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Country Programme Action Plan 2012-2016
United Nations Development Programme

PROGRESS REPORT



February 2014
Ulaanbaatar, Mongolia

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I. Introduction

The Government of Mongolia and the United Nations Development Programme have developed the UNDP Country Programme Action Plan (CPAP) for 2012-2016 on the basis of long standing cooperation between the Government and UNDP in effectively supporting Mongolia's development.

The CPAP is derived directly from the United Nations Development Assistance Framework (UNDAF) and the UNDP Executive Board approved Country Programme Document (CPD). The UNDAF, CPD and CPAP have all been developed in a participatory manner and are based on analysis and evaluations of the development situation as well as past experiences.

While the UNDAF outlines the strategic direction and results expected from cooperation between the Government of Mongolia and the UN, the CPD highlights the UNDP's specific contributions in this regard. The CPAP focuses on the arrangements in which the UNDP programme will be implemented and specifies the expected results in detail. Based on the CPAP, project documents and annual work plans has been, and will be, developed with implementing partners.

This progress report covers the two first years (2012 and 2013) of implementation of the CPAP. The purpose of the report is to take stock of progress made, validate current programme focus against the trends in Mongolia and UNDP global policy environment, and to propose actions for improving the programme. The report is a background document for the CPAP review which provides an opportunity for taking corrective actions to further enhance the effectiveness of the UNDP – Mongolia cooperation.

a. Overview of the review process

The Country Programme Action Plan (2012-2016) is approved by UNDP and the GoM in 2012 and defines 13 outputs to be achieved by end 2016 under three thematic areas: i) Poverty reduction and achievement of MGDs, ii) Democratic governance; and iii) Environment and sustainable development. In mid-2013, UNDP Mongolia decided to engage with the Government and the other partners to assess progress made in the implementation of the CPAP and the review process has started with consultations involving respective stakeholders and counterparts during the review of the projects, project board meetings and annual workplan discussions. It had the following objectives: 1) to assess the development results and to review the two-year progress made towards the implementation of CPAP; 2) validate current programme focus against the trends in Mongolia and UNDP global policy environment; 3) to improve the CPAP results framework, including indicators for better monitoring. The review process concluded that the CPAP is being implemented successfully towards the planned results and it remains relevant and positions UNDP well in its support for Mongolia's development. The review process looked at management and implementation arrangement as well.

In addition to the national consultations with the counterparts on each programme areas, the final national review meeting was held on 21 February 2014 and was attended by more than 50 participants representing the Government, implementing partners, and the civil society. The overall review process was inclusive and participatory, involving a wide range of stakeholders and partners. CPAP has formulated to tackle poverty, governance and environment issues. But the review process looked at the other emerging issues and new development aspects, which are critical for Mongolia's development. Changes in the results framework are proposed (with better defined indicators, alignment to UNDP's new strategic plan, consideration of the priorities of new government) and supported during the consultations.

The minutes of the review meeting is found as Annex 2.

b. Development trends

The overall development situation of Mongolia is positive and the government is taking several key actions that impact positively on Mongolia's development. At the overall level, the economy is showing double-digit growth and by end of 2013 the growth rate was 12.3%. GDP per capita has increased from USD 1,300 in 2006 to about USD 3,400 by the end of 2012, and Mongolia is now classified as a lower-middle income country by the World Bank. Mongolia is also classified as a medium-human development country by UNDP with human development index (HDI) of 0.675 ranking 108 out of 187 countries. Poverty head count has declined by more than 11 percentage points between 2010 and 2012.

Mongolia has an extensive system of social welfare payments, most of which are targeted to specific categories such as elderly, students and disabled. Mongolia successfully and

peacefully conducted parliamentary elections in 2012 and presidential elections in 2013. Mongolia's ranking in the Transparency International Corruption Perception Index improved from 120 in 2011 to 94 in 2012 and to 83 in 2013, due to its efforts to improve transparency of government and freedom of information. Mongolia's ranking in the Gender Gap Index at World Economic Forum significantly promoted from its position of 62 out of 128 countries in 2007 to 33 out of 135 countries in 2013. Mongolia is highly urbanized with 67.2% of population living in urban areas, of which 46% living in Ulaanbaatar alone.¹ Following on from the Rio+20 UN Conference in 2012 and the World Environment Day commemorated in Mongolia in June 2013, the Government is developing a Green Development Strategy for sustainable development.

From a sustainable human development perspective, there are still key development challenges for Mongolia. Despite the high economic growth, poverty remains high at 27.4% and there are signals that inequality is increasing. Poverty cannot be measured as GDP alone and as such poverty is multidimensional. Targeted poverty reduction policies focusing on vulnerable groups would be a useful approach. High dependence on mining revenues exposes the country to fluctuations in the external environment. Diversification is paramount. The growth in the mining sector also puts additional pressures on Mongolia's fragile eco-systems. Air pollution, energy inefficiency with high greenhouse emissions, lack of access to basic services and growth of peri-urban areas are some additional key challenges. Mongolia is prone to natural disasters which has the most adverse impacts on vulnerable groups. Climate change also intensifies desertification, reduces pasture biomass and increase the frequency of natural disasters.

¹ 2012 NSO Statistical Yearbook.

c. Global changes in UNDP

The changes outlined below will impact UNDP's overall programme as outlined in the Country Programme Action Plan 2012-2016 (CPAP) and individual projects and their corresponding Annual Workplans (AWP) for 2014 and beyond. These changes stem from the decisions of the UNDP's Executive Board where Members States were fully engaged. The key changes are:

UNDP's Strategic Plan for 2014-2017 was approved in September 2013. All UNDP country programmes have to be aligned to this Strategic Plan. This includes clearer identification of targeted end-beneficiaries and focus activities on reaching them. This also includes development of strategies for how to scale-up successful experiences. In line with the new Strategic Plan, UNDP's Gender Equality Strategy 2014-2017 was approved in January 2014. This Strategy elaborates how UNDP will work towards the goals defined in the updated Strategic Plan in a manner that supports countries in accelerating their progress towards gender equality and women's empowerment. UNDP is paying great attention to evidence based decision making and results based country monitoring and evaluation system for all projects. UNDP also puts special attention on demonstrating and communicating the joint results achieved with our national partners. And gender equality perspectives will be strengthened in all these systems and cooperation mechanisms.

As part of the new Strategic Plan, UNDP has developed an integrated results and resources framework and cost recovery policy. In this regard, the previously charged Implementation Support Services of 3% will be replaced by a more transparent and enhanced project costing policy. This policy dictates that UNDP should recover costs related to direct project implementation including the costs of UNDP staff engaged in direct project implementation as well as its services provided.

Due to the global financial situation, UNDP as a whole has received fewer resources than planned for. Due to this, the UNDP Country Office in Mongolia will have funding reductions to both office and programme budgets. Commitments as per approved projects and Annual Work Plans will be adhered to as far as possible.

In addition, UNDP has reviewed its implementation arrangements for projects. The National Implementation Guidelines outlines these. UNDP has four implementation modalities, National-, NGO-, UN agency- or UNDP implementation. Within National Implementation, UNDP can provide support to national implementing partners as well act as a responsible party for a set of activities; UNDP's rules and regulations apply fully in this case. When government implements, government rules and regulations should apply. In no instances should rules and regulations be mixed. As part of the implementation of these guidelines, assessments of implementing partners take place at the onset of projects to determine best implementation arrangements.

In this regard, to ensure accountability and increase the use of national systems, UNDP, UNICEF and UNFPA are jointly implementing a Harmonized Approach to Cash Transfer. Within this framework, implementing partners for UNDP, UNICEF and UNFPA projects will be subject to an assessment of their financial system to best determine the cash transfer modality to be

applied and optimal assurance activities. The cost of this assessment will be charged to relevant project budgets.

II. Overall progress

Through the close and constructive partnership between UNDP and the Government of Mongolia, the CPAP is being implemented successfully towards the planned results and contributing to Mongolia's development.

Poverty reduction and achievement of the MDGs are the overarching goals of UNDP. It focuses its programmes on democratic governance and environment and sustainable development. At the overall level, the CPAP remains relevant and positions UNDP well in its support to Mongolia's development.

The next section outlines the key achievements in these three focus areas of UNDP. The monitoring matrix in annex 1 outlines progress based on the agreed targets and indicators for the entire CPAP.

In addition to the programme results presented in the next sections, UNDP has been instrumental in supporting Mongolia to position itself in the international arena. This includes support to Mongolia's preparations for the Rio+20 summit, organizing regional and global conferences in Mongolia such as "Charting a path towards political equality in Asia" and "Extractive industries and human development", as well as the post-2015 dialogues and the organization of the "World Environment Day" in 2013. UNDP is also supporting Mongolia in its institutionalizing the International Think Tank on Landlocked Development Countries. These are all south-south initiatives facilitated by UNDP. UNDP also supports the Mongolian government in linking up to global resources and initiatives. This includes UNDP's facilitation role in ensuring Mongolian access to expertise in the Partnership for Green Economy (PAGE) initiative, global expertise (for example in anti-corruption through UNODC and World Bank's stolen assets recovery initiative), as well as to global financial sources for development such as the Global Environment Facility (GEF) and the Climate Adaptation Fund.

a. Poverty reduction and achievement of the MDGs

Setting national development policy is core government business. Failure to link policy with planning and budgeting is often the single most important factor contributing to poor development outcomes. The MDG-based Comprehensive National Development Strategy (CNDS) for the period 2007-21 is the country's overarching long-term vision document. UNDP supported an assessment of the CNDS and this assessment pointed at several challenges. The Government Action Plan (GAP), prepared at the start of a new government's tenure under the guidance of the Prime Minister's Office, runs for four years and is the overarching political statement of the government's broad policy objectives. The annual socio-economic guidelines (SEG) highlights short term priorities for the budget year ahead, to be addressed in the annual

budget, and reflects the implementation strategies for the Government's Action Plan. There are loose linkages between CNDS and GAP and SEG and as well as sector and local policies and strategies.

UNDP and MED are working together on a draft law on development policy and planning. This law and its associated guidelines will serve as a legal base for harmonized and coordinated planning system both at national and local level in the country bringing together the different components outlined above. The draft law outlines the procedures for preparation and time frame of long, medium-term policy strategies. UNDP will ensure that development policy and planning becomes gender-responsive through conducting gender analysis and systematically reflecting these perspectives in the draft law and associated guidelines.

UNDP has also supported the Government of Mongolia in preparing the public investment programme (4 years) which will serve as a medium-term public investment programme (PIP) for Mongolia, including developing a country wide baseline database for all public investments. UNDP also supported the preparation and design of soum development models which will be used for designing and formulating local development plans.

UNDP has been supporting the organization of Development Dialogues to bring new and emerging development topics to the attention of policy makers and decision makers in Mongolia. The Development Dialogues represents a platform for discussion, exchange of analyses, and sharing international good practices on key development issues. Since 2012, five national and two regional dialogues organized together with national and local governments.

The Government of Mongolia has been monitoring the MDG implementation through national MDG reports produced biennially; in 2013 the 5th national MDG's report was prepared with UNDP support. The President of Mongolia used this 5th report for his presentation to the MDGs summit held at UN General Assembly in September 2013.

UNDP has supported SME development and livelihoods support for many years. Through this work, one key recommendation is to develop a holistic approach for reducing or eliminating poverty. Recently, an inter-ministerial working group has been established in this regard and UNDP is committed to work closely with this working group.

UNDP has also supported the establishment of the International Think Tank for Landlocked Developing Countries (LLDCs) in Mongolia. This support has been both at the substantive technical level as well as support in operationalizing it. This think tank now offers Mongolia a global leadership position with regards to bringing LLDCs together on key development issues. UNDP will continue to support the government in this regard.

b. Democratic governance

Mongolia successfully and peacefully conducted parliamentary and local elections in 2012 and the Presidential Elections in May 2013 respectively. UNDP supported the General Elections Commission with voter education and information campaign on the new electoral system and methods for casting of votes in parliamentary and local elections. As a result of the elections in June 2012, the number of females MPs increased to 11 representing 14.5% of all MPs. Despite the progress at the national level, the percentage of female elected representatives in local governments has decreased from 30.9% in 2008 to 27.3% in 2012. Mongolia is unlikely to achieve MDG3 target to have 30% female representation in national parliament by 2015. UNDP was an instrumental partner to Mongolia both in the electoral reforms as well as targeted support to increase women's representation in politics. This is an area where UNDP will continue to work in the future.

Mongolia, for the first time, has developed a formal civic education programme, and prepared civic education textbooks for primary and secondary schools and trained teachers with assistance from the UNDP.

The implementation of the Local Development Fund (LDF) introduced by the new Budget Law started from 2013. As a result, the share of local government expenditure in total government expenditure rose to 28.6% in 2013, compared with 10.5% in 2011. However, this represents absorption, management and accountability challenges for local governments, thus requires capacity building for the reform to succeed. Through its Local Governance Support Programme (LGSP) implemented in 2007-2011, UNDP tested a fiscal innovation - block grant to Aimags, allowing a scope for local discretion and participation in determining how to spend this grant. Approval of the Budget Law in November 2011 has upscaled this approach by establishing a LDF. UNDP's current support to the implementation of this reform focuses on improving oversight capacity of local hurals in the budget execution.

Increasing citizen participation in government affairs and public consultation is a top agenda of the current government. The President of Mongolia issued a decree approving a Strategic Policy Paper on "Decentralization Based on Direct Democracy and Citizen Participation" in September 2012. A major initiative in state-citizen dialogue is the current process of drafting the Law on Laws where the UNDP is requested to bring the international experience in engaging the civil society in the legislative processes. UNDP also supported youth networks discussing the topics of democracy, human rights, and equality through social media and other means.

Mongolia is continuing to take steps in addressing corruption. The UNCAC review process conducted in 2010-2011 culminated in the publication of the "Country Review Report of Mongolia" by the UNODC Secretariat in Vienna in October 2012. The report reviews implementation of Chapters III (Criminalization) and IV (International Cooperation) of the UNCAC. UNDP is providing assistance in developing the national anti-corruption strategy which incorporates the recommendations of the UNCAC implementation review. Mongolia's

next reporting is due in 2015 on Chapter II (Prevention) and Chapter V (Asset Recovery). Capacity building assistance is provided through UNDP's "Support to Participatory Legislative Processes" project with involvement from UNODC and StAR Initiative. Legislative reforms on conflict of interest and access to information are recent, and their enforcement needs to be strengthened through greater awareness and training.

In the Universal Periodic Review (UPR) of 2010, Mongolia received 129 recommendations to improve human rights protection and promotion. The Geneva based International NGO - UPR Info released a report on Mid-Term Implementation Assessment in 2013. It reports that 43 recommendations are not implemented, 48 recommendations are partially implemented, and 26 recommendations are fully implemented by Mongolia. The parliament recently approved the budget for officers of the National Human Rights Commission of Mongolia (NHRCM) who will be based in each aimag. Expanding the Commission's presence at the local level was a key recommendation of the capacity assessment conducted with the support of the Asia Pacific Forum of NHRIs, UNDP and OHCHR in August 2011.

The expansion of the Commission will enable people outside Ulaanbaatar to access the Commission's services, especially its complaint handling service. The 2012 report of the NHRCM on Human Rights and Freedom in Mongolia highlighted the emerging human rights issues such as the impacts of mining on human rights, LGBT, children attending religious schools and with disabilities. The report devoted a special section on the implementation status of the recommendations of the UN human rights bodies. For the first time, a Standing Committee resolution was passed approving the recommendations of the report and requesting the Prime Minister to implement the recommendations. (Resolution #13 of 3 July 2013 of the Legal Standing Committee). Thus, UNDP supported the evidence based reporting by NHRCM.

The Law on Legal Aid to Indigent Defendants was approved in July 2013. This is a remarkable progress considering that the 1992 Constitutional provision 16.14 for guaranteeing the citizens' right to receive legal assistance was not fully materialized until now. The law aims to establish a national legal aid system which provides legal advice and public defense to those who cannot afford legal fees. The model of the legal aid system is a direct scaling up of the UNDP's initiative of setting up Legal Aid Centres (LAC) through the "Access to Justice and Human Rights" project implemented with the Ministry of Justice in 2007-2011. The system will expand on the existing LACs with a central authority under the Ministry of Justice which is tasked to provide guidance to and monitoring of the LACs and staffed with 72 public defenders. UNDP was able to contribute to this achievement thanks to a well-thought exit strategy from the outset - gradual reduction of its financial contribution throughout the project combined with relevant capacity building of LACs. By 2012, the government had taken the full ownership of LACs. The government budget allocation to the LACs increased from 5 mln tugrug in 2008 to 1,48 bln tugrug in 2013, i.e. by 300 times from the baseline level. This guarantees sustained legal protection for the most vulnerable parts of the society in Mongolia.

The current parliamentary debates on the reform of the Civil Service Law offer a strategic opportunity for policy dialogue and advocacy on reform choices which could be implemented

under the new legal and policy framework. Another highlight is the recent initiative of the President of Mongolia 'Smart Government', the features of which defined as the optimal size of the government, free from red tape, adherence to the rule of law, and serving citizens, and received popular support in the political spectrum. UNDP intends to work on these areas in the remaining period of the CPAP.

c. Environment and sustainable development

Acknowledging the importance of green growth in achieving sustainable development, the newly elected Government of Mongolia incorporated adoption of green growth policy in its action plan until 2020. With support from UNDP, Mongolia finalized development of a national green development strategy and submitted for Parliament approval in 2013. The country successfully hosted the global observation of the World Environment Day, during which it joined the international Partnership for Action for Green Economy (PAGE) as the first inaugural country.

In May 2012, a package of environmental laws was adopted, which was a major legislative reform after most environmental laws were formulated and approved in early 1990s. The legislative reform included merging 18 out of 33 laws into 8 and approving 2 new laws, which addressed gaps and removed duplications and conflicting clauses. The newly adopted changes incorporate and promote principles of Polluter Pays Principle, Strategic Environmental Assessment and Environmental Audit as effective management tools and participation of local communities in natural resources management. To enable enforcement of the newly approved law package, approximately 100 bylaws, implementation guidelines and methodologies have been developed and finalized with UNDP support. Amendment of several additional laws continued in 2013. Through UNDP support, environmental audit is institutionalized with formally approved guidelines and methodologies, appointment of a certification entity and first round of certification training to environmental auditors. Involvement of the general public and civil society in making decisions on environmental matters has expanded. The Ministerial council made a decision to introduce the Aarhus Convention (on enabling access to information on environmental matters) to the Parliament in 2013.

At the sub-sector level, the State policy on forest is being amended to enable sustainable and waste-free use of forest resources, rather than a heavy focus on pure protection. Multi-purpose forest inventory system was introduced through the UN-REDD programme for adoption in 2014. In 2013, the Government negotiations resulted in establishment of a trans-boundary Special Protected Area (SPA) at the Russian border (680,000 ha in total) that is essential in protecting endangered species with trans-boundary habitat. As of December 2013, 17.4% of the country's territory is taken under special protection. UNDP was successful in facilitating formal agreement for NGO management of a nature reserve, as well as a resources allocation from local Government budget in support of the nature reserve management for the first time. While no new licenses are allocated for mining operations, the MEGD is committed to determining extremely vulnerable areas with high ecosystem values

where no mining exploration and extraction should be allowed. Several studies are being commissioned covering different eco-regions of the country.

The country successfully participated in the Rio+20, the UN Sustainable Development Conference in 2012. As a part of preparation to the Rio+20, the country reviewed its progresses on Agenda-21 implementation. Mongolia organized a side event at the conference itself, where the delegation presented the country's sustainable development progresses and plans for increasing renewable energy production up to 20% of its total energy production by 2020.

The MEGD commissioned an in-depth study to help determine green economy potentials of the key economic sectors, which will be a basis for improving the existing draft national strategy on green growth. In support of green development policy, cooperation agreements with several international and bilateral initiatives were formalized, including Global Green Growth Initiative and Japan's Joint Crediting Mechanism for emission reduction measures. In 2013, a number of green development policy measures were taken through inter-sectoral and inter-ministerial collaborations, such as increasing water tariff for industrial use, initiation of formal eco-education programme for youth, tax exemption for energy and resource efficient production devises, equipment and household appliances and import of wood and wooden materials and with UNDP support, initiation of a financial incentive system for energy efficient buildings and drafting a new Law on Energy Efficiency. Overall, the Ministry of Environment and Green Development (MEGD) clearly progressed in realizing its role as one of the mainstream policy making Ministries. UNDP is a key partner in supporting MEGD and Mongolia in this area.

To improve the population's housing condition and to reduce catastrophic air pollution largely caused by burning of raw lignite in household stoves at the city outskirts, implementation of a "100,000 Housing units programme" started in 2012. The Government started to provide low interest (6% per annum) and long-term housing mortgages to low and middle income households. In 2013, the Government expedited implementation of Ger area upgrading programme in the capital city, where the most underprivileged strata of population reside. Within the framework of a capital city master plan, the Ger area is being replaced by apartment buildings and residents are provided with opportunities to sell their private lands for modern apartments. The Government enabled 8% for housing mortgages to its citizen, which is twofold lower than the market rate. Subsidies are being provided to construction material producers, as well as to construction companies, in order to ensure a stable housing supply and to alleviate financial risks. In 2012-2013, approximately 148,000 ger area households were provided with energy efficient and low emission stoves as heavily subsidized (up to 90%) from the Government's "Clean Air Fund" administered by the MEGD. UNDP has supported the development of building norms, codes and standards that is contributing to the national results in this area.

To promote rural development, District (soum) center development programme was successfully launched in 3 soums where all public buildings are newly built using energy efficient construction technologies. Based on the success, another 60 settlements are expected to be covered by the programme in 2014. In two soum centers, UNDP supported

establishment of centralized water supply and waste water treatment system, making use of replicable mono-type designs developed by UNDP support and approved by Government. Methodology for national level coverage of water and sanitation services supported by UNDP is now fully incorporated into the national statistical office data collection system. Despite numerous interventions and efforts, progresses in achieving MDG7 remain relatively slow on several target indicators, according to the fifth MDG report released in 2013.

Considering that women's daily lives and roles in the family and communities are closely linked to managing natural resources and environment, UNDP will review its environmental portfolio from gender perspectives and actively engage women in environment policy-making and programming reflecting their needs and concerns.

III. Evaluation findings and audit recommendations

As part of ensuring that UNDP's programme is evidenced based, UNDP integrates independent evaluations into its activities. These evaluations assess the relevance, effectiveness and also efficiency of UNDP's programmes.

At the overall level, the evaluations completed in this CPAP period so far highlight the following key achievements for UNDP programmes:

- Significantly impacted on the quality of national laws
- Direct policy implications and impact
- Generated political support and brought diverse stakeholders together
- Brought up sensitive and contentious topics and addressed these
- Good integration of bottom-up approaches
- Well managed and adaptive programming approach

Examples from evaluations:

The Sustainable Land Management project influenced the design of new laws representing a significant step on conservation and combating desertification. The evaluation highlighted that the Law is "a major step toward reversing land degradation and will add a powerful tool for protecting pasture at the local level".

Through UNDP support, 9,345 tons of CO₂ equivalent greenhouse gas emissions were avoided as a result of reduced energy requirement. The evaluation report calculated that UNDP interventions contributed to reduction of green-house gas emission by 186,899 tons of CO₂ attributable to the implementation of the building norms and standards. UNDP's project substantially contributed towards country's aspiration for energy efficiency and is expected to have a multiplier effect on all the future development in residential building sector.

UNDP interventions to support alternative livelihood "involves fundamental changes for herders in transitioning from purely nomadic herders into a more diversified set of enterprises...", improving their livelihood resilience to the natural disasters. As a result, jobs were created and beneficiaries have broadened their sales channels and increased income by

achieving better terms for the purchase of inputs and the sales of their products. A total of 1500 herders received vocational training.

An evaluation report concludes that the Strengthening Protected Areas Network project is nationally and regionally significant, that it is well managed, appreciated and adaptive, and delivering substantial results. UNDP interventions towards conserving Protected Areas have achieved considerable political support. An engagement of impressive range of stakeholders at national level to strengthen the policy and legal environment for Protected Areas has been achieved through the National Protected Area Forum and inter-agency working group on Protected Area Sustainable Financing, which are both now institutionalized. Also, attitudes of communities and local authorities in the target sites have changed fundamentally through a strong focus on participation and sustainable use, nature conservation and livelihoods development objectives can be complimentary. This approach engaging local community can be replicated in different sites nationwide.

There are also several lessons learnt coming out of the evaluations, these include:

- ✚ Need for better design:
 - For UN joint programmes, make the design and implementation more joint
 - Target beneficiaries better
 - Bring in considerations of scaling-up activities by analyzing big picture and financial flows
 - Integrate sustainability more to ensure that the project results can continue to impact positively on development after the end of the project
- ✚ National coordination needs to be improved. The link between project demonstrations to national policy/laws and budget allocations needs strengthening.
- ✚ Monitoring and evaluation needs to be better integrated and funded from projects.

Examples from evaluations:

The UN Joint Programme on Water and Sanitation implemented from 2010-2013 has demonstrated that there is a need for improved design of collaboration and joint efforts among UN agencies. The shortcomings associated with the general lack of joint programming seem to outweigh the benefits realized by operating in parallel for some of the activities. A lesson learnt is to improve the efficiency by jointly procuring construction of water and sanitation infrastructure and sharing field coordination and supervision. In addition, the report finding points to the insufficient resources allocated to monitoring and evaluation.

Due to the insufficient financial resources, UNDP did not target large construction companies in its Building Energy Efficiency project (BEEP) which limited the potential impact of the project.

As part of the annual audit exercise, UNDP analyses the findings and addresses key concerns. With regards to audit findings, audits for 2011 recommended UNDP to amend its national execution manual and to provide increased guidance on the project financial management. Following-up on the audit recommendations, UNDP CO issued guidance on the procedures on

project implementation covering the areas highlighted by the audit. UNDP is now also fully implementing the global national implementation manual.

IV. Implementation challenges

UNDP's newly launched National Implementation Guidelines have been exercised in the past two years for all newly approved projects. In this regard, in line with global UNDP policy, UNDP CO put significant effort to use the national rules and regulations under the national implementation modality. This new arrangement allowed the CO to clearly define the responsible parties in the project documents and annual work plans which led to the application of rules and regulations of responsible parties eliminating the previously existed hybrid implementation modality.

However, UNDP supported projects have faced some challenges to follow the national rules and regulations namely in the areas of project bank account creation, settlement of VAT, 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 condition. In addition, some implementing partners' expressed their opinion to have some transition period to start following the national rules and regulations.

UNDP CO is in close consultation with the Ministry of Finance and the implementing partners to find proper solutions to the above mentioned areas while cooperating with the Ministry of Foreign Affairs, the coordinating agency for UNDP to encourage full engagement of the respective national authorities relevant to the UNDP supported projects implementation.

Currently, UNDP Mongolia has no project that is implemented by other UN Agencies, however, there are projects implemented by NGOs. CO is monitoring the NGO implemented projects and will be closely working with NGOs further improving its monitoring of the implementation areas.

V. Conclusions and recommendations

Based on the findings of the report and review, key proposed actions will be recommended and decided upon through the CPAP review process. These actions can stem from strategic factors (opportunity, impact, comparative advantage, partnerships, etc), resource factors (UNDP Country Office capacity, funding available, resource mobilization opportunities, etc), and risk factors (technical, capacity, political, etc). The key issues and proposed actions are:

Issue	Proposed action	Responsible	Timeline
Overall management of CPAP	Regularize formal CPAP management board meeting at least once annually preparing for the CPAP review meeting	UNDP, MFA, MED	Q1 2014
Scaling-up programme	Review and analysis of best scaling-up opportunities completed and implemented	UNDP, IPs	2014
Programme substantive changes	Changes as per results matrix	UNDP, MFA, IPs	Q1 2014
Introduce new potential areas of work	Based on reviews, include new programme activities (depending on successful resource mobilization) on support to border management, urbanization and extractive industries and human development.	UNDP, MFA, IPs	2014
Gender mainstreaming (Note: also included in results matrix)	Analyse gender mainstreaming in national planning and need for gender disaggregated data. Review of UNDP's environmental portfolio from a gender perspective. Develop new pipeline project on women's political empowerment.	UNDP, NCGE	Q3-4 2014
M&E	CPAP M&E matrix updated	UNDP	
	M&E training to projects and government	UNDP, MED, Cab Sec	Q2 2014
	Project M&E frameworks assessed and strengthened	UNDP	2014
Communications and advocacy	Each project to develop one higher level communication during its duration	UNDP, IPs	2014
	Develop more Mongolian language content	UNDP, IPs	2014
Direct Project Costing	Implement direct project costing	UNDP and IPs	Q1 2014
	Develop price list for operational services	UNDP	

Issue	Proposed action	Responsible	Timeline
Address financial challenges	UNDP Country Office change management exercise to make CO financially sustainable as well as more effective	UNDP	Q1-2 2014
	Joint resource mobilization with key donors	UNDP, MED, MFA, IPs	2014
National Implementation	Overall direction to use government systems more – set-up task force to address challenges	UNDP, MOF, MFA, MED	Q1 2014
	Assess implementing partners capacity to implement projects	UNDP, IPs	Q1 2014
Government cost sharing	Develop procedures for how government can cost-share UNDP projects	UNDP, MOF, MED, MFA, IPs	Q1-2 2014

Annex 1. CPAP review meeting minute

UNDP CPAP 2012-2016: Progress Review meeting

Consultation with National counterparts Meeting minutes

21 February 2014
UN Conference Hall, UN House

Co- Chairs: Ms. V.Ulziibayar, Deputy Director of Department of International Organization, Ministry of Foreign Affairs
Mr. Thomas Eriksson, Deputy Resident Representative, UNDP Mongolia

Opening remarks

Ms. Sezin Sinanoglu and Ms. Ulziibayar gave opening speeches. Ms. Sezin highlighted that the objective of the consultative meeting is to review the two-year progress made towards the implementation of the Country Programme Action Plan, which is approved by UNDP and the GoM in 2012. She further explained that the action plan is specific with results framework, details, outputs to deliver. In addition to the national consultations with the counterparts on each programme areas, this meeting is intended to get feedback from the national partners and validate the current program's focus against the development realities of Mongolia and global trends today.

The review process will be looking at management and implementation arrangement. UNDP worldwide is going through great changes and UNDP CO is affected and it's important to hear from the national participants on the project implementation. We are also looking at changing the structure of our office. The strength of UNDP is the values it brings on the table: international norms and standards, democracy, impartiality and global outreach through its bigger UN body and UN agencies. UNDP is not a donor - UNDP is the partner with high aspiration to support implementing the national development priorities. That's why UNDP wants government and other partners' ownership. Contribution from Mongolia as middle income country can merge into our aspiration to seek for co-funding. For instance, a project signed with the Ministry of Foreign Affairs is funded by Mongolia.

CPAP has formulated to tackle poverty, governance and environment issues. But UNDP is open to look at the other issues and development aspects. MDGs are ending and post 2015 agenda is on the table. Global reality, financial landscape is changing. But our spirit is not

changes, it is to eradicate poverty. The issues we now need to deal are climate change, the mining and its impact on the environment. Urbanization is an issue for Mongolia as it is the 2nd most urbanized country in Asia Pacific region. We need to look at CPAP for this. Extractive industries are another issue to consider in future. UNDP is a partner agency to work with you on these new and emerging issues which is critical for Mongolia's development.

Session 1. Progress on development outcomes

Mr. Thomas Eriksson, UNDP DRR gave a brief overview and highlighted that CPAP is being implemented successfully towards the planned results and it remains relevant and positions UNDP well in its support to Mongolia's development (presentation slides are attached as [Annex 4](#)).

1.1 Review of Programme area on Poverty reduction and MDGs

Ms. Doljinsuren J., Team Leader gave a presentation on the progress made towards the planned results in CPAP Outcome 1. Economic growth is inclusive and equitable. The presentation also covered the planned activities and lessons learnt as well as changed proposed (the presentation slides are attached). The suggested change is on reformulation of CPAP indicator on National Development Strategy to "Progress of formulating and approving the development policy and planning law". Following the presentation, the panelists delivered a brief introduction on the progress from the national perspective that included:

Mr. Batkhurel G., Director of Development Policy and Strategic Planning Department of MED highlighted the importance of the development policy and planning law. It is being discussed nationwide and will establish a legal basis for the development environment upon approval by the Parliament. More than 400 projects are being implemented at the government level and their implementation sometimes overlaps and there is a lack of oversight on their progress. He also mentioned about the T21 model, which is used to analyse socio-economic situation. Poverty stems from the different factors and it is impossible to curb the poverty by a single intervention promoting employment. It needs a comprehensive approach. Thus, there is an inter-ministerial group has just being established with the representation from the Ministry of Labour, Ministry of Population Development and Ministry of Economic development.

Ms. Erdenechimeg Ch., Senior officer of Implementation and Coordination of Employment policy Department, Ministry of Labour highlighted that the poverty eradication is achieved not only be employment creation. Sustainable economic growth is important and it should be

inclusive. We need to work on securing a stable income generation for household members and developing a policy on social protection to eliminate poverty. This work is the task of not only Ministry of Labour, Ministry of Population and Social Protection nor Ministry of Economic Development, but all ministries and all partners. We attach high importance to a support from UNDP's programming on the national effort to eradicate poverty through social protection and employment generation.

Mr. Odbayar E., Interim Director of International Think Tank of Land Locked Developing Countries (ITT-LLDC) introduced the project on ITT-LLDC project mentioning it is relatively new project started recently. It will support the Mongolia' foreign policy through UNDP's policy network and global experience. The expectation from UNDP is high and the expectation from Government of Mongolia is even higher. Co-funding is important for the development projects as Ms. Sezin earlier said. The start of Mongolia's financial commitment is our project. For the first time, the Government of Mongolia has contributed 540 million tugrik to establish the ITT. It is registered as the Government contribution in the project document. Policy papers formulated through this project will not only presented to Mongolia, but also to other land locked developing countries. Mongolia takes a leadership role among the land-locked countries.

Comments from other participants: Sezin Sinanoglu highlighted the link between one programme area to the other programme areas. For instance, T21 is the driver economic model that includes economic aspects as well as social and environmental aspects of the development in this country. The program needs to expand to all sectors. Erdenechimeg Ch. requested UNDP's cooperation with MoL in the areas: application of T21 model in the employment sector, further work on poverty eradication through employment and implementation of Development Planning Law once it's approved. Another potential area for collaboration is youth and youth employment. Misheel from Ministry of Labour has requested a collaboration and support from the partners in implementation of national policy on promoting population development, which has being recently formulated by the Ministry. The policy targets different population groups and UNDP's assistance is needed. Internal migration has greatly increased which draws special attention to social status of the migrants, particularly the youth who became vulnerable in different levels.

1.2 Review of Programme area on Governance

Ms. Davaadulam Ts., Team Leader gave a presentation on the progress made towards the planned results in CPAP Outcome 2. Strengthened governance for protection of human rights and reduction of disparities. The presentation also covered the planned activities and lessons learnt as well as changed proposed (the presentation slides are attached). The changes include reformulation of output statements in alignment with the newly approved UNDP Strategic Plan. Capacity building for civil servants is added to the programme. Following the

presentation, the panelists delivered a brief introduction on the progress from the national perspective that included:

Mr. Boldbaatar B., General Secretary of the Parliament Secretariat underlined the importance of reporting on the CPAP progress and introduced the progress of two projects, implemented at the Parliament Secretariat. He indicated that there are potential areas of coordination for other UNDP projects and programmes and highlighted the critical support from UNDP in the governance as well as thanked for the assistance.

Mr. Byambadorj J., Chief Commissioner, National Human Rights Commission (NHRC) of Mongolia emphasized the support from UNDP from the start. UNDP assisted the establishment of the commission and played crucial role in its growth as an organization and helped to improve its reputation among other institutions in the region. The number of people approaching to the Commission with different human rights violation has increased four folds since 2002, which indicates the public confidence in our organization. Gender mainstreaming and gender equality has become an important issue to work on. NHRC does the monitoring on the implementation of Gender Convention². Violence against girls and women - domestic violence has become really bad, generating a great concern. In this area, we need a support from UNDP.

Ms. Narangerel R., Executive Director, Centre for Citizenship Education stated that the organization is a NGO and it's the first ever experience for UNDP to work with civil society as an implementing partner. The project has contributed to many achievements including the formulation of civic education curriculum. Our organization is working with Teachers School and Teachers College on teaching civic education. The project has demonstrated the work can be effective when it reached the country side. It contributed towards change of the image of the CSOs.

1.3 Review of Programme area on Sustainable development

Ms. Bunchingiv B., Team Leader gave a presentation on the progress made towards the planned results in CPAP Outcome 3. Improved sustainability of natural resources management and resilience of ecosystems and vulnerable populations to the changing climate. She highlighted the wide scope of activities in the environment sector. The presentation also covered the planned activities and lessons learnt as well as changed proposed (the presentation slides are attached). The major changes proposed at the output level. Proposed to remove the indicator on energy intensity and greenhouse gas emission. Following the presentation, the panelists delivered a brief introduction on the progress from the national perspective that included:

² Convention on Elimination of All Forms of Discrimination against Women

Mr. Dagvadorj D., Special envoy for Climate Change, Climate Change Coordination Office, Ministry of Environment and Green development (MEGD) stressed that the environmental issues not only concern about the nature and environment, but also other development aspects. MEGD works with UNDP in many areas and implements number of projects. The programme is not only on environment but it became an inter-sectoral programme. Therefore, we need to align the inter-ministerial work as well as cooperate with other UNDP programmes. There is a work has being done in establishing new legal environment for climate change and its mitigation actions. We expect to collaborate with UNDP in this area.

Ms. Erdenetsetseg R., Head of Policy Regulating Department for Apartment and Public Property, Ministry of Construction and Urban Development (MCUD) put emphasis on the Ministry's work on water supply and sanitation implemented in cooperation with UNDP to achieve MDG target on access to safe drinking water and sanitation. 56 construction works are on-going where the Ministry will pay particular attention on implementation and utilization with local participation and oversight. Local ownership and monitoring will play important role in the project implementation with the guidance from the Ministry.

Mr. Badral T., Deputy Chief of National Emergency Management Agency said that the Agency was established with the National Law against Disaster approved in 2002 with support from UNDP. A loss of approximately 555 million tugriks occurred in 2013. The project implemented with UNDP is now in its 4th phase where we focus more on disaster prevention targeting general public. It's important to look at the alignment and synergies of all UNDP projects. Indeed, ministries, agencies and other state organizations need to strengthen their cooperation. Climate change adaptation and disaster prevention is closely linked areas and we seek support and cooperation from UNDP in this sector where we see a great opportunity for development.

Comments from other participants: **Mr. Batbold D.**, Head of International Cooperation Division raised a question on general organizational arrangement. The UNDP environment programme covers a wide scope of areas including environment, climate change and sustainable development, but the team has only two people with heavy workload. We request to increase the human resource in this programme. Collaboration with SCOs is important, where UNDP needs to pay increased attention. Information asymmetries between the Ministry and SCOs causes some concerns and problems. Capacity building of SCOs is very critical area where we need support. An environmental NGO representatives has been jailed, which indicated a warning sign for all of us and demonstrated a need of training for CSOs in peaceful resolution of conflicts and issues. We work on application of T21 model and implementation of PAGE initiative as well as Poverty and Environment Initiative.

Ms. Bolormaa from NSO highlighted the importance of using statistical number in measuring and monitoring the progress of the projects and stressed the need for using local statistics in local development planning and policy formulation. Mr. Batdulam from Ministry of Population development shared updates on the national progress on UN convention on rights of disabled persons and the national efforts on its implementation and requested UNDP's assistance and attention on inclusive growth, targeting participation from disabled people.

The session concluded with following action points:

Participants agreed and endorsed the Outcomes and indicators in principle. Additional comments and suggestions for revision for Outcomes and Outputs are requested to be sent in writing to DRR and Team Leaders.

Session 2. Implementation and programme management

Ms. Otgontsetseg Zundui, Operations Manager and **Mr. Thomas Eriksson**, UNDP DRR gave a brief overview and presentation introducing global changes, UNDP's new corporate Strategic Plan, Cost recovery policy and National Implementation modality and implementation arrangement (presentation slides are attached). Recommended actions include overall management of CPAP, stronger focus on programme/project monitoring and evaluation and advocacy as well as introduction of new potential areas of work – support on border management, urbanization, extractive industries and human development. The presentation covered financial challenges and national implementation modality with possibilities of government cost-sharing. Otgontsetseg explained that the changes are being made in the corporate rules and regulation and accordingly, UNDP Mongolia office needed to align its operations and internal procedures. We are now to follow national rules and regulation in project implementation and we are closely working with the Ministry of Finance (MoF) to ensure smooth procedures and respond to the some implementation challenges. In 2013, we have observed some problems in opening sub-accounts using MoF system.

The panelists of the 2nd session, Mr. Batkhurel G. Development Policy & Strategic Planning Department, MED and Mr. Badruun D., Officer at the Department of Financial Policy and Debt Management, MOF briefly explained about the role of MoF and MED in project implementation. Badruun referred to the MoF decree #86 , which established the national procedures for project implementation. The management, monitoring and assessment of all projects implemented at the ministries and government organizations shall follow this procedure. The decree #86 is under revision and will be updated soon in consultation with MED and donors. Mr. Batkhurel highlighted an importance of having a legal arrangement in project implementation which updates and improves the current MoF decree.

The workshop participants included national project directors who are the most senior officials responsible for the success of the project and involved in the day-to-day implementation and progress. They are encouraged to share their opinion and experience. Sezin highlighted the historical partnership with the MoFA as a main coordination agency for UN.

The national project coordinators shared the difficulties they face in daily implementation process starting from the procurement arrangement and requested to provide a training/learning session to IPs (involving project directors, state secretaries, department heads and project officers) on how to apply the MoF decree #86. Otgontsetseg UNDP responded that the UNDP is working with MoF to organize a joint workshop/training on decree #86 and in terms of procurement training, it is advised to attend the nationally offered courses which offer A3 certificate. The updates on training opportunities will be shared soon. Ms. Oyunchimeg from Mongolian Chamber of Commerce has requested to collaborate with the private sector on development issues, where they can bring value-added and interesting perspective. Mr. Boldbaatar, Parliament Secretariat shared his opinion on the use of national rules and regulations in project implementation and appreciated the participation from MoF and MED in the workshop to explain the procedures and policy. And he requested a timely and fast support from MoF in terms of transfer of funds and opening accounts.

In addition he shared daily challenges the project faces in terms of filing and getting signatures on the documents for fund transfers and the DSA rates which is much lower than the market price. The participants shared their opinion on the national implementation, highlighted the stricter arrangement and increased monitoring on fund disbursement and asked for a clearer role from MED in project implementation. Some participants requested a transition period in the application of national rules and regulations (referring to decree #86) to ensure proper delivery and project implementation and demanded MoF to involve the national agencies and project implementers in the review of decree #86.

Closing remarks

Ms. Ulziibayar, Deputy Director of Department of International Organizations of MOFA and Ms. Sezin Sinanoglu closed the meeting by sincerely thanking the participants for their constructive comments, suggestions, and for sharing useful information. Ms. Ulziibayar shared her observation on the overall picture of project implementation from the presentation - it was slow in the first year of the CPAP approval and the progress picked up later on and implementation process improved in 2013. The workshop has concluded that the CPAP progress has been reviewed positively and the changes proposed accepted by the participants. Exchange of information and experience throughout the workshop not only on the substantive part of the programme, but also in the management arrangement was very important. The ministries and the other implementing partners shared invaluable comments and recommendations. The MoF and MED listened to the implementation challenges and

relevant requests pertaining the application of national procedures. Detailed guidance is expected to be released from the responsible ministries. Cooperation and alignment among different projects are discussed and the relevant changes can be reflected in the annual workplans of the projects.

Ms. Sezin Sinanoglu stressed the importance of national ownership in programme/project implementation. UNDP brings expertise, seed funding, knowledge and network to help the national partners implement the programme. UNDP's purpose is to identify capacity constraints to help build up the national capacity, so that they become stronger and more effective. UNDP does not leave people alone, UNDP stays with them, engage with them until we reach the development objectives – to make life better, safer for people – human development objectives. When looking at the achievement of our projects, let's look at the results we delivered – for instance let's question ourselves how many cases we resolved, how many people get benefit from the products we deliver or how many lives were saved. We need data, evidence and information source. She thanked the National Statistics Office for its extensive work on data collection and use of statistics at the national and local levels. And highlighted a need to include gender issues, the vulnerable groups including disabled, youth, and LGBT in UNDP programmes.

Annex 3: Monitoring matrix for Results and Resources Framework 2012-2016

Outcome 1 (from UNDAF and CPD):		Economic development is inclusive and equitable, contributing towards poverty alleviation	
Indicators:	Percent change in the poverty rate	Current status:	Poverty rate: 27.4%
	Percent change in the Gini co-efficient		Gini-coefficient: 0.33
Outcome indicator	Baseline	Target	Current status
NDS aligned with MDGs, action plan for acceleration of MDGs and M&E framework Poverty level Suggested changes: Progress of formulating and approving the development policy and planning law	NDS not aligned with MDGs; lack of policy coherence Suggested changes: Lack of policy coherence and no any law regulates development policy and planning	Updated NDS Suggested changes: Development policy and planning law approved and implemented	The law to be approved in 2014
NPRP with pro-poor measures focused on disparity reduction	NPRP not developed	NPRP incorporates employment and social protection issues	To be developed during 2014/15
Capacities of LLDC Think Tank; number of studies commissioned on LLDC issues.	LLDC Think Tank lacks institutional capacity to fully deliver its mandate as a global knowledge base for LLDCs.	LLDC Think Tank has adequate human and financial resources and at least five studies are commissioned and used for policy debate.	Implementation starts from 2014
Output	Output targets		Current Status
Output 1: National development policy and planning system improved	Long and medium term policies reviewed, including NDS with prioritized action plans, budgeting and monitoring and evaluation framework developed for acceleration of MDGs		UNDP has supported MED to draft the development policy and planning law with a focus on the consultation process where about 1,000 government officials and experts has been involved in the consultations. The Government is aiming to submit the law to Parliament in March and is expecting to have an approval within spring session.

	Development planning guidelines developed	Planning and M&E guidelines will be prepared in 2014 to implement the development policy and planning law. These will integrate environment mainstreaming.
	Diagnostic studies for off-track MDGs (poverty, gender, water and sanitation)	Completed as the 5 th national MDG report analyzed off-track MDGs provided policy recommendations for accelerating these MDG achievements.
	Knowledge products (National MDG reports, poverty mapping and policy papers for MDGs and poverty reduction including analysis on expansion of middle class) produced.	5 th MDG report; MDGs and poverty mapping report are produced and informed for policy options. MDG assessment will be undertaken within first quarter of 2014.
	National capacity for data collection and analysis (macroeconomic modeling, green economy, gender disaggregation) strengthened	T-21 macroeconomic modeling developed and institutionalized within Government. Initial work done to extend T21 model to the green economy and sustainable development sector, and to assess impact of 'Chinggis Bond', population growth and social sectors on GDP growth.
	Gender Marker 2: MAF diagnostic study will be done on off-track MDG on gender; Each of the knowledge products will have gender analysis; Planning guidelines include gender mainstreaming guidance; National capacity for gender disaggregated data analysis strengthened	Gender has not been sufficiently mainstreamed. UNDP proposes to include in its 2014 work programme a special knowledge product based on the MDGs, analysing how gender can be mainstreamed in national planning and what kind of disaggregated data would be needed.
Output 2: Improved capacity for pro-poor policies including support to the development of a national poverty reduction programme (NPRP)	National poverty reduction programme (NPRP) developed, including recommendations for effective utilization of natural resources revenues for poverty reduction and human development	Recently, the inter-ministerial working group established under resolution by PM for assessing the work towards poverty reduction in the country and if necessary to develop a national programme. UNDP will work closely with this working group.
	Experiences of community level livelihood programmes analyzed as input to Government policies on poverty reduction	Completed. The ALP and EMP 2 projects successfully completed, which worked with vulnerable populations, across a broad range of enterprises. The project initiatives have improved the livelihood assets of households across the spectrum of human, financial, physical and social assets.
	National social protection program enhanced through a) strengthened social insurance system by piloting micro-insurance in Mongolia	UNDP has only limited involvement in this area in the support it provides to expand the micro-insurance sector in Mongolia impacting on social protection.

	NHDRs produced and leveraged to call the attention of policy makers and increase public understanding of pressing issues of human development	6 th National Human Development report on “Youth and Development” is under preparation.
	Gender Marker 2: Gender will be mainstreamed and monitored within NPRP. This will be supplemented by gender specific interventions. Gender analysis will be done in each of the thematic NHDRs produced	
Output 3: Pro-poor and trade policies supported, through promoting global and South-South Cooperation	LLDC Think Tank (TT) institutionalized and research capacity built	UNDP supported its establishment and institutionalization. Now, with a UNDP/MFA project, support will be more intensified.
	Support Mongolia’s engagement in regional cooperation (for example the Greater Tumen Initiative, CAREC)	UNDP is facilitating and supporting the Greater Tumen Initiative. UNDP has also engaged with CAREC around border management support.
	Gender Marker 1: Gender dimension will be included in the thematic studies	

Outcome 2 (from UNDAF and CPD):		Strengthened governance for protection of human rights and reduction of disparities.	
Outcome indicator	Baseline	Target	Current status
Relative values of corruption perceptions index	Mongolia ranks 120 out of 183 countries in the world (Transparency International 2011), MDG9 Target 24-10: Index of corruption 0.64 (2009)	CPI/Transparency ranking moved ahead (2016); MDG9 target - maintain the positive trend on the Index of Corruption	CPI for Mongolia moved from 120 in 2011, to 83 in 2013.
Positive change in the enjoyment of human rights	UPR/2010, CEDAW/2008, CAT/2010, ECOSOC/2010, CCPR (2011)	Improved status of implementation of human rights obligations	Mongolia’s reporting on UPR and CEDAW is due in 2015 and 2014 respectively.
Increased representation of women in parliament, local <i>khurals</i> , Cabinet	3.9 percent in parliament, no women aimag governors and hural chairs, 30.9 percent in soum hurals, 6.6 percent in cabinet	MDG3 target 30 percent seats in Parliament and 15 percent at aimag level	Representation of women in parliament increased to 14.5%, the percentage of female elected representatives in local councils decreased to 27.3% in 2012. The percentage of women in the cabinet increased to 15.8%.

Output	Output targets	Current Status
<p>Output 1:</p> <p>Functions, financing and capacity of sub-national level institutions enabled to deliver improved basic services and respond to priorities voiced by the public</p>	<p>Develop capacities of local hurals to fulfil their representational and oversight roles for improved accountability of local governments and local service delivery.</p>	<p>SDC started implementation of a comprehensive Governance and Decentralisation Programme (GDP) from April 2012. National decentralization strategy is the overarching objective of GDP. GDP also has a plan to undertake public sector-wide functional review. Based on consultations, UNDP's niche was defined as supporting local hurals. Through this work, UNDP will support the national strategy for decentralization.</p> <p>Project "Capacity Strengthening of Local Self-Governing Bodies" was developed and operationalized in 2013, implemented by the Parliament of Mongolia. The project will offer an induction training to all elected representatives at local level, institutionalize this training through capacity building of training institutions and the development of training modules.</p> <p>The project also aims at increased citizen participation in local decision-making and strengthened oversight role of hurals. The lessons learned will feed into improved legal framework for local governance.</p>
	<p>Gender Marker 1: Target women elected representatives</p>	<p>The project will offer leadership training to 2200 (out of 8078 total) elected women representatives in CRHs in the capital city, district, aimags and soums. The budget is \$250.000</p>
<p>Output 2 Parliament and electoral management body enabled to perform core functions for improved accountability, participation and representation</p>	<p><u>Suggested new output</u></p> <p>Parliament's capacity increased for evidence based policy making and public consultation.</p>	<p>In October 2012, a governance mission from the Bureau for Development Policy of UNDP HQs reviewed the governance portfolio of UNDP in relation to the priorities of the new government. New needs such as to improve the quality of legislative drafts through policy research and consultation with the public, reforms aimed at de-politicization. Professionalization of the civil service was also identified. This resulted in two separate projects: Support to Participatory Legislative Process and Towards a professional, citizen centered civil service. The below new outputs reflect these better than the original CPAP outputs.</p>

	<p><u>Suggested new output</u></p> <p>Improved professional capacity of public servants to perform core functions to serve the public</p> <p>Indicator: Increased public confidence in the delivery of basic services.</p>	<p>The project will assist the GoM to have informed policy debates over civil service reforms, build relevant capacities of civil servants once the reforms choices are made and implementation plans are in place. The project will also support the development and implementation of a methodology for citizens' monitoring of public administration performance.</p>	
	<p>Gender Marker 2: Improve human resource management policies and practices towards ensuring gender equality in the public service</p>		
<p>Output 3: Combine with Output 2</p>	<p>Technical assistance provided to electoral reform</p>	<p>UNDP supported election reforms for previous election.</p>	
	<p>Dispute resolution mechanisms improved</p>	<p>Support to Election Administration project was implemented in 2012.</p>	
	<p>Voter and civic education programme developed and implemented with a special focus on the youth empowerment</p>		
	<p>Women as voters and candidates campaign implemented</p>	<p>Representation and Inclusiveness through Electoral System was improved in completed project. UNDP also worked with Women MPs to develop a six-point action programme for furthering women's political empowerment. UNDP will design a new programme in this regard during 2014 targeting the next election.</p>	
	<p>Support youth networks in engaging in decision-making</p>	<p>Youth Empowerment through Civic Education project is implemented through a NGO execution with the Centre for Citizenship education and MONFEMNET</p>	
	<p>Gender Marker 3: Increasing women's representation in parliament and local huals</p>	<p>This has been a flag-ship achievement of UNDP with the government. Women representation was increased, an action plan has been developed, and UNDP will continue to work on these issues for next election.</p>	
<p>Combine w output 5</p>	<p>A study to identify legal barriers to empowering the poor conducted</p>	<p>Through Legal Empowerment of the Poor project implemented by the Ministry of Justice in 2011-2012, surveys on property, business and labour rights, a study on the impacts of</p>	
	<p>A baseline study on transaction costs for informal sector and small businesses</p>		

	<p>Make recommendations for legal reform and change in administrative practices</p> <p>Suggested change:</p> <p>Add the above to reflect the results of the project</p>	<p>administrative decisions, including government programmes, on the poor conducted and recommendations discussed at stakeholder workshop. A successor project is not developed due to change in the priority of the Government.</p>	
	<p>Gender Marker 2: Gender analysis will be conducted as part of the legal study</p>	<p>Completed.</p>	
<p>Output 3:</p> <p>Capacities of human rights institutions strengthened</p>	<p>Research capacity of NHRCM strengthened for improved reporting to human rights instruments, incl. UPR</p>	<p>The objective is to strengthen the national human rights oversight mechanisms through supporting capacity of the NHRCM to study and report on emerging human rights issues in the current development context of Mongolia and issues affecting specific groups and seek response from duty-bearers and engage with relevant institutions for policy dialogue and public education.</p>	
	<p>Improved human rights monitoring</p>		
	<p>Legislative framework for strengthening the national human rights protections systems</p>		
	<p>Improved human rights complaints handling systems</p>		
	<p>Policy advocacy on emerging human rights issues</p>		
	<p>Gender Marker 2: Protection of women's rights, implementation of the gender equality law</p>	<p>NHRCM capacity to fulfill its mandate in monitoring the gender equality law has been strengthened.</p>	

<p>Outcome 3 (from UNDAF and CPD):</p>		<p>Improved sustainability of natural resources management and resilience of ecosystems and vulnerable populations to the changing climate</p>	
<p>Indicators:</p>	<p>Change in protected areas and water sources</p>	<p>Current status:</p>	<p>The target to increase PA by 1% is achieved. It is 27.69 PAs including the local areas (National MDG5 report, 2013).</p>
	<p>reduction in number of emergency cases and economic losses</p>		<p>Data needed (from NEMA)</p>
<p>Outcome indicator</p>	<p>Baseline</p>	<p>Target</p>	<p>Current status</p>
<p>Effectiveness of environmental law enforcement.</p>	<p>Low level of legal enforcement.</p>	<p>10 percent increase in convictions for causing environmental degradation.</p>	<p>2011 - 150 cases convicted (baseline) 2013 - 165 cases convicted</p>

Number of policy and legislative documents developed/updated and adopted; number of local emergency preparedness groups; number of landscape conservation strategies.	Existing policy and legislative frameworks and coordination mechanisms inadequate.	At least 3 updated documents each for DRR and water and sanitation; 3 developed landscape conservation strategies; replicated emergency self-help group methodology in 4 aimags (provinces).	6 laws, 12 regulations, 1 national strategy
Number of nationally appropriate mitigation actions (NAMA); number of studies on climate change impact and adaptation.	11 areas for NAMA identified.	Support to implementation of at least 3 NAMA areas. Researched and formulated. change adaptation options with focus on impact on vulnerable sectors and groups.	Forest sector NAMA and Construction sector NAMA support initiated.
Number of new or updated BCNS for energy efficiency, water and sanitation.	Needs determined for BCNS system improvement.	10 developed/updated and enforced.BCNSs on energy efficiency and 5 on water and sanitation	A total of 4 energy efficiency norms and 25 standards and 1 norm and 6 standards in Water and sanitation.
Output	Output targets		Current Status
Output 1: Environmental policy reform supported with focus on enhanced law enforcement.	Roadmap to harmonize and strengthen environmental legislative framework developed and implemented		By merging 18 out of 33 laws into 8 and approving 2 new laws, a significant achievement was made in addressing gaps, as well as removing duplicative and conflicting clauses. To enable enforcement of the newly approved law package, approximately 100 bylaws, implementation guidelines and methodologies have been developed and finalized.
	Development of national strategy on green growth supported		In depth study to help determine green economy potentials of the key economic sectors. cooperation agreements with several international and bilateral initiatives were formalized, including Global Green Growth Initiative and Japan's Joint Crediting Mechanism for emission reduction measures. A number of green development policy measures were taken through inter-sectoral and inter-ministerial collaborations
	Institutionalization of Strategic Environment Assessment and Environment Audit supported		It is institutionalized with formally approved guidelines and methodologies, appointment of a certification entity and the certification training for environmental auditors.

	Methodology for cost-benefit analysis developed to ensure environmentally conscious mining	A model for cost- benefit analysis of mining and preliminary climate change risk assessment is developed through EG II project.
	Strategy for building capacity of environmental NGOs developed	UNDP was successful in facilitating formal agreement for NGO management of a nature reserve. Work on-going in 2014.
	Gender Marker 1: Policies and strategies will be gender-mainstreamed	Gender not sufficiently mainstreamed. UNDP proposes to have an expert review of gender mainstreaming into environment initiated in 2014.
Output 2: Management of pasture/ land, water resources and biodiversity improved through landscape -based planning approach	Capacities of Government officers strengthened for sustainable management of natural resources, particularly at the soum level	Land agencies and institutes, local level land, environmental and pasture management officers have improved capacity for research and annual land use planning, using up to date modern and standardized techniques.
	Landscape –level land use planning demonstrated	Soum and land officers were trained in the use of arc/gps and the software to use land management tool.
	Innovative and self-sustaining options for Protected Area (PA) financing demonstrated	A new regulation on payment of PA entry fees has been developed and submitted to MEGD and MOF for approval. Work is on-going to explore options to secure for the PAs a proportion of the revenues raised from an airport tax. A study is being commissioned to review PA fining options through concessions.
	New IUCN category of managed resources PA introduced	In progress. Work started.
	National REDD+ Roadmap developed and implementation supported	National Roadmap developed and implementation initiated through Targeted support. Economic valuation of forest ecosystem was made, which helped to increase forest sector budget allocation nearly twofold in 2014. Multi-purpose forest inventory system was introduced through UN-REDD programme for adoption in 2014.
	Local community participation increased in governing natural resource use	Introduced innovative collaboration approaches with local authorities and communities through establishment of management Councils at the two targeted sites of SPAN project.

		Community based approaches in integrated natural resources management in SLM 13 target soums were successfully piloted. Herder groups established and agreed to rotational grazing practices.	
	Gender Marker 1: Decisions on natural resources management will reflect needs of women as managers of resources and gender-sensitive demonstrations/pilots will be ensured	Gender not sufficiently mainstreamed. UNDP proposes to have an expert review of gender mainstreaming into environment initiated in 2014.	
Output 3: National climate and disaster risk management capacities improved in coordination, communication and networking.	Clarified roles and responsibilities for state entities institutionalized and practiced in state of emergency	Work on-going in 2014	
	Human and technical capacities of key emergency management organizations further enhanced for emerging natural disasters and human hazards	Work started with local DRR project	
	Early warning systems for climate-related hazards enhanced in observation, detection and forecasting	Work started	
	Distinctive urban and rural models for community-based climate and disaster risk management further up-scaled	Project approved on community resilience	
	Gender Marker 1: Gender perspective will be incorporated in all processes of enhancing disaster risk management system, considering the fact that women are often the primary caretakers in disaster aftermath and have a positive role in disaster risk preparedness.	Gender not sufficiently mainstreamed. UNDP proposes to have an expert review of gender mainstreaming into disaster management initiated in 2014.	
Output 4: Capacities of vulnerable sectors and communities strengthened in climate change adaptation and mitigation	A number of proven adaptation measures demonstrated at the community level to maintain ecosystem functionality	Work-on going through Ecosystem based adaptation project.	
	Institutional capacity building strategy for Climate Change Coordination Authority developed and implemented	To enable enforcement of the newly approved laws on Water Pollution fee and on Forest, 6 bylaws updated and/or newly introduced. Assessment of Comprehensive Institutional Capacity Building for internalizing EbA approaches into development policy and planning of key agencies (MEGD*, National Committee on Climate Change, Climate Change Coordination Office and Agency of Meteorology and Hydrology etc) was conducted.	

		Two River Basin Administrations in two target watershed established and now operational. IWRM plans for two Watershed finalized for adoption in 2014. A guideline on RBMP principles and concepts for public and decision-makers developed, built capacity of trainers of trainers.
	Cost-benefit analysis of CCA options conducted with focus on vulnerable communities	Work started.
	Methodology and data collection for national GHG inventory enhanced;	Work started.
	BCNS system updated for ensuring energy efficiency and enforced in commercial and non-commercial construction sector	A total of 6 building norms and 60 standards were developed and updated, of which 3 norms and 12 standards are new. All building designs must be in compliance with these new standards and have to be approved by relevant government authorities. A total of 223 new individual (private) houses were built using UNDP provided engineering designs, through which fuel consumption was reduced by half.
	Gender Marker 1: Gender-balanced adaptation approach will be applied, as resiliency of households and communities depends largely on the resiliency of women.	Gender not sufficiently mainstreamed. UNDP proposes to have an expert review of gender mainstreaming into environment initiated in 2014.
Output 5: Innovative and cost-efficient technologies made available for reducing disparities in access to safe drinking water and adequate sanitation	National WSS database established and maintained in collaboration with National Statistical Office	Methodology for national level coverage of water and sanitation services supported by UNDP is now fully incorporated into the national statistical office data collection system.
	Innovative and affordable sanitation technologies for small settlements made available with approved BCNS	In two soum centers, UNDP supported establishment of centralized water supply and waste treatment system, making use of replicable mono-type designs developed by UNDP and approved by Government.
	Public Utilities Service Management model demonstrated for soum centers	Introduced a new institutional arrangement at the soum level through a Tri-partite agreement between the Soum Government, the Aimag Construction and Urban Development Authority and the Public Utility Service Office for a sustainable WSS delivery, O&M of the WSS infrastructure. This model serves as the most suitable form of a Public Private Partnership scheme and a soum level public utilities management model.

	Workforce skills updated for application of new technologies	Operators and responsible officers at soum level and PUSO staff were trained in the operation and maintenance of water supply, sewerage and sanitation facilities.	
	Gender Marker 2: Access to safe water and adequate sanitation can serve as a basis for achieving other MDGs, therefore, inequality in water and sanitation service coverage will be addressed.	Gender not sufficiently mainstreamed. UNDP proposes to have an expert review of gender mainstreaming into environment initiated in 2014.	

Annex 4: Financial Delivery, 2012 - 2013, USD

Outcomes	Source of Fund	2012	2013***	Total
Outcome 1 (from UNDAF & CPD): Economic development is inclusive and equitable, contributing towards poverty alleviation				
Sub Total of Outcome 1	RR*	571,866	547,532	1,119,398
	OR**	584,977	641,057	1,226,034
	Total	1,156,843	1,188,589	2,345,433
Outcome 2 (from UNDAF & CPD): Strengthened governance for protection of human rights and reduction of disparities				
Sub Total of Outcome 2	RR	610,344	673,258	1,283,602
	OR	266,452	475,862	742,314
	Total	876,795	1,149,121	2,025,916
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	RR	697,097	929,986	1,627,083
	Other	2,290,047	2,575,374	4,865,421
	Total	2,987,144	3,505,360	6,492,504
Total financial delivery				
Total financial delivery	RR	1,879,306	2,150,777	4,030,083
	Other	3,141,476	3,692,293	6,833,769
	Total	5,020,782	5,843,070	10,863,852

* RR -TRAC ** OR - TPCS and TFs *** Preliminary delivery