptation measures is a good initiative in starting to address this issue. This needs to be supplemented with low-cost options for regeneration of degraded forest landscapes.
134. UNDP's work on energy-efficient buildings (BEEP project) led to the GoM recognising energy efficiency in building as a key issue. However, its potential to bring about any transformation on the national scene is limited as the current energy price structure does not provide incentive to end-users to invest in energy-efficient buildings and products. In *ger* areas, however, where energy is not subsidised, the need for developing energy efficient designs and low-cost solutions to heating remains a crucial need.
135. At the national level, NEMA has developed capacity and organisational maturity over the years for disaster preparedness, response and risk reduction. As DRR is a multi-disciplinary area requiring whole-of-Government approach, developing NEMA's capacity to coordinate and facilitate such an approach across various parts of the GoM will be a crucial priority for the future.

4.2.2 Strategic partnership, linkages and comparative advantage

136. UNDP has forged strong partnership with various parts of the GoM relevant to its portfolio. Besides the national government, in the past couple of years, UNDP has developed good partnerships with various local authorities at *aimag* and *soum* level as well. UNDP has also established good relationship with some of the DPs namely GEF, SDC, UK Aid/DFID, ADB, GIZ, Australia and Korea, amongst others. As discussed in section 3, future programming particularly in the areas of poverty and environment will require sophisticated analysis and ability to bring cross-thematic linkages at all levels. With declining availability of funds, competition for resources is going to be tough and will require UNDP to demonstrate strong comparative advantage. While UNDP is widely respected and acknowledged for its 'convening' role, this by itself would not bring in funds, and this is where distinctive competence in programme areas will be crucial. Towards this end, closer partnership with technical agencies (FAO, UNEP, GIZ, World Wide Fund for Nature) and international financial institutions (World Bank, ADB) will be essential.

137. As highlighted in section 4.2.1 above, some of the emerging issues which future development interventions will need to be focused on are in the areas of: (a) capacity of line ministries and MoF in cost benefit analysis of policy options; (b) participatory rangeland management using conservation and rotational approach; (c) urban governance and poverty; (d) leveraging a whole-of-Government approach in DRR and CCA; and (e) developing a holistic framework for addressing poverty, disaster vulnerability and climate change nexus. These will demand specialised expertise as well as ability to work across different disciplines and with some of the big players like the ADB, World Bank, besides UNDP's traditional partners.

4.3 Efficiency

4.3.1 Implementation modality and partnership

138. Prior to the year 2014, UNDP used a mixture of implementation modalities comprising national execution, national implementation and a few activities under direct implementation (DIM). In order to streamline and bring these in line with UNDP's corporate norms, globally UNDP developed National Implementation Guidelines which have been used for the past two years. In this regard, UNDP CO put significant effort to use the national rules and regulations under the national implementation modality (NIM). However, UNDP-supported projects have faced challenges in following national rules and regulations namely in the areas of project bank account creation, settlement of VAT, payment rates, delayed payment processing for implementing partner responsible activities, inconsistencies between national laws, rules and regulations in some cases and use of per diem rates that are not in line with the market conditions.¹⁴⁷ Besides these, as all payments go through the Ministry of Finance (MoF) and the latter is not fully conversant with the tripartite process involving UNDP, MoF and implementing partners (IPs), there are delays in release of funds to partners. Frequent changes in procedures within the MoF, besides unfamiliarity with UNDP's NIM regulation, also add to the problems. Several implementing partners interviewed for this evaluation noted that these issues were affecting efficient delivery of their project work. UNDP has made several attempts to address these issues through consultation with the MoF, with little success.
139. Several changes in the government structure during 2013-2014 affected UNDP's programme. In late 2014, the Ministry of Economic Development (MED) which was UNDP's main partner, was dissolved and MoF was instead made UNDP's main focal point. Similarly MEGDT went through several changes in its functions over the past few years. For the environment portfolio, the national implementing entity was changed from climate change coordination office to Nature Conservation Fund in 2014. All of these stalled some of the activities as new relationships had to be built and fresh assessments carried out for identifying capacity needs.
140. In order to streamline funds disbursement process, UNDP (with UNICEF and UNFPA) has attempted to use the UN's harmonised approach to cash transfers (HACT) for which several IPs' capacity assessment has been carried out. Based on assessments, protocols and assurance mechanism has been drawn up for each IP. This work has been going on for nearly three years, but IPs complained that they were unclear as to how and when this will be implemented. This may indicate a communication gap, especially due to changes within some of the implementing partners.

¹⁴⁷ Government of Mongolia/UNDP (2014). Inclusive sustainable growth: Country Programme Action Plan 2012-2016, Progress Report (2012-2013), February 2014

4.3.2 Monitoring, quality assurance and outcome reporting

141. The CO has a comprehensive monitoring strategy¹⁴⁸ based on UNDP's Programme and Operational Policies and Procedures. Monitoring is done at both programme (outcome) and project level. At the programme level, annual CPAP review and annual progress review are undertaken with the involvement of senior management. Project monitoring is undertaken by the programme team through monthly project review meetings, quarterly monitoring and annual project reviews which involve the project board and UNDP DyRR. Besides these, there are detailed procedures in place for ensuring compliance, financial assurance and financial audit by third party audit firms.
142. Project monitoring visits by programme staff which are well documented in back-to-office reports provide a wealth of account on up-to-date progress and issues emerging in project implementation. Periodic spot checks by staff to review systems and administrative procedures were also undertaken regularly, as evidenced by staff reports. During these visits, any delays in implementation are discussed. Apart from routine monitoring, the CO has invested heavily in independent evaluations, both formative and terminal, to inform its programming and draw lessons.
143. Reporting on outcomes by the CO has progressively improved over the past four years. The ROARs for the years 2014 and 2015 focus on outcomes, as against activities and outputs, in a significant way. One issue however remains in that the outcomes do not clearly show what UNDP's specific contribution has been and progress reports often read like a report card of the Government. Further work is needed to develop mechanisms to clearly reflect UNDP's contribution to outcomes.

4.3.3 Resource utilisation

144. There has been an overall realisation of 87 percent of planned budget¹⁴⁹ during the CPAP period, with Outcome 3 achieving nearly 95 percent of realisation (Table 3), indicating perhaps the relatively better availability of funds for this outcome. Utilisation under the governance portfolio was about 74 percent and economic development portfolio 79 percent. By following the government system for disbursement and approved rates for payments, UNDP ensures that all expenditure conform to both UNDP and the GoM audit standards. On management costs and overheads, UNDP does very well in keeping its costs to less than 17 percent of total programme costs, and in future this is intended to be brought down to 15 percent. The project boards periodically monitor the management efficiency ratio of each individual project. While this may keep the costs down, implementing partners face difficulties and sometimes cheapest may not be the most cost-effective.

4.4 Sustainability

145. For many of the UNDP interventions on policy development, sustainability is a function of the level of ownership by the Government and commitment to implementing these. As discussed in section 3, on many of the policies, the GoM has already initiated steps to implement these, for example – law on PA, implementation of LDF, and the Law on Development Policy and Planning, the Law on Transparent Account (“Glass Account”), General Law on Administrative Procedures and Law on Public Hearing. However, on many policies, the GoM has not taken follow up actions, resulting in major gaps between

¹⁴⁸ UNDP Mongolia (2014). UNDP Mongolia Monitoring Strategy, October 2014

¹⁴⁹ This is projected to reach 100 percent by the end 2016.

policies on the one hand, and their implementation on the other. Going into the future, UNDP's main focus will be on rule of law, civil service reforms and budget linkages, all of which are critical for bridging the gap between policy and implementation.

146. In terms of interventions targeted at capacity building of institutions, the picture is mixed. The institutional capacity of the core division responsible for the economic policy and modelling is still heavily reliant on external support (*see* Section 3.1.1), indicating that the GoM is yet to fully institutionalise this crucial function within its structure. As to the CSLSGB project, the Standing Committee for State Structures and the Parliament Secretariat have shown over the last two-and-a-half years a high level of ownership of the project, which is the most important prerequisites for a successful institutionalisation and the best guarantee for the *khural* training to continue.¹⁵⁰ Similarly, the ITT-LLDC has received substantial funding commitments from the GoM and the latter's sense of ownership is strong and thus is likely to be sustainable. UNDP implemented Disaster Management Programme for over 10 years, through which a National Emergency Management Agency (NEMA) was established and strengthened as a lead agency to respond to disasters in Mongolia and the law on Disaster Management was approved. Local level structures on disaster reduction management have been set up and backed by government budgetary support.
147. Regarding sustainability of UNDP interventions at community level, making any evaluative comment is difficult. The evaluation team visited one of the target provinces of EMP project (Selenge *aimag*) and saw that all the seven project beneficiaries have been successfully doing their businesses. However, this cannot be generalised as there was no updated data and post-project impact assessment conducted for beneficiaries of other similar projects (ALP, micro-insurance, garbage-for-gold, for example). This is compounded by the fact that none of these projects had a clear exit strategy built into their designs.

Section 5: Overall Findings, Conclusions and Recommendations

5.1 Findings

5.1.1 Overall findings

UNDP's role as a trusted partner to the Government of Mongolia (GoM) on complex and politically sensitive issues of governance and development as well as its convening role creates space for engagement with the GoM on development and governance issues. Development partners see it as a unique role of UNDP. This has enabled development of various legal and policy instruments in the country, though implementation and enforcement of these remain problematic. UNDP has been instrumental in developing capacity of various institutions mostly at the national level, namely: NHRCM, ITT-LLDC, NEMA and the

¹⁵⁰ Paul J. M. van Hoof, Zorjargal Gantumur (2015). Capacity Strengthening for Local Self-Governing Bodies Mongolia Mid-term Project Evaluation, Final version, 9 December 2015

Ministry of Finance, in particular. A key challenge in the country which has been riding high on the mining expansion is to ensure focus on poverty, and this will require moving away from a conventional notion of poverty and developing a new construct linking poverty and vulnerability to climate change, disaster risk reduction and overall resilience of the economy. UNDP has already begun moving towards this through integrated programming in the areas of poverty, environment and climate change. This will require sophisticated analysis and ability to bring cross-thematic linkages at all levels, underpinned by a well-articulated theory of change. With competition for resources getting tougher, it will require UNDP to demonstrate strong comparative advantage and innovative approaches in resource mobilisation.

5.1.2 Detailed findings

Outcome 1

- Through UNDP's support, the country has developed Law on Development Policy and Planning which will serve as a legal base for harmonised planning system both at national and local level. UNDP's support (along with the World Bank's) for building institutional capacity for economic policy and modelling is enabling the MoF in scenario planning. A comprehensive database of macroeconomic indicators has been created for use in macroeconomic policies (covering MDG, SDG and poverty/environment nexus) and public investment planning. The institutional capacity is however still heavily reliant on external funding.
- Within the political establishment there is a tendency to overlook poverty as a critical issue in the country. The social protection programme implemented in the country leaves a lot to be desired for addressing poverty and vulnerability. UNDP's approach to addressing poverty and livelihoods had been scattered in the past due to weak upstream and downstream linkages to the overall outcome, though during 2014-2015, attempts have begun to be made to develop greater coherence through policy and advocacy initiatives.
- The ITT-LLDC initiative has been making steady progress in its evolution to a multi-lateral institution, and UNDP's capacity building support has been crucial in this achievement.

Outcome 2

- A number of legal instruments and frameworks have been put in place to promote good governance, though the main challenge remains in addressing capacity gaps in implementing these. As civil service in the country is highly politicised, there is a problem of providing continuity which affects public service delivery.
- UNDP enabled NHRCM to extend its outreach to provinces and this has provided people access to its services. This combined with nationwide legal aid programme has brought access to justice for people in remote areas of the country.
- Mongolia has improved its standing in the Transparency International's Corruption Index, but there is cause for concern as several provisions of anticorruption measures fall short of international standards. Although there have been increased availability of information about Mongolia's extractive industries through the EITI initiative, Mongolia lacks strong rules or legal instruments for disclosure of contracts.
- While UNDP's initiative to provide training to local representatives is building the latter's capacity, it is also vital that citizens are empowered simultaneously to ensure that they can hold the representatives and local authorities to account. With increasing

competition for pastureland and water resources, traditional arrangement for sharing and rotations are breaking down leading to potential conflicts between different *soums* and herder groups. This highlights the need for mainstreaming environmental governance issues within the local structures in *aimag* and *soum*. The local governance training provided to elected representatives in urban areas where governance is complicated by multiple institutions may not be as effective as in rural areas.

- A significant achievement of UNDP's long-standing advocacy has been in revising the election law to increase women's quota to 30 percent. There is a need to ensure gender equality in public administration in order to effectively implement the Gender Equality Law approved in 2011.

Outcome 3

- UNDP played a significant role in development of green development strategy and in creating a favourable legal environment for sustainable use of natural resources, aligned with internationally recognised norms and principles. The Law on Protected Areas (PA) which outlines various revenue sharing mechanisms, involvement of communities and local authorities at various levels has been another crucial legislation in this regard. However, as with most legal instruments and policies, implementation of these newly developed laws remain a challenge.
- In an attempt to link the mining operations in the country to human development objectives, UNDP is now moving towards facilitating rule of law and human rights based approach in environmental governance in the country.
- At the local level there is increasing realisation that overstocking and uncontrolled grazing are posing serious problems. However, at the national level these issues which are politically sensitive do not receive due attention. UNDP's ecosystem based adaptation measures in spring source protection through fencing, piloting simple water harvesting structures, establishing tree nurseries and promote tree planting, and livelihood improvements through grants are addressing some of the issues related to overgrazing.
- The BEEP project was successful though the current energy price structure does not provide incentive to end-users to invest in energy efficient products and appliances. In *ger* areas, however, where energy is not subsidised, the need for developing energy efficient designs and low-cost solutions to heating remains a crucial need.
- At the national level, NEMA has developed capacity and organisational maturity over the years for disaster preparedness, response and risk reduction. As DRR is a multi-disciplinary area requiring whole-of-Government approach, developing appropriate capacity and strategy to coordinate and facilitate such an approach across various parts of the GoM will be a crucial priority for the future.

5.2 Summary conclusions

Relevance

148. The CPD was based on the Comprehensive National Development Strategy of the GoM and UNDP ensured close alignment with the GoM through its national implementation modality. This close linkage with the government provided space to other DPs to engage with the GoM on critical issues of national development. Leveraging the strong alignment and close working relationship with the government, UNDP could have done more to bring objective and evidence-based data which may not have been wholly in line

with current thinking within the country's establishment (for example, social protection, overgrazing/overstocking, energy efficiency in building, etc).

149. UNDP's rights-based approach is reflected in its CPAP outcomes which focus on addressing issues of poverty, human rights, good governance and human development. On gender issues, besides ensuring that women participate in various project activities and are included as beneficiaries, there has been little by way analysing the programme from the perspective of gendered nature of poverty and vulnerability.

Effectiveness

150. Due to limited political space accorded to discourse on poverty in the country, UNDP may not have achieved its intended aim on poverty reduction. A new approach is needed integrating resilient development, disaster risk reduction and climate change mitigation/adaptation and this may resonate better with the country's political establishment which UNDP has now begun to develop. UNDP's capacity building support for the ITT-LLDC initiative, National Human Rights Commission and for building institutional capacity for economic policy and modelling has been effective. The vision document of the GoM, along with the recently developed Law on Development Policy and Planning, will ensure that all new policies are assessed for their contribution to the SDGs. Implementation of the Law will require each line ministry to have necessary capacity to undertake thorough cost benefit analysis of various policy options.
151. UNDP's training support for local representatives is building the latter's capacity; it is now necessary that citizens are empowered simultaneously to ensure that they can hold the representatives and local authorities to account. Local governance institutions will need to be capacitated to be able to address emerging issues in both rural and urban governance. Despite numerous legal instruments and frameworks to promote good governance, as the civil service in the country is highly politicised, there is a problem of providing continuity. Mongolia has marginally improved its standing in the Transparency International's Corruption Index, although there is cause for concern as several provisions of anticorruption measures fall short of international standards for ensuring transparency and public accountability. There has been no change in the past four years regarding representation of women in parliament or in local *khurals*; however, revisions made to the election law in late 2015 which increases women's quota should markedly change the situation in future.
152. The country has taken steps to strengthen legislation on environmental governance and regulatory framework; however, as with most legal instruments and policies, implementation of these newly developed laws remain a challenge. UNDP has recently launched new initiative to integrate rule of law and rights-based approach in environmental governance in the country. Although there is a strong tendency within the GoM to deny or disregard the problem of overstocking and overgrazing, at the local level there is increasing realisation that these are posing serious problems. UNDP's ecosystem based adaptation measures hold the promise of addressing some of these issues, integrating physical measures with issues of local governance for controlled grazing, rotational system and conflict resolution among herder groups.
153. A whole-of-Government approach will be needed in future to address DRR issues, and developing NEMA's capacity to coordinate and facilitate such an approach will be a crucial priority for the future. In the areas of poverty and environment, future programming will require sophisticated analysis and ability to bring cross-thematic linkages at all levels. With competition for resources getting tougher, it will require UNDP to demonstrate strong comparative advantage. Towards this end, closer partnership with technical agencies like the FAO, UNEP, GIZ, World Wide Fund for

Nature, SDC, etc., will be essential. Some of the emerging issues on which development interventions will be needed to be focused in future are: (a) capacity of line ministries and MoF in cost benefit analysis of policy options; (b) participatory rangeland management using conservation and rotational approach; (c) urban governance and poverty; (d) leveraging a whole-of-Government approach in DRR and CCA; and (e) developing a holistic framework for addressing poverty, disaster vulnerability and climate change nexus which UNDP has now initiated. These will demand specialized expertise as well as ability to work across different disciplines.

Efficiency

154. The NIM modality which has been rolled out in the past couple of years has brought in mixed results. While this does give greater ownership to the GoM, the system has affected efficiency of operations of various implementing partners as effective use of the NIM requires changes in practices which may need time to bring about within the MoF and partners. UNDP needs to improve its outcome reporting and assessment, especially with regard to attributing overall results to UNDP interventions.

Sustainability

155. The GoM's ownership of some of the policies and regulatory framework is evidenced through resource and political commitments - initiatives like ITT-LLDC, NEMA's capacity building and CSLSGB training where government has already demonstrated its commitment, sustainability is likely to be high. However, sustainability of outcomes of some of the community-based interventions is uncertain because of weak downstream linkages on the one hand, and lack of clear exit strategy built into the project design, on the other.

5.3 Lessons

156. In Mongolia's efforts toward strengthening transparency, especially in the mining sector, the role of civil society in contract monitoring is likely to become significant with the new requirement under Mongolian law that all mining license holders also enter into a cooperation agreement with local governments.¹⁵¹ Enforcement of these provisions will however be a challenge due to weak capacity of local authorities.
157. Due to multiplicity of governance institutions in cities and authority for decision making being dispersed at various levels, the local governance training provided to elected representatives in urban areas may not be as effective as in rural areas.
158. For effective rangeland management, there is need for a coordinated approach between the Ministry of Agriculture which is responsible for grazing land and the MEGDT responsible for forests management.
159. Lack of a theory of change (TOC) means that part of the results framework of the CPAP looks like a list of activities, with very little interconnectedness and links to outcome, resulting in UNDP getting involved in a diverse range of activities often without clear linkages to overall outcome or considerations of sustainability. If programme designs were informed by a clearly articulated TOC, the analysis would have provided opportunities for the programme team to work cross-thematically to ensure linkages and synergy.

¹⁵¹ D. Namkhajantsan and A. Shafaie (2015) Contract Transparency a Critical Component of Civil Society Oversight in Mongolia. Ulaanbaatar, 19 November 2015 (<http://www.resourcegovernance.org/issues/civil-society>)

5.4 Recommendations

Strategic management

- R1: UNDP's country programme needs to be informed by a well-articulated theory of change (TOC) which identifies critical issues, drivers and inhibitors of change, assumptions underlying intended interventions, outputs and outcomes. The TOC will need to provide an overarching framework and a new construct for addressing the issues of economic development and resilience, poverty, climate change and disaster risk reduction, based on SDGs.
- R2: UNDP will need to develop its staff capacity and competence to work across thematic areas by establishing lateral linkages and demonstrating ability for holistic analysis as well distinctive competence in programmatic areas with clear focus that directly links to the TOC. In this regard, the following areas of expertise will be of particular relevance:
- Social protection programmes, especially targeting the poor and vulnerable
 - Participatory rangeland management in semi-nomadic pastoralist system
 - Linking vulnerability, DRR and CCA in programme design and delivery
 - Urban poverty and governance.
- R3: As a general principle, where UNDP resources are involved, it should invest in helping the government to develop policies and new legislations only when it has undertaken a satisfactory analysis of political commitment, change drivers, resource commitments and implementation/enforcement capacity of the government. Otherwise, its future focus ought to be on enabling the government at both central and local levels to implement/enforce the existing legal and policy frameworks.
- R4: Besides partnership with conventional DPs, innovative approaches to working with IFIs (World Bank and ADB) and private sectors will be needed in future, as funding environment gets restricted.
- R5: While developing the results framework and M&E plan for the new CPD, special attention needs to be paid to identifying data points that will be required to be generated in order to objectively attribute overall outcome results to UNDP's outputs.

Programmatic

- R6: Working with the World Bank and ADB, develop capacity building strategy for the MoF and line ministries to undertake the necessary cost-benefit and feasibility analysis of national policies before these are proposed for adoption.
- R7: Building on the work of CSLSGB, in the next phase focus on strengthening community groups and local civil society groups through introduction of social accountability mechanism (like social audit, accountability scorecard). In this, UNDP may explore partnership with initiatives like MASAM (initiated by World Bank) where it could bring in voices of women and other vulnerable sections of society in functioning of the social audit system.
- R8: In partnership with SDC, undertake a thorough study of issues in rangeland management in different zones of the country and, working with local authorities and herder groups, design scalable system to be implemented in one or two zones in the country. This could integrate UNDP's current work related to ecosystem-based adaptation.
- R9: Working with the Deputy Prime Minister's office, MoF, NEMA and Ministry of Environment, explore an inter-Ministerial coordination group which could provide a

platform for a whole-of-government approach for working on disaster risk reduction and developing resilience framework for the country.¹⁵²

Administrative

R10: Review *implementation* of the NIM and capacity gaps within MoF and implementing partners and put in place support mechanisms to address current implementation challenges.

¹⁵² It is reported that a draft law on disaster management is currently under discussion and this incorporates the principles outlined in this recommendation.