



MONGOL MONITOR

WWW.MONGOLIA.USAID.GOV

NOVEMBER 2011

November Mission News

- The USAID team conducted a monitoring trip of the Social Safety Nets (SSN) Project during mid-November in Bayan-Ulgii, Uvs, and Hovd aimags. SSN is a one-year project implemented by Mercy Corps to assist those communities most impacted by the 2009 global financial crisis, compounded by the dzud of 2009/2010. The team visited community members who started or expanded new businesses as well as employers who increased hiring as a result of the program. USAID also met with local officials who supported the program. The feedback on all three components of the program - social inclusion through community support networks, marketable skills training, and employment support mechanism – were strongly positive.
- USAID/Mongolia Mission Director Chuck Howell departed Mongolia on November 30. Many friends and colleagues whom he worked with over the span of his three tours in Mongolia attended the farewell party. Chuck first came to Mongolia in 1991 as the very first Peace Corps Director and returned in 1995-1996 as the USAID Representative. As Chuck transitions to his well-deserved retirement, the staff at USAID/Mongolia thank him for his services and wish him and his family all the best.



USAID/Mongolia staff with Chuck at his farewell party

- USAID welcomes Orgilmaa Zorigt as the new Democracy and Governance (DG) officer. Orgilmaa will assist in the management of DG activities, including direct grants to local NGOs. She will assist in enhancing coordination and cooperation with partner organizations, the

INSIDE THIS ISSUE

Private Sector-led Economic Growth

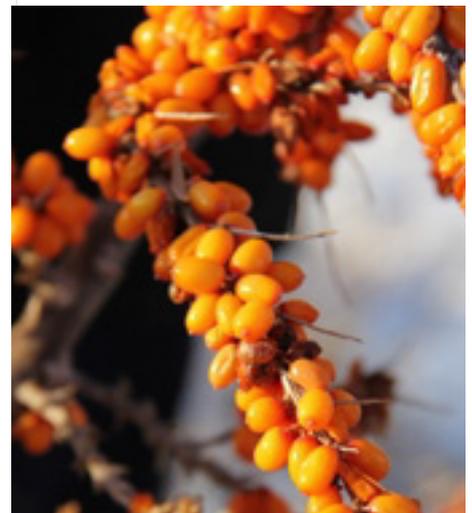
- Business Plus Initiative (BPI)

USAID Centrally and Regionally Funded Projects

- Social Safety Nets Project (SSN)
- Sustainable Conservation Approaches in Priority Ecosystems (SCAPES)
- Mongolian National Consensus Building Program (NCB)
- Fostering an Inclusive Environment for the Disabled 2 (FIELD-2)
- Farmer to Farmer (FtF)
- Enabling Market Integration through Rural Group Empowerment (EMIRGE)

USDA Funded Projects Managed by USAID

- Rural Agribusiness Support Program (RASP)--USDA



donor community, and Government of Mongolia officials. Orgilmaa has already started to make significant contribution as we begin several new DG programs and initiatives. Welcome Orgilmaa!

- Third time is a charm: a re-revised, final version of the Country Development Cooperation Strategy (CDCS) was submitted in late November. The CDCS outlines USAID's country assistance strategy for 2012-2016, and most recently benefited from the input of USAID/Asia Bureau staff in incorporating aspects of gender and Monitoring and Evaluation.

PRIVATE SECTOR-LED ECONOMIC GROWTH

Business Plus Initiative Project (BPI) Chemonics

Private sector capacity and competitiveness

Public Private Partnerships (PPPs) – BPI began implementation of work scope to establish Virtual Data Room (VDR) and Best Practices functionality which will support State Property Committee (SPC) PPP unit infrastructure development transactions. A contract was finalized with an STTA consultant to initially perform a Requirements Analysis (complete) report, and BPI will endeavor in December 2011 to have the STTA Consultant and BPI IT personnel resources to work with the SPC in refining and building functionality into the SPC PPP unit's existing web platform.

Participated in one-day ADB led Public Private Partnerships training session in Ulaanbaatar. The intended focus was to increase capacity and awareness of SPC and municipal PPP units, line ministries and other parties to understand best practices affiliated with identification and implementation of PPP programs in Mongolia.

Assisted municipal PPP unit with proposal application for consideration to a World Bank funded "2011-13 Leadership Development Program." The intent of program is to build technical capacity of six PPP units from across the Asia region, as well as provide off-site advisory assistance with a given pilot transaction of included PPP units. In November 2011, the UB municipal PPP unit was awarded inclusion into the WBI program. A WBI Korean delegation visited Mongolia to discuss next steps ahead with the municipal PPP team.

Association strengthening and Grants Program – Significant efforts were expended to finalize all relevant documentation and tools that will support the

BPI grants program. An Annual Programs Statement (APS) was formalized, outlining the parameters of the program, as were the concept, application, budget and assessment tools to be utilized by respective Grantees. BPI held an official event on November 22 to disclose the details of the grants program to the public. In total, 79 individuals were in attendance.

As a follow up to the November 22 event, planned and prepared a multi-modular training series focused on Effective Grants Preparation, Budgeting and Monitoring/Reporting. The grants "Toolkit" training will take place on Dec 1 and 66 individuals have registered for participation to date. Separately, tools to effectively manage the grants program have been developed for use by BPI personnel.

Held inception event for Green Technology association on November 3: 10 firms attended event at BPI offices, agreeing to collaborate as a startup interest group which could eventually become a business association. Consensus was reached to develop a simplistic company registry representing information on all members, and provide such a registry as the next meeting in mid December to the Ministry of Nature, the government agency responsible for managing a subsidy program focused on eco- or green- technology type production ventures.

Quality Assurance (QA) Initiative – Strategy/framework document for the establishment and sustainability of a QA initiative was finalized. Focus of program will initially be on Total Quality Management/ISO and Food Safety/HACCP. The BPI STTA consultant continues to develop and formalize materials for the multi-modular training series. The first foundation training course affiliated with Food Safety will be held in mid December 2011.

Financial sector capacity and enabling environment

BPI comments to the draft bankruptcy law were incorporated into the draft version, which was discussed in November at the working group. The draft was sent to various counterparts including business community for commentary. The Ministry of Justice (MOJ) plans to submit the draft to the relevant parliamentary standing committees before the end of December.

Under the efforts to improve FRC's capacity, several actions were taken.

- BPI assisted the FRC to develop a work plan to implement the GOM corporate governance (CG) strategy. This involves a set of directors training

programs as well as draft legal and regulatory frameworks development to create the enabling environment for good CG practices for all listed, non-listed and SOEs. A TOT will be delivered to update and refresh capacity for Corporate Governance Development Center (CGDC) trainers.

- Corporate governance scoring/rating system was developed, and presented to a group of 18 FRC and MSE officials. The CG rating system was specifically prepared for listed and non-listed companies. FRC will implement the CG Rating system for all listed firms. A capacity building/training program to develop and conduct the CG surveys will be provided to select FRC and CGDC professionals and academics.
- In cooperation with the IFC and CGDC, a seminar to introduce the new Companies law was delivered to over 90 participants.
- A beta version of the CG website was developed and capacity building on content development and web maintenance is being developed inside FRC.

For the Loan officers development program (LODP) for the Banking and Finance Academy (BFA), fourteen modules under the Parts III and IV have been completed, along with the ancillaries, tests, cases and readings, in English and in Mongolian. Given the previously completed 11 modules under Parts I and II, the full 25 module BFA LODP program teaching materials have been completed. BFA will deliver a TOT beginning Monday, Dec 5-7, to be followed by the launching of the certification training program to the early career banking and financial sector professionals in January 2012.

Public Outreach

Under the subcontract with the Press Institute, BPI provided three events to the Economics Journalism Club (EJC) members. The topics included the recently passed law on company, shareholders rights and responsibilities, and stock and bond markets trading at MSE. It is part of the outreach initiatives to educate general public on publicly distributed shares of state-owned mining companies.

A roundtable discussion was held for the EJC members on budget issues. The guest speakers from the Ministry of Finance, Parliamentary Standing committee on budget policy, and independent researchers explained to the journalists about budget cycle, international experience in budget transparency and monitoring, among others issues of interest. The government representatives also answered questions on the recently passed budget law for 2012.

Social Safety Nets Project (SSNP) --USAID Mercy Corps

Component 1: Improve social inclusion of marginal households by increasing access to social and community support networks

In November, Mercy Corps SSN field staff organized a meeting with PSS trainers in their respective aimags to find out how they are using their knowledge and experience gained from the 6 month training practice and to let them know about outsourcing potential of “resilience skills” training which is an existing government service addressed to vulnerable population groups.

78 trainers out of 81 were involved in the meeting and 68 of them expressed that somehow they were delivering the PSS training to a variety of groups such as adolescents, soldiers, young scouts, civil servants, health officers and families upon their request or voluntarily.

In addition, the Development Policy Department in Hovd and the Labor & Social Welfare Departments in Uvurhangai and Arhangai aimags are looking forward to using the existing resources of the PSS trainers in a fully operated PSS center level. In Bayanhongor aimag, trainer Ichinhorloo is producing a PSS training handbook putting all her experiences and training aids together what she used during the project. Also, some of the trainers established NGOs to deliver the PSS service in Uvurhangai, Arhangai and Bayanhongor aimags.

All these findings show that the PSS training was a useful tool to improve psycho-social well being of people and some efforts have been taken to mobilize existing resources by local organizations and trainers themselves. These initiatives also promote greater sustainability of this component.

Component 2: Increase employment among marginal household members through an Employer Support Mechanism

To date, 684 graduates of the skills training component found permanent job opportunities in their trained field. Since November 15, the project team started updating 4075 beneficiaries' profiles, who were successful graduates of skills enhancement trainings, in order to verify employment information of the trainees and to find out how many groups or individuals are being self employed. In addition, 450 randomly selected trainees are being assessed about the training delivery and its quality under the project. All the assessment reports will be released

by the end of December.

Currently, 56 informal income generation groups that emerged from PSS or skills training, are working in 10 aimags. In total, 213 individuals are improving their household income through these groups. Total investment of the groups now reach to USD 103,700 from different resources such as 36% from own contribution, 30% from local SME support fund, 18% from Mongol Rally community development project of Mercy Corps, 13% from Mercy Corps LGM soft loans through local banks and 3% from local Labor and Social Welfare Departments.

These groups were established beyond our expectations thanks to participants' self-initiative and improved sense of socio-economic inclusion. According to the project monitoring, those groups lack business skills and some are struggling with improving their product quality due to lack of technology knowledge. In the rest of the project period, we will provide entrepreneurial leadership or technology trainings to those groups through local BDS or external consultants to encourage their self-sustaining efforts.

Component 3: Increase employment among marginal household members through an Employer Support Mechanism

By November, 2011, 140 out of 151 selected employers for Employer Support Mechanism component received grants for creation of 360 jobs through their business expansion. SSN has been invested USD 216,000 for their business expansion while their own investment was USD 14.4 millions. More ESM grants will be released in December to the remaining employers upon their completion of grant obligations.

In November, Mercy Corps field staff organized "Employers and Employees of ESM" gathering in 9 aimags in order to increase the ESM grant importance both for employers and employees and to publicize the project contribution towards "Employment Support Year" by the GoM. 104 employers, 177 employees, 5 training providers and 44 government authorities were involved in the gathering in the 9 aimags. During the event, Mercy Corps Representative in the aimags handed over the "ESM grant award certificate" to each employer.

Referring the project skills trainees to jobs and facilitating the local labor exchange were one of main efforts of component three. In October and November, Mercy Corps field teams demonstrated a new way of facilitating the labor exchange which was a live TV labor market. Together with LSWD, Arhangai, Uvurhangai and Gobi-Altai aimags organized the TV

labor exchange in November and promoted 187 jobs. As the cold season starts, open vacancies were relatively lowered in the aimags at the moment. This live TV approach was considered as an alternate way of facilitating the process by the local LSWD. Both employers and job seekers were connected through TV hotline for 2 hours, and later interested people can obtain information from LSWD.

USAID CENTRALLY AND REGIONALLY FUNDED PROJECTS

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

Collaborative Wildlife Protection: Directors of the Eastern Steppe law enforcement and environmental protection agencies signed an agreement of cooperation formally launching the Multi-Agency Wildlife Trade Prevention Team at a small ceremony held at the conclusion of a training provided by DS SCAPES staff. In November the Multi-Agency Team participated in the bag-level Khural meetings in Matad Soum to inform citizens about hunting laws and regulations and the team's efforts to prevent illegal wildlife trade. They also conducted field patrols in and around Mongol Daguur Strictly Protected Area. Students from the Choibalsan Technical College were selected in November and trained to conduct observational surveys of Choibalsan City markets (Shur and Ikh Chuluut) to detect wildlife trade. The students' November surveys indicate that there is less open trade of wildlife in Choibalsan markets compared to the volume observed in the fall of 2010. The students' surveys also revealed a new "system" for the trade of Mongolian gazelle meat in which prospective buyers place orders with dealers by phone and have their product delivered to their home or another location.

Daurian Steppe SCAPES China: Meetings were held in Beijing with representatives of the China Customs Agency to explore the possibilities of cooperation with their Mongolian counterparts to address the illegal transboundary trade in wildlife across the Daurian Steppe. The response was positive and the DS SCAPES project plans to facilitate a meeting of both parties in early 2012. The wildlife trade and prevention activities on Mongolia's Eastern Steppe and the work with the Customs Agencies are designed to reduce over hunting of steppe wildlife and prevent illegal transboundary trade of wildlife.

Infrastructure Development and Ecosystem Fragmentation: WCS and DS SCAPES project staff participated in a discussion meeting entitled "Wildlife Friendly Fencing Options of Linear Infrastructure in

the Gobi Region”, presented by Mongolian gazelle biologist, Dr. Kirk Olson, and sponsored by the World Bank’s Netherlands-Mongolia Trust Fund for Environmental Reform II. The large scale linear infrastructure projects currently underway, or in the development phase in Mongolia, include roads and railroads. These structures, critical to the development of the nation’s mining sector, will fragment the region’s ecosystems and landscapes, including the Daurian Steppe, unless measures are taken to reduce the barrier effect of these structures on migratory species like the Mongolian gazelle and wild ass. Mitigation measures discussed included limiting fencing to only those portions of the railroad that pass through settled areas with higher concentrations of livestock and adapting existing and any new fencing required to allow for the movement of species like Mongolian gazelle under the fences by replacing strands on the lower portions of the fence with non-barbed wire. The DS SCAPES project staff suggested that flexibility be incorporated into the development of the standards for linear infrastructure in Mongolia that would allow for the science-based adaptation of the construction design to facilitate the free movement of migratory species and nomadic pastoralists who have also voiced concerns about the railroad projects’ potential impact on their access to water sources and winter pastures.

Conferences & Meetings: DS SCAPES project staff participated in a November workshop organized by the German Technical Cooperation (GIZ) and the Mongolian Ministry of Nature, Environment & Tourism on Climate Change Adaptation and met with the Environmental Working Group of the Business Council of Mongolia.

Mongolian National Consensus Building Program (NCB) - USAID

International Republican institute (IRI)

IRI polling data analysis started

IRI and its Mongolia-based partner the Social Policy and Development Institute finished data collection and data-entry of its autumn public opinion poll last month. IRI’s U.S. based pollster has started the analysis of the collected data. The final results of the IRI’s poll are planned for the release to the leaders of the political parties, the Mongolian parliament and local government by the end of December 2011.

Preparations for a two-day comprehensive seminar for Mongolian parliament completed

Throughout the month, IRI worked with the Parliament Secretariat to prepare for a two-day training for the researchers of the Parliament Research Center

and staff of the standing committees and Legal Division of the State Great Hural (SGH) Secretariat. A total of 45 Mongolian parliament staffers are expected to attend the seminar which is scheduled to take place from December 3-4, 2011. To this end, IRI has identified and contracted two trainers from U.S. Congressional Research Service as resource persons who specialize in U.S. Congressional budget process, research methodologies and information sharing techniques. The training agenda focuses on the role of the researchers and parliament staff in legislative and budgeting processes, rules and principles that govern the budgeting process, relevant research methodologies, information sharing tools and research database maintenance.

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

Training Building Engineers

The FIELD II team organized a 2-day Training on Accessibility Standards on 3-4th December, jointly with Government Implementation Agency - Department of Land Affairs, Construction and Geodesy. The training was attended by professional engineers who work at private construction companies, at the government Professional Inspection Agency and at the Departments of Land Affairs, Construction and Geodesy at the national, municipal and aimag levels. The ToT was also attended by the Municipal Office experts who have authority to approve construction budgets and blueprints. During the training, authors of accessibility standards provided detailed information how to use standards in building construction and walkway works. In addition, the trainer-referent of the National Human Rights Commission talked about human rights issues in relevance to building accessible environment for all people. To promote the collaboration between engineers and DPOs, the members of DPOs from Ulaanbaatar and aimags also participated in the ToT. In total, 45 people attended the training. At the end of ToT, the participants developed action plan to promote and apply accessibility standards at work and to build inclusive environment for PWDs. The action plan forms a tool for local DPOs to monitor follow up action in respective aimags and Ulaanbaatar.

DPOs collaboration issues in Uvs aimag

FIELD II worked in Uvs aimag and met with government officials and local DPOs in November to resolve obstacles between DPOs and government officials which were slowing project activities. The problem related to communication issues among DPOs. The branch of DPO Mongolian Association of PWDs declared himself as a main coordinating body for all aimag and insisted all government related issues chaired through his DPO. The meeting of all DPOs,

facilitated by FIELD II manager, modeled a democratic decision-making process and made clear that all DPOs have equal right and opportunity to participate in all project activities. The importance of collaboration rather than a competition was stressed.

Working Group activities

In the framework of the Working Group Action Plan, local DPOs and government organizations in aimags organized several activities among local communities to raise awareness on social model of disability and accessibility. For example:

In Dundgovi aimag:

- Drawing and essay writing competitions called “Human’s kind heart” among school children.
- Letter competition “I have a word to you” among PWDs and children with disabilities.
- Developed and distributed handout “What households with PWDs should know about ?” among households who have people with severe disabilities. The handout focused on issues of human rights and state benefits for PWDs.

In Uvs aimag:

- Engineers of local Professional Inspection Agency and Department of the Land Affairs, Construction and Town Planning measured all ramps in aimag center as part of initial assessment and recommendations to improve accessibility.

Capacity building training to local DPOs

The aimag Mercy Corps staff and FIELD 2 project team conducted four kinds of training to local DPOs. In total, 111 members of local DPOs participated in the training sessions.

Publishing leaflet

The FIELD II team disseminated basic information about accessibility standards. The leaflets “Accessible Environment,” were distributed to local and UB-based DPOs, citizens, government officials and private businesses.



Farmer to Farmer (FtF) Project Mercy Corps.

November was the busiest month of the FtF project. Two volunteers covered the jerky and sausage SOW and one dairy specialist took up the “children’s dairy products” assignment. Originally these TA assignments were planned for Spring 2011, but finding the right volunteers in the United States took time. During

the delay period the situation in the host companies had changed and two SOWs were amended in October.

Montana-based butcher, Ronnie Stratton, arrived in Mongolia on October 15 and continued with his assignment until November 9. Mr. Stratton conducted



Ronnie Stratton, Jerky preparation

specific training to three companies, training nine meat plant staff and three BDS providers. The last company he was supposed to assist from October 31 to November 4 was Uvs Zel Gobi Co. LTD in Ulaangom, Uvs Aimag. However, the company owner experienced a family tragedy and was not able to host him during this week. Fortunately, the sausage company Bat Arvijeher in Ulaangom was ready on very short notice for his consultancy. In all three assignments Ronnie introduced the participants to basic rules on how to cut the carcass. He taught production of new or improved products like jerky, sausages and dumplings, gave cooking demonstration in restaurants to show new product lines to potential clients, and worked with the company's staff on all issues of plant sanitation.

He described the situation found in all the three companies briefly in his report as following: No hot water – No drains; No cooling chamber or freezing chamber; No cleaning supplies (soap or bleach); No sanitation practices used at all; Wall, floor, ceiling – dirty; Product handling not conforming to even basic standards for quality or food safety; Incoming product covered with filth resulting in bacterial contamination.

The food safety issue in rural sausage factories is not astonishing to insiders, however this situation is one of the main barriers for this industry on small to medium level to supply at least the local market with safe and standardized quality products.

The same observations were also made by the second volunteer in the meat sector. Mercy Corps HQ in Portland was able to bring the awarded slow

food chef, Greg Higgins, on board of this Farmer to Farmer project. Greg arrived on November 7th in Ulaanbaatar and flew out to Hovd Aimag to assist the sausage factory Khan Jargalant in Hovd and the company Uvs Zel Gobi in Ulaangom, Uvs Aimag. Mr. Higgins too went far beyond the tasks of the assignment. Besides introducing a total of 14 staff participants to the art of artisanal sausage and ham making he taught basic theoretical knowledge on meat processing and usage of additives. He especially familiarized the processors with the option of self-created spice mixtures in lieu of ready made products containing unknown substances. He trained participants on how to substitute imported soy protein additives with frozen milk. The improvement of sanitation, handling and maintenance of equipment like sharpening of knives and usage of right size of stuffing tubes and the awareness building on nitrite/nitrate usage and health impacts on consumers were other topics he focused on. Especially the latter is a main concern. Processors are not aware of the difference in handling of nitrite and nitrate salt. As regular curing salt (nitrite) is not imported by the main supplier Huns Trade, Greg Higgins is certain, that Mongolian sausage products contain nitrate level beyond international food safety standards. This issue shall be addressed in near future by Mercy Corps' USDA funded RASP program. Besides his sausage assignment,



Gregg Higgins, Camel, Horse and Sheep Charcuterie

Greg Higgins further trained 5 cooks on new recipe implementation and presentation of menus and prepared meals for several events, including a dinner for a USAID delegation in Ulaangom and a private dinner for the US ambassador in Ulaanbaatar.

On November 10, Dr. Poul Hansen, Professor Emeritus in Food Science and Technology at the Ohio State University, arrived in Mongolia. He assisted the dairy company Hovd Sky in the production of different products for the school tea break supply like chocolate milk and pudding. Further he introduced an infant formula made from yoghurt and whey which

is suitable to substitute mother's milk from the age of 6 months onward. This product complies with the Codex Standards for infant formula with the exception of a needed vitamin fortification. However, he strongly suggested that the product should not be put on the market until inspectors have examined the procedures and certified the plant for production. A by-product of the infant formula is Indian Paneer cheese. By preparing Fried Egg-coated Paneer this product too could be marketed through the school tea break or serve as an attractive menu item in local restaurants.



Pudding production

His second assignment was planned to be at Khan Yembu dairy in Jargalant, Tuv Aimag. However, this company recently faced serious production difficulties and had to shut down all activities. Instead, Mr. Hansen was fielded to a medium sized company in Ulaanbaatar called Suun Sundor where he trained the staff in the production of children's and infant products and introduced the company to the production of Norwegian Brown Whey Cheese made from dehydrated, caramelized whey. Hansen suggested the firm to purchase the equipment for producing either milk powder or sweetened condensed milk from summer milk for use in winter months, when fresh



Mozzarella production

milk is virtually absent. This same equipment is needed for manufacture of whey powder or preparation for the Norwegian Whey Cheese and would provide a solution to reduce whey disposal to the public sewer for other Ulaanbaatar based dairy plants. Further, Poul demonstrated in both dairy plants the manufacture of Mozzarella cheese using fresh milk and acidification with citric acid prior to rennet coagulation. This cheese is much needed throughout Mongolia as an essential ingredient for baking quality pizza. During his stay, Poul Hansen trained 10 dairy staff participants and one food technologist from Mercy Corps Mongolia team, who assisted him with translation.

Outreach activities

The film crew of ICI Center covered each assignment in a 10 Minute educational film. The "Jerky making" movie has already been finished and can be viewed on MCM home page www.mercycorps.org.mn and the BDS website www.zuvluh.mn. The movies on "Artisanal sausage production" and on "Artisanal infant formula production" will follow end of November. The possibility to have all six educational films aired by Mongolian TV station will be explored in beginning of December. The recipes and power point presentations that were prepared by the FtF volunteers will be added to the MC and BDS website. Further, the movies and links to recipes/pp will be shared with other organizations and institutions working in the food sector in Mongolia.



Ronnie Stratton was very pleased with the result of the jerky film. He will show this jerky training video during future private-, FtF-, USAID- and 4H program consultancies to participants in Cayman Island, Paraguay and Iraq and the USA in 2012. Greg Higgins was a very entertaining blog writer. He has released eight articles on <http://www.week.com/portland/blog> by the end of the month.

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

EMIRGE confronts the challenge of rural poverty commonly faced by marginalized farmers by designing and testing methods to collaboratively mobilize rural resources toward attainable market opportunities. In Mongolia, EMIRGE works with small-scale producer groups to raise productivity and profitability through innovation and greater integration with other economic actors. The activities for November are arranged under EMIRGE's three objectives:

Facilitate formation and strengthening of producer groups

Harvest fair in ZH

CHF organized with Selenge aimag Mandal soum Government office to hold regional event for Harvest fair. Through the event we shared all harvest including vegetables, crops and fodder information with local community as well over the Mongolia. IN the event we invited community members' farmers and media. Together with Ulaanbaatar Broadcasting TV developed one hour program for demonstrate the activities and broadcasted.

Business Training for groups

CHF conducting Business training with Development Solution NGO. Total 7 groups' farmers in ZH receiving the training and learning household accounting, cost benefit analyses of products, marketing and business planning. This business training will continued until April.

Establish commercial relationships between producer groups and market actors

Improve the cooperative enabling environment

CHF worked with the Mongolian National Cooperative Association and Government implementing Agency for Small and Medium Entrepreneurs and Ministry of Food Agriculture and Lights Industry to hold regional event in Ulaanbaatar 90th year of cooperative establishment anniversary for Mongolian cooperators.

Capturing and disseminating economic impact of economic cooperation

Promotional video

CHF completed production of a video to demonstrate the results of producer group activities over the last year. The film highlights the importance of working together in improving and expanding businesses in agriculture sector, describing how farmers are overcoming problems through collaborative activity. Its purpose is to raise awareness of the public about the importance of innovation and cooperative work. The video aired during the harvest fair in Zuunharaa and will be aired through National Broadcasting TVs in December and January.

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

Rural Agribusiness Support Program (RASP)-USDA Mercy Corps

Client Sales

Clients made \$628,591 in sales during November 2011. The total sales generated by business clients under RASP from January 2005 to date are \$ 18,914,164. The following table details the actual sales of the RASP clients during the previous years.

Year	Total Sales (MNT)	Total Sales (USD)	MNT/USD
2005	436,732,725	363,943	1200
2006	888,133,035	740,111	1200
2007	1,427,829,790	1,189,858	1200
2008	1,857,903,630	1,548,253	1200
2009	6,379,166,656	4,556,548	1400
2010	7,218,240,959	5,268,789	1370
2011	6,663,259,584	5,246,661	1270
Nov 2011	817,168,000	628,591	1300
Total	24,871,266,379	18,914,164	1256

Loans: Access to Finance

By late November, RASP clients accessed 21 loans with a total value of \$87,077. Mercy Corps provided \$29,045 (33.4%) as additional cash collateral to commercial banks. In 2011, RASP clients have accessed a total of 497 loans totaling \$1,523,555 with the average loan size of \$3,020. Since the start of the program in May 2004, a total of 2,859 loans have been dispersed, with a total value of \$8,216,413. Mercy Corps has provided 37.5% as additional cash collateral to secure our clients' loans. The repayment rate to date stands at 97.82%. Rural businesses have a growing number of services to access credit available, including the mining-money funded Soum Development Funds, and the MoFALI SME Credit Funds. As a result, LGM clients decreased by 16% in 2011.

Business and technology development training and technical assistances

In November 2011 Aimag Representative Offices and contracted local training providers organized 25 interventions to 345 local participants on the following topics: camel wool processing, yarn producing technologies, pasture and land management, animal fodder production, sewing technologies, business planning, business marketing and food safety. A special young business people training that lasts 12 days was held in three aimags (Arhangai, Suhbaatar, and Dundgovi) with ___ young people (under 35) attending. Since these training sessions, businesses have begun to use eight new agricultural production technologies, four types of animal fodder production; and new approaches to fur and shearing clothes production. For example, one participant developed a bee farming business plan and applied to LGM loan in

Arhangai aimag. Another business formed a sewing group in Bayanhongor aimag. A third business in Hovd has begun spinning camel yarn into skeins, and improving their revenue by \$25 per kilo.

Young Businesspeople trainings

In last two months, RASP aimag representative offices outsourced to 6 local BDS providers which organized 6 Young Business People Training mid-term courses in Arkhangai, Dundgobi, Gobi-Altai, Gobi-Sumber, Sukhbaatar and Umnugobi GA aimags. In these six training in total 94 young rural entrepreneurs younger than 35 years old participated in the trainings. 96% (90) of these participants completed the two-staged business and technological skill building training course. After the training 62% (58) of the participants developed business plans to launch or expand their businesses and applied to commercial banks for loans.

Local Economic Development (LED) Planning

Under the Sector Support for Agribusiness Development Component of RASP, we implemented the following activities during November: (i) Three soums worked on participatory LED planning methodology (Erdene, Dornogobi aimag; Bayanbulag, Bayanhongor aimag; and Huld, Dundgobi aimag), that brought 61 members of the multi-sector planning and monitoring committees together. (ii) RASP organized “Fundraising and project design”, training to 15 local government officials, businesses and local citizens in Delgerkhantai, Dundgobi aimag. The participants of training improved 27 selected projects in their LED plans which had been presented earlier at investors’ forums. (iii) RASP provided 30% of the cost to produce LED plans of three soums (Bayanlig and Bayantsagaan soums, Bayanhongor aimag; and Jargalant soum, Hovd aimag). These publications are widely distributed to potential investors, local businesses, local and high level Government officials, CSOs and local citizens before and during investors’ forums.

Investors’ forum. RASP helped organize six LED investors’ forums (Deren and Delgerkhantai soums, Dundgobi aimag; Sant and Khairkhandulaan soums, Uvurhangai aimag; Munkhkhairkhan soum, Hovd aimag; and Bayantsagaan soum, Bayanhongor aimag). These forums, all hosted in Ulaanbaatar by Soum Citizens Representatives Hural, Governors’ Offices and UB-based Local Councils, brought together 310 delegates. Among these were Speaker of Parliament Mr. Demberel; MP S. Byambatsogt; MP D. Zorigt; MP Raash; MP T. Narankhuu, and representatives of education, culture, science, businesses and delegations of CSOs. These investors’ forums raised \$4,454,000 to implement 95 local development projects such as expansion of local and inter-

national tourism businesses, intensification of animal husbandry, rehabilitation of road and bridges, capacity building of school teachers and development of SME in the Soums. RASP expects this figure to rise as other investments come on line.

Refining the SMP in Dundgobi aimag. The Dundgobi Aimag Governor’s Office and Mercy Corps organized tailored seminars to refine a tourism master plan for Saintsagaan soum (Mandalgobi town) that emerges from the soum’s LED. The planning group used LEWS forage maps and Geographical Information System (GIS) to inform their strategic plan.

“Tax and standard regulations” campaign During November 2011 Mercy Corps assisted the Arhangai aimag Tax-office and Bureau of Standards to organize a public awareness campaign about taxes and standards. They organized trainings and public meetings in 17 soums of Arhangai 19 soums and involved more than 450 local businesses, herders, growers, and government officials, local citizens. The goal is to improve citizens’ awareness of tax policies and how taxes are collected and used, as well as to improve the transparency of tax agencies and agents in the aimag. The awareness campaign included dissemination of various leaflets and publications on tax and standard regulations. Earlier tax awareness campaigns in Hovd resulted in an increased number of taxpayers by 21.6%.

“One world – One health” conference

Mongolian Veterinary Medical Association (MVMA) collaboration with government and international organizations, projects such as MOFALI, State Agency for Veterinary and Animal Breeding, State Control Veterinary Laboratory (SCVL), Veterinary medical research Institute (VMRI), Mercy Corps Mongolia (USDA), Animal health and Livestock marketing project (European Union), Livestock project (Swiss Agency for Development and Cooperation), Avian Influenza Control and Human Influenza Pandemic Preparedness Project (World Bank), Agriculture and Rural development project (Asian Development Bank) organized the “One world – One health” conference. RASP supported 56 veterinarians from seven aimags and 32 soums to join the conference. RASP forwarded from the conference the sheep/goat winter coats new technology information, We have been developing technology transfer projects of goat/sheep coating in winter seasons to protect weight and cashmere/wool purity.

The conference goal was to introduce and inform the above projects’ activities and its impacts for veterinarians who are working government and private veterinary sector in all aimags. Furthermore, this was dedicated to improve veterinarians’ duties, their work

collaboration and management within government and private veterinary sector. Government veterinary key organizations, international donor organizations and projects introduced their activities and impacts dedicating for veterinary sector developing in Mongolia, which was included combating zoonosis disease activities, public health issues and implementing food safety events underlining the World Veterinary Year of 2011.

Challenges to ensuring food safety forum

RASP collaborated with MoFALI and the Food Market Owners Association to organize a breakthrough national forum related to food safety in Ulaanbaatar on November 3rd. In this forum attended 140 delegates from aimag food market owners, food market laboratory experts, local food production, trade organizations, and officers of standardization and measurement organization, state specialized agency, international and NGOs. Forum participants learned about new policies related to food safety and security, new procedures related to certificates of origin, and visited a UB food market that serves as a model for health, sanitation, and safety.

Human Dimension of National Security

In November, the President's National Security Advisor contacted Mercy Corps to discuss food safety and food security programs. Her interest in the field is driven by the SGH's 2010 adoption of Human Dimensions of National Security which includes food safety, environment, health, and crime. Together with the President's Office, Mercy Corps will work with media to link School Tea Breaks nutritional concerns and procurement processes based on our program experience. We will also look for ways to support GoM and presidential policy on food safety in early 2012 through RASP and other program initiatives.

Aimag pasture management and local tourism business development plan

In Gobi-Altai aimag, Mercy Corps and the aimag's Departments of Agricultural, SME, Environment, and Tourism conducted a seminar on aimag pasture management long term plan development. The working group was made up of 39 representatives from the 10 Altai soums in the aimag. Each soum will not create a soum-level plan for pasture management and in 2012, an aggregated aimag plan will emerge from the soum-based ideas.

Future events:

- Launch opening ceremony best veterinary student scholarship program at Veterinary and Biotechnology School.
- Organize the young businessmen trainings in target aimags.
- Facilitate 2 investors' forum for implementing of

LED plans in Ulaanbaatar.

- Continue activities on participatory planning of LED plans in target aimags.
- Printing Mercy Corps catalog of clients' product.

NOVEMBER IN PICTURES



Chuck with a Kazakh hunter, holding the hunter's eagle in Bayan-Ulgii aimag



Certificate given to small business owners for job creation and business expansion under a USAID grant.



Endless roads in the Mongolian countryside...