



MONGOL MONITOR

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AUGUST 2012

August Mission News 2012

On August 24, the new Ambassador of the United States to Mongolia, Piper Anne Wind Campbell, presented her credentials to the President of Mongolia. Prior to her arrival in Mongolia, Ms. Campbell served as the Senior Civilian Representative of the U.S. Government in southern Iraq, opening Consulate General Basrah on July 5, 2011.

New USAID Representative Frank Donovan arrived August 26 coming direct from Hanoi, Vietnam where he was the USAID Mission Director since 2008.



The Ambassador's visit to USAID office

USAID/Mongolia's proudly announces the award of its cornerstone Democracy and Governance programs, Strengthening Transparency and Government Effectiveness (STAGE) and Active Partnerships and Public Engagements for Accountable Localities (APPEAL). STAGE, implemented by The Asia Foundation, will assist the government of Mongolia in addressing needed reforms at the national level through technical assistance, capacity building, and civil society strengthening. APPEAL, implemented by Mercy Corps, will contribute to stronger more dynamic, participatory governance that supports economic growth at the local level. As investments in the mining sector develop and economic growth expectations rise, good governance and transparency are becoming increasingly important and critical for Mongolia's development.

Energy Efficiency Warms Students and Cuts Pollution: Assisted by Mr. Sam Nassif, an RDMA engineer, USAID/Mongolia and Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), conducted a mid-term review of its thermo-technical retrofitting project. After re-

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viewing procedures for planning, design, contracting and construction monitoring to ensure that quality assurance and quality control requirements are met, the team found that the quality of the work carried out, both in design and construction work, was superior to that carried out in many developing countries and often comparable to the work carried out in developed countries. USAID is partnering with GIZ in implementing a Global Climate Change/Clean Energy project focusing on thermo-technical retrofitting for three selected school buildings in Ulaanbaatar City. The thermo-technical retrofitting is designed to introduce energy efficient technologies in the construction sector to reduce high rates of greenhouse gas emissions produced by buildings utilizing coal. These technologies will also help reduce costs to heat the schools and will improve the learning environment for students.

PRIVATE SECTOR-LED ECONOMIC GROWTH

Business Plus Initiative Project (BPI) Chemonics

Supporting Businesses Beyond Ulaanbaatar.

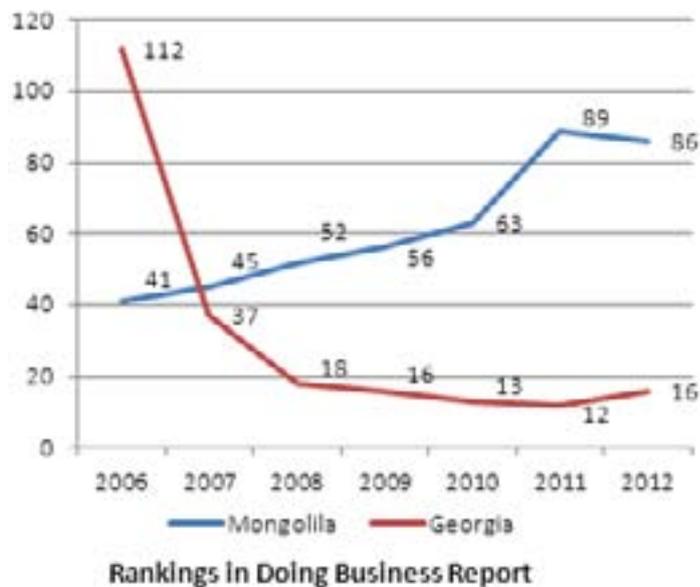
In August, Development Solutions, a Mongolian organization that serves and supports entrepreneurs and small local businesses, unveiled Bizguide.mn. This web-based portal gives Mongolians access to a wide range of information about how to successfully startup and grow a business. Targeting entrepreneurs across Mongolia, DS visited four aimags and trained 108 entrepreneurs and small business owners on how to get the most of out Bizguide.mn. The Development Solutions team familiarized the business communities in each aimag on how to use the portal and offered free 1-day business trainings on effective marketing and financial management. By creating Bizguide.mn, BPI-partner Development Solutions has given Mongolian entrepreneurs a powerful tool to support and grow their business.



In August, BPI partner Development Solutions reached more than 100 entrepreneurs and small business owners.

Dramatic Reforms are Coming to Mongolia:

In August, Mongolia's new government took shape. In addition to shuffling ministries and agencies, the new government announced its commitment to rapid reforms to improve the country's economy and support business development. The new government is looking to the Republic of Georgia as an example of how aggressive regulatory reform can dramatically improve a country's business enabling environment. With USAID support, Georgia went from being ranked 112th in 2006 to 16th in 2012 in the World Bank's Doing Business report. Over the same period, Mongolia fell from 41st to 86th.



To assist Mongolia's new leaders in following Georgia's example, USAID's Business Plus Initiative project is bringing the former Minister of Finance and Minister of Economic Development of the Republic of Georgia, Aleksis Aleksisvili to Mongolia. Mr. Aleksisvili was a key architect of the Georgian reforms and during the first few weeks of September will be meeting with high level government officials and prominent members of the business community to share his practical experience in making rapid legal and regulatory changes to support businesses.

Giving the Business Community a Voice:

In order to increase business community involvement in shaping reforms, the Economic Policy and Competitiveness Research Center, the Business

Council of Mongolia, the Mongolian National Chamber of Commerce and Industry, with support from the Asian Development Bank, the International Finance Corporation, and BPI have been working with the

business community to prioritize reforms and outline concrete steps the new government can take in the next year that are affordable, achievable, and will have widespread positive impact on business. On August 16th, more than 40 business people attended a seven hour roundtable. In small groups participants prioritized the top ten issue areas the government should focus on in the first year. The prioritization was informed by more than 130 responses received from a reform survey sent to the broader business community. On August 29th, almost 30 participants gathered a second time to think through practical steps the government can take to address the identified issue areas. This input from the business community will form the foundation for a Year One Road Map for reform that will be presented to the government on September 13th during the 2012 National Business Enabling Environment and Competitiveness Forum.



Business Roundtable participants prioritize reforms on August 16, 2012

Leveraging Proven Methods to Develop Suppliers: Demand from the mining industry for Mongolian products and services requires producers to meet exacting standards, which is a challenge for many small firms. Similar challenges have been met in other countries around the world where the “buyer” provides support and assistance to potential suppliers to help them meet standards. Using this proven method, BPI is planning to launch a demand-driven supplier development program in Mongolia to link buyers to suppliers, and then build the capacity of suppliers to meet that demand. To prepare, in August the BPI team traveled to Darkhan and Dalanzadgad to meet with local companies to better understand the constraints they face. To formally launch the program, BPI and co-sponsor Business Council of Mongolia will host a Roundtable Event to present Supplier Development best practices and a Buyer-led Approach to Supplier Development on September 21, 2012.

DEMOCRACY AND GOVERNANCE

Strengthening Transparency and Government Effectiveness (STAGE)

The Asia Foundation (TAF)

The STAGE team met with Mr. Ganzorig, Director of Research and Training Department, of the General Prosecutor's Office (GPO). The GPO Mongolia is keen to cooperate with TAF on the implementation of STAGE and has indicated the areas in which they seek support from TAF. The Asia Foundation's STAGE and Mercy Corps' Active Partnerships and Public Engagement for Accountable Localities (APPEAL) project staff members discussed innovative ideas for the joint launch of both STAGE and APPEAL projects that will take place on September 28, 2012. During the event, presentations will be given by both teams to introduce their projects to a wide range of stakeholders including government and civil society organizations. A first draft of the joint gender review has been prepared by the STAGE and APPEAL project teams and will be finalized in early September. TAF started a dialogue with the Sant Maral Foundation for the preparation of a nation-wide survey on public perception of the modalities of grand corruption and perceptions related to administrative law. Mr. Ivan Abrams, Chief of Party of the STAGE project, due to arrive in Mongolia on September 7, has had to postpone his travel until later in September due to health issues. Meanwhile, Mr. Abrams will provide support from the US to the STAGE team in their work.

Active Partnerships and Public Engagements for Accountable Localities (APPEAL)

Mercy Corps.

Even after four years of working with local officials around Mongolia to create participatory master plans, Mercy Corps is still finding new partners. In August, Mercy Corps initiated its partnership with Mongolian Association of Local Authorities (MALA) in August under APPEAL project, sharing the same core goal: to identify solutions to shared problems, exchange good practice and develop concrete activities and links for promoting good democratic governance in the country. MALA warmly welcomed USAID/Mercy Corps initiative to promote good governance practice at the local level through mentoring the local authorities to have/revise local strategic plan of development using participatory approach and to tie the priority needs of the citizens with government resources. To celebrate its 20th anniversary on September 7, 2012, MALA is organizing a conference to explore current trends of Mongolian Local Authority and future goals. MALA has invited Mercy Corps to introduce the APPEAL

project to 225 delegates of their conference who are from all corners of the country and who represent soum and aimag hural and governors offices. Mercy Corps' APPEAL project team is preparing to present the project with clear ideas of partnership with MALA and our shared goal of sustainable, vibrant local governance.

USAID CENTRALLY AND REGIONALLY FUNDED PROJECTS

Sustainable Conservation Approaches in Priority EcoSystems (SCAPES) Project -- USAID Wildlife Conservation Society (WCS)

Conservation of Temperate Grasslands at the World Conservation Congress: A motion calling for the conservation of the world's indigenous temperate grasslands will be put forward at the International Union for the Conservation of Nature (IUCN) World Conservation Congress (WCC), at its session in Jeju, Republic of Korea, 6-15 September 2012. The DS SCAPES project worked closely with the Temperate Grasslands Conservation Initiative of the IUCN World Commission on Protected Areas to draft the motion. The motion highlights temperate grasslands as one of the most-imperiled and least protected ecosystems in the world and calls on governments and non-governmental organizations to protect indigenous temperate grasslands to "maintain and restore their biodiversity and the many valuable social, cultural, economic and ecological services they provide to sustain human life". The Daurian Steppe of eastern Mongolia, China and Russia is one of a few global sites where there is great potential for large landscape-level conservation of temperate grasslands. The motion will be sponsored at the WCC by the Wildlife Conservation Society and co-sponsored by the George Wright Society, Canadian Parks and Wilderness Society, Fundacion Vida Silvestre Argentina, Hustai National Park Trust and Rare.

Community-Based Conservation of the Khurkh-Khuiten Wetlands of Mongolia: The Khurkh-Khuiten wetlands complex in northeast Mongolia is a critically important nesting and breeding area of the white-naped crane, and a breeding and staging area for a host of other important migratory birds, including swans, geese, ducks, plovers, sandpipers, and other shorebirds. The Khurkh-Khuiten wetlands complex was identified as a priority area for conservation by the White-Naped Crane Transboundary Working Group (species experts from China, Mongolia, Russia and Korea/Japan) at the DS SCAPES project-supported inaugural meeting in Onon Balj National Park in Mongolia in May of 2011. This wetlands complex is also a globally recognized Ramsar Site and

Important Bird Area, but it has no formal protected area status. The DS SCAPES project completed an important field visit to Undurkhan City and the Khurkh-Khuiten valleys of Bayan-Adarga, Binder, Batshireet and Omnodeger Soums of Khentii Aimag in August 2012, to engage with local government officials and livestock herders of the region to explore the opportunities for developing a community-based model for the management and conservation of the Khurkh-Khuiten wetland complex. The field team returned to Ulaanbaatar and designed an in-depth social science survey that was launched at the end of August to gain further insights into customary use of the Khurkh-Khuiten wetland complex and consult with the local communities who use the area and its resources.

Supporting Mongolia's Presidency of the Community of Democracies - USAID The Asia Foundation (TAF)

TAF held discussions with the Mongolia's Presidency of Community of Democracies (CoD) to determine activities to support the Presidency. The three activities agreed to include supporting the CoD to launch the Asian Partnership Initiative for Democracy (APID), develop a Mongolian Democracy Case Study, and assist the media sub-committee to train journalists. TAF will support the CoD Secretariat to organize a launch meeting of APID in October that will also include discussions on the possibilities of merging APID with the Asia Pacific Democracy Partnership (APDP), an initiative proposed by George W. Bush in 2007. TAF will develop a Mongolian Democracy Case Study to analyze the progress made to date, and share the Mongolian democracy experience with the international community. TAF will work with the media sub-committee, formed by the Secretariat, to conduct training for journalists that will aim to enhance their skills to cover the CoD, effectively report on democracy issues, and strengthen their use of democracy-related terminology in the Mongolian language. TAF has agreed with the Public Affairs Section of the US Embassy to identify a specific area of collaboration that will complement the Foundation's current support to the Secretariat. It has submitted a proposal to conduct a public outreach campaign on the CoD involving the journalists who received training under the 'Supporting Mongolia's Presidency of the CoD' project.

Fostering an Inclusive Environment for the Disabled 2 (FIELD 2) Mercy Corps

Securing the Right to Vote Requires Action: Fewer and fewer people turn out to cast their ballots in each successive Mongolian election. One group that turned out in force—before, during and after

elections—were a group of committed activists representing the disabled community. With supplementary funds from USAID to the FIELD2 project in May 2012, Mercy Corps supported the nationwide community of people with disabilities to exercise their right to vote through voter education trainings, advocacy actions by Disabled People’s Organizations (DPO) and public media outreach. The DPO Network—itsself a result of FIELD activities—in Ulaanbaatar and five rural provinces raised the voice and visibility for participation in election and accessibility of polling stations. As a result of the DPOs’ pre-election activities, the General Election Committee addressed the accessibility of the polling stations for the first time.



In spite of the rules, DPO Network monitors (also a first) at 60 polling stations in Ulaanbaatar noted that by June 25th, only 15% of the polling stations were accessible for PWDs, another 47% were completely inaccessible (10% were in building basements and 37% were on second or more

General Election Commissioner Luvsanjav meets with VwD activists and Mercy Corps FIELD2 staff. (June 26, 2012) (photo: Jennifer L. Butz)

floors with no elevator option). On Election Day, most polling stations offered magnifying glasses for voters with visual impairments and some used portable ramps for wheelchair users which were a significant step forward to ensuring the rights of Voters with Disabilities.

In July, the Voting Rights activists submitted their recommendations to a draft law for local elections, specifying that all polling stations should be placed on ground floor, requirements for the use of mobile ballots to secure the confidentiality, and the use of plastic cover for ballots before being read by machines. The DPO Network expects better inclusion and equal participation of PWD in coming local election in November 2012. Please refer to <http://www.mercycorps.org.mn/index.php?cid=207> to find out more.

Enabling Market Integration through Rural Group Empowerment (EMIRGE)
CHF International

In this reporting period, all EMIRGE groups started vegetable early harvest and harvested 29.3 tons

of early cabbage, carrot, potatoes and onion sales worth 18.4 million MNT. Groups sold their produce to both brokers and in the open market. All farmers had difficulty establishing market links and access to formal opportunities to sell their produce. EMIRGE technical assistance enabled farmers establish new relationship with buyers/vendors and in assessing new market opportunities. EMIRGE also enabled the farmer’s link with 2 new retailers: a) Bombogor Open Market; and b) Govi Co.LTD. With the Bombogor Open Market EMIRGE has succeeded in enabling farmers reach a long term agreement to access their market facilities each year (July through October). The agreement with Govi Co.LTD is in the initial stages and the current discussions are for the company to buy the produce directly for internal use and onward sales.



Groups are at open market in UB

CHF EMIRGE provided incentive grants to Groups to help them improve efficiency in; a) production; b) post harvest processing; and c) investments that promoted collaborative investments. Grants were also based on availability and willingness of groups to invest their own resources.

CHF EMIRGE program is working on developing Farmer reference guides – guides on best and new practices which are being developed using local resources including the services of Development Solutions. The focus areas in the guide book include technical information on:

- 1) construction and maintenance of animal shelters,
- 2) feed management,
- 3) breeding management and options,
- 4) health and hygiene, and
- 5) veterinary services

Besides group members these guidebooks will be made available to farmers within neighboring areas as part of the EMIRGE efforts to draw new members to join existing groups.

This month EMIRGE also conducted surveys using the METRICS tool to develop initial data points to develop a participatory monitoring and evaluation tasks. These surveys were administered on all members within the 7 groups formed so far. Measurements for Tracking Indicators of Cooperative Success (METRICS) is a tool developed for cooperative development organizations to administer data collection.



Temuulel group's carrot harvest

U.S. DEPARTMENT OF AGRICULTURE FUNDED PROJECTS MANAGED BY USAID/MONGOLIA

Rural Agribusiness Support Program (RASP)-USDA Mercy Corps

Apparently the catalog published by the USDA-funded RASP (Rural Agribusiness Support Project; aka USDA 2008) did its job. Even as the project was concluding its activities in June, the Oyu Tolgoi mines in South Gobi called Kazkhak Craft, a company in Bayan-Ulgii—2500 kilometers away—to express a strong interest in Kazakh-designed purses and backpacks to sell to staff and visitors.

Since then, the two firms have concluded contracts worth 2,500,000 MNT per month (approx. \$ 1,800). The ethnic Kazakh firm has sent 560 items and OT has sold more than 350 to its visitors from Europe, Asia and the Americas. The head of the Bayan-Ulgii-based firm, Mr. Narbyek, says that the new market has improved



the company's income and expanded the awareness of Kazakh designs and handiwork. This is good news for the women who work for the company, many of them trained and supported through the USAID-funded Social Safety Nets project that Mercy Corps implemented during 2011.

This exchange reflects the nascent internal market for products produced in places other than UB or China. If you like the Kazakh designs, visit Mercy Corps offices on Peace Avenue and pick up something today! (All sales returned to the producer in Bayan-Ulgii.) Better yet, look at the catalog (www.mercycorps.org.mn) and contact Kazakh Craft directly.

AUGUST IN PICTURES



Ambassador Piper Campbell presents her credentials to the President of Mongolia Elbegdorj Tsakhya



Workers sew garments at the Darkhan Nekhii factory