



## MONGOL MONITOR

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OCTOBER 2011

### October Mission News

- USAID/Mongolia's private sector team and the Business Plus Initiative's Director and Deputy traveled to Oyu Tolgoi, Tavan Tolgoi and the customs crossing at Zamiin Uud. Please see the USAID Facebook page for pictures;

- Ward Miller, Regional Advisor of the USAID's Office of Foreign Disaster Assistance (OFDA) visited from Oct 13-18. Ward's visit presented an opportunity to monitor performance of OFDA grants provided to UNICEF and IFRC following the 2009 Zud (winter) disaster, evaluate winter and other disaster preparedness, and to discuss potential additional areas of future cooperation with Mongolia. On a trip to Dundgov Aimag, he met with local authorities of Deren soum, Delgertsogt soum as well as Aimag officials. These officials had an excellent in-depth knowledge of their aimag and soums, and, noting post-zud lessons learned, proved to be well-prepared for the winter ahead. Please see the USAID Facebook page for pictures;

- USAID/Mongolia's yearly Portfolio Week occurred the week of October 24. Information received during Portfolio Week serves as the foundation of the FY 2011 Performance Plan and Report (PPR). We are appreciative of the work the USAID/Mongolia implementers put into each presentation. During the week we had the regional USAID/Mongolia team from the procurement and financial offices in Manila as well as our Washington based Desk Officer participating. Thanks to Yohannes Araya, Ma Cynthia Razo, Dion Glisan, Ma Belinda De La Torre and Deidra Winston for attending Portfolio Week and providing your perspectives. Also many thanks for working with us on our on-going procurements;



USAID/Mongolia staff with extended family members upon successful completion of the Annual Portfolio Review

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### WEATHER

October was quite fine but cooler at times. Day temperatures were mostly in the 40s and low 50s in the first half with a drop to 30s and 40s by the end of the month. We had some 20 degree F days with wind which makes it quite unpleasant to be outside, but those are usually associated with a frontal system which passes through fairly rapidly. We had one good snow in mid-October and there are small snow patches still around but most are gone. Mongolia's October weather was much less severe than the north east coast of the United States.

- In a formal ceremony at Government House, United States Ambassador to Mongolia, Jonathan S. Adleton, Minister of Finance, S. Bayartsogt, and USAID Representative, Chuck Howell signed amendments to two Strategic Objective Grant Agreements providing \$6,198,000 in additional development assistance to Mongolia;

- In late October and early November USAID Mongolia was fortunate to host three of USAID/Asia Bureau Washington staff. Gender specialist, Kai Spratt, Monitoring and Evaluation Specialist Sandra Scham and CDCS specialist, Jennifer Lee worked with us on finalizing the language in our new strategy. It was good to have this ASIA specific team working with us on our CDCS;

- A final note to recognize changes in the Regional Procurement Office in Manila. Our RCO for the last two years, Mike Rossman left post at the end of October. Thank you Mike for your support and advice. Good luck in your new assignment. We also would like to welcome incoming Regional Procurement Officer, Sallie McElrath. Welcome Sallie.

## First Look at November Activities

We are especially proud that new USAID/Mongolia Program Officer, Alyson McFarland received the 2011 Swanee Hunt Award for Advancing Women's Role in Policy Formulation. She accepted the award at the Department of State in early November.

## PRIVATE SECTOR-LED ECONOMIC GROWTH

### Business Plus Initiative Project (BPI) Chemonics

#### Implementation of business enabling policies

*Customs Risk Analysis* - In early October, Jorge Montoya completed his technical STTA assignment for Mongolian Customs regarding risk management. A successful trial of the system was conducted in UB port. Customs management then made a decision to proceed with full implementation of risk management in all ports starting on October 28.

Public education on risk management program - BPI finalized the public outreach strategy on Risk Management for Customs General Administration (CGA). BPI and CGA will launch the campaign in November.

#### Private sector capacity and competitiveness

*Public Private Partnerships (PPPs)* – BPI awaits ap-

proval on a scope of work for initial technical assistance to be implemented within the State Property Committee PPP unit. Inaugural work will focus on establishment of a PPP Virtual Data Room that will support select Partnership transactions managed by the PPP unit (initial pilot transaction for CHP5, as supported by ADB, is foreseen to begin in December 2011). Efforts were made at the municipal level as well; BPI facilitated the development of a proposal/application by the municipal PPP unit for participation in a 'Leadership Development Program' as funded by the World Bank Institute. Focus of the program will be: 1) technical capacity building, and 2) pilot transaction advisory services on a select wastewater treatment initiative.

*Association strengthening and Grants Program* – An Annual Program Statement (APS) governing the protocol and procedural framework of the BPI grants program was drafted and submitted for review to USAID. We plan to finalize the APS and publicly announce the BPI grants program during November 2011. Efforts are under way to develop materials for presentation at the official opening of the BPI grants program.

*Quality Assurance (QA) Initiative* – Quality assurance expert Barrie Evans completed a strategy document for the establishment of a BPI pilot program; the draft was submitted to USAID for commentary. Program elements addressed include background and objectives, public and private sector stakeholders for pilot program, training modules constitution and projected training targets, QA program affiliation and certification prospects, course fees, trainee identification and qualification criteria, and longer term sustainability prospects for the QA initiative. Additionally, a presentation was made to several key private sector stakeholders to gauge interest in financial and leadership support with the establishment of a Mongolian Quality Management Center of Excellence (QMCE).

#### Financial sector capacity and enabling environment

*Facilitating Financial Markets Development – Legislative drafting*

- Draft Investment Funds Law and Draft Central Securities Depository Law – Drafts have been developed and delivered in English and Mongolian to the FRC. FRC is in the process of gathering the working group to discuss and move the draft through the motions to the Parliamentary Committee.
- Draft Bankruptcy Law - Comments and reports were prepared by two BPI STTAs and delivered

to the Ministry of Justice in English and in Mongolian. The MoJ is currently incorporating the Project STTA comments into the Draft. Upon completion, the Draft will be discussed at the working group meeting in early November and later on be submitted to the Parliamentary commission for enactment. MoJ has indicated that at this time, the DRAFT has satisfactorily been developed and ready for submission to the relevant parliamentary committees.

### *FRC Capacity Building*

#### **CG Unit:**

- Corporate Governance Scoring/Rating system is drafted, currently under finalization.
- Corporate Governance law draft and draft regulations for SOEs have been provided to the FRC and SPC.
- CG Unit regulatory capacity needs enhancement. A specific capacity building program will be delivered in collaboration with CGDC.
- GoM CG Strategy implementation work plan has been developed. This involves a set of training programs as well as draft legal and regulatory frameworks development to create the enabling environment for good CG practices.
- BPI will help develop corporate governance regulatory frameworks for insurance and LLC companies.
- CGDC and BPI begun directors' training program for private companies. The first program began on Oct 21 with 11 fee paying participants registered the 4 day long certification program. This program will end on Oct 29th. The training programs was divided into 2 weekends. A series of 6 such programs are envisaged until the end of June 2012. 3 additional programs will also be delivered by trained instructors in aimags.
- CG Handbook for Directors. BPI will collaborate with CGDC and IFC to accomplish this
- SOE directors training. The project is preparing a series of 4 programs to be provided to SOE directors with CGDC.

#### *FRC IT Unit*

- FRC can be developed to sustain the outcome of the USAID assistance towards the integration of all four areas of supervision (listed companies; insurance companies; micro credit institutions; and, other NBFIs such as securities and brokerage houses.
- CG Portal development. This has also been put on hold until relevant capacity could be developed to ensure sustainability of the IT systems.

### *NBFI Financing and Regulation*

- Insurance Regulatory Frameworks for Mandatory Drivers' Insurance. An STTA insurance regulator is being recruited to assist FRC for capacity building and implementation of the drivers insurance laws and regulations. Also the STTA will assist the FRC to establish an association as an SRO institution for drivers insurance.
- MIK Assessment. A brief report has been provided to USAID for information and recommendations.

### *Public Outreach*

*Economic Journalism Club (EJC) under the Press Institute (TPI):* The public outreach team, in coordination with TPI, organized workshop for EJC members on October 15, Saturday, to develop strategy and activity plan for 2011-2012, identify needs for capacity building, and topics of potential training on economic and financial issues. Following the workshop, BPI developed the work plan with TPI for needs for capacity building of EJC members from October 2011 till March 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*

All the planned activities of the component were completed by end of September, 2011. However, we are planning to consolidate lessons learned in the coming months. For example, there are 41 income generation community groups who formed from the psychosocial support training graduates. We will organize experience changing meetings of those groups in their aimags in November.

There are now 76 experienced local trainers of PSS training in 10 aimags. We are communicating with the State and provincial departments of Labor and Social Welfare to use this resource for delivering "resilience skills" training under community based social welfare service (CBSWS) in the future. The resilience skills training is one of the existing government services of CBSWS, but currently, local government lacks capacity provide such a services and is unaware of the critical needs of vulnerable population groups.

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

We aimed to improve marketable skills of 4000 indi-

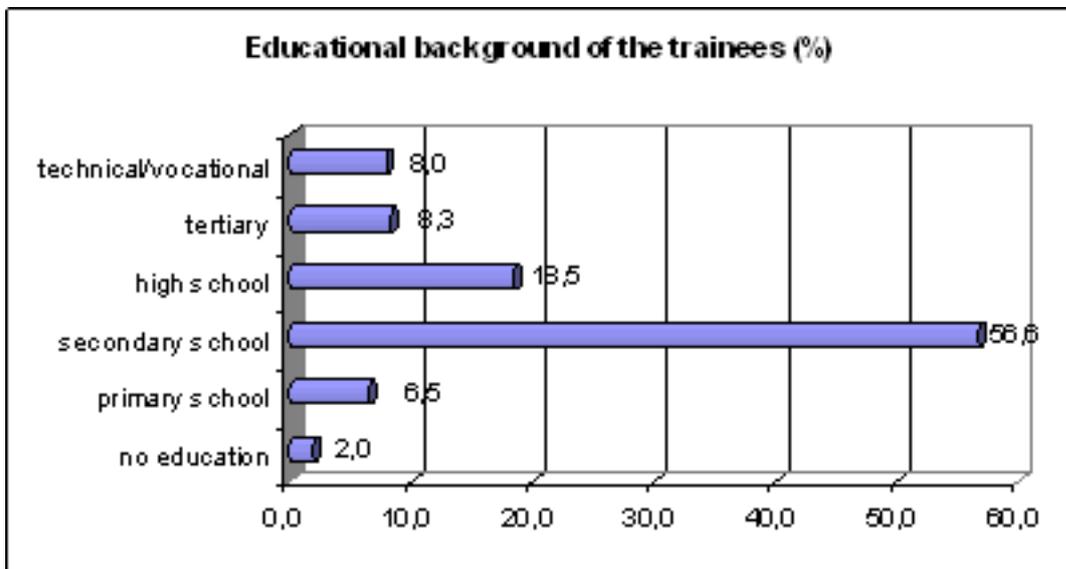
viduals through vocational skills trainings in 10 rural aimags of Mongolia and expected 300 individuals have full time job opportunities using their newly obtained skills.

Finally, the training delivery was accomplished by October 2011, after seven months process, resulting in 4075 successful graduates who learned 38 different types of vocational skills through 61 selected training providers including TVET schools, BDSs and local enterprises. Out of the 4075 graduates, 1031 individuals hold currently full time job opportunities at local organizations. Another 199 individuals initiated home-based production, while other 171 individuals started collective income generation activities through formation of 41 community groups. In total, 1401 individuals (or 1 in every three graduates) are improving their livelihood by having new source of income based on their new skills. Besides, 280 individuals hold temporary jobs such as construction and gardening.

As a result the project exceeded the target (102% of accomplishment) on employment engagement of the beneficiaries.

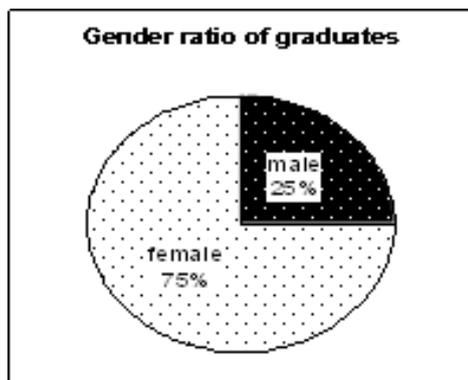
*Demographics of project beneficiaries.* The survey of all project beneficiaries showed that 97% of 4075 beneficiaries have household income below the GoM poverty line which is determined as US\$ 117 per month per capita. Females occupy 75% of all skills training beneficiaries. In terms of age groups, 65% of the graduates were youth aged between 16-35, while

ground of beneficiaries, 56.6% of have graduated from secondary school only. Therefore, we assume that since most of the beneficiaries were young people who have only basic education, the short-term vocational skills training was a good opportunity for them to obtain new skills and knowledge which was helpful to find jobs.



Also, another 16% of our beneficiaries were already educated people under tertiary or technical vocational schools.

An interesting finding of the assessment was that 2% of the skills trainees were illiterate or uneducated people. This 2% represents 83 individuals in 10 aimags. In Mongolia, all of the TVET schools require basic education to be enrolled in vocational education programs. Fortunately, the project allowed those individuals improve their marketable skills as most of the training was focused on practical side or on-the-job experience which don't require much of writing or reading skills from the participants.



another 31% are 36-45 years old, and only 4% were people over 46 years old. As for educational back-

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

Employer Support Mechanism (ESM) of the project promotes local enterprises who expand their own businesses and create new jobs. From the project, USD 600 is to be granted per job creation upon completion of the enterprise's business expansion plan as a reimbursement.

By October 2011, 391 jobs already created by selected employers in 10 aimags through the ESM. It means 97% of the project target. In each aimag, we planned to provide ESM grants for 40 newly created jobs. Most of the aimags have completed the requirement. However Umnugobi and Bayankhongor aimags are not yet meeting the number of jobs. Main challenges are following:

- Vocational training delivery commenced a bit later than other aimags due to electricity shortage and other minor problems;
- Some of the graduates who referred to jobs left their job after only one month employment etc.;
- We assume that both of the aimags are active with mining sector employment opportunities, therefore the existing labor force is quite mobile. Local employers and Mercy Corps are working to promote labor exchange activities in these aimags to cope with the situation.

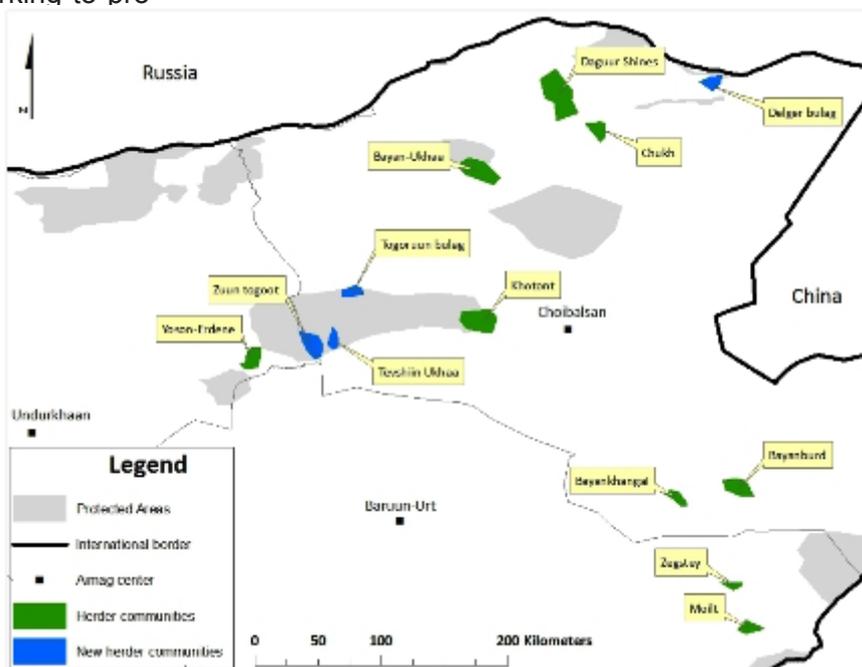
### USAID CENTRALLY AND REGIONALLY FUNDED PROJECTS

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

**Collaborative Wildlife Protection:** As direct follow-up to the collaborative wildlife protection training held in Mongol Daguur Strictly Protected Area (SPA) September 5th – 10th, the multi-agency team of wildlife protection and enforcement staff has developed a joint patrol and inspection strategy to address illegal hunting and transboundary trade in wildlife. In October the team investigated reports of Mongolian gazelle poaching in Chuluunkhoroot Soum close to Mongol Daguur SPA. The poachers were identified, provided information on hunting laws and regulations and fined. The multi-agency team's patrol plan includes periodic inspections of major trade routes (road and railway), border points and markets to detect illegal wildlife trade. They have also sched-

uled monitoring in protected areas to prevent and address poaching. In October the multi-agency team participated in district khural meetings in Khulunbuir Soum to inform citizens about hunting laws and regulations and the team's efforts to prevent illegal wildlife trade. The multi-agency team is utilizing materials developed as part of the Eastern Steppe Rare Pride Campaign and plans to participate in public meetings at the soum and aimag level and broadcast information via FM radio and TV throughout the wildlife trade season (October – March).

**Wildlife Monitoring in Community-Managed and Protected Areas:** In October the WCS/DS SCAPES project team began visits to herder community groups or nukhurlul on the Eastern Steppe to improve wildlife monitoring methods currently in use within community managed and protected areas. Zigzag-shaped wildlife monitoring transects, to be completed on horseback, have been created for each nukhurlul using Distance sampling software. Volunteer rangers received on-site training and basic equipment for carrying out the wildlife monitoring activities. The team also collected GPS location data for newly formed herder communities to delineate their boundaries, a requirement in the process of registering the areas as nukhurluls. The four new community protected areas are presented in blue on the map.



**Daurian Steppe SCAPES China:** Meetings were held with Dr. Zeng Yan, of China CITES Scientific Authority, and with Prof. Guo of Beijing Forestry University in October to follow-up on DS transboundary efforts to update range maps for Mongolian gazelle and white-naped crane and assess wildlife management and protection policies relevant to efforts to control and eliminate the illegal transboundary trade of wildlife.

*Avian Influenza in Wild Birds:* Surveillance for highly pathogenic avian influenza (HPAI in wild bird populations across the Eastern Steppe was completed in October with a final collection of 400 duck fecal samples. The samples were exported to Hong Kong University for testing and final results of the laboratory testing are expected before the end of the year.

### ***Mongolian National Consensus Building Program (NCB) - USAID***

#### ***International Republican institute (IRI)***

##### *IRI polling activities continued*

IRI and its Mongolia-based partner the Social Policy and Development Institute began conducting its autumn public opinion poll late last month. Our local partner will likely complete data collection in the next two weeks. The poll is designed to measure perceptions about the responsiveness and quality of governance, perceptions about opportunities for citizen involvement, the popularity of political parties (including the newly formed Mongolian People's Revolutionary Party and recently renamed Mongolian National Democratic Party), citizen views on current events and social problems, and to test the favorability of individual political leaders and policy proposals.

##### *Printing was completed on IRI's soum khural / local government manual*

Printing was completed on IRI's soum khural member handbook, and distribution will begin in coming weeks, likely kicked off with a ceremony with the parliament in which the first few copies of the book will be handed over to Ulaanbaatar district officials. The manual provides an overview of the historical development of local government in Mongolia, the constitutional framework governing the interaction between the central government and sub-national government units, the roles and responsibilities of the soum-level khurals and their membership, as well as an explanation of legal provisions that apply to local officials. The copies of the manual will be distributed with the assistance of the parliament to each of Mongolia's soum-level khurals, to be used by khural members as a reference guide, and as training material for newly elected khural members in the future.

##### *IRI consulted with officials from the parliament and targeted aimags on future training activities*

IRI consulted with officials from the parliament secretariat on the possibility of conducting a training over the Congressional recess for research secretariat staff, and is in the process of trying to identify a suitable U.S. based trainer to conduct it. IRI staff also discussed potential timeframes for conducting a third round of local government trainings in Orkhon and Umnugobi aimags focused on improved public rela-

tions, media outreach and constituent communications skills.

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

##### *Study tour*

Members and leaders of DPOs in Uvs and Bayankhongor aimags participated in a study tour to Uvurkhangai aimag. They learned from Uvurkhangai DPOs their experiences of developing and building close relationships with government organizations, organizing community events, working with PWDs, establishing PWDs groups and successfully operating an NGO that serves people with disabilities. In total, 21 people representing local DPOs in Uvs and Bayankhongor aimags and government organizations took part in the study tour.

##### *PWDs conference in Uvurkhangai aimag*

As an opening ceremony of FIELD 2 project in Uvurkhangai aimag, local DPOs organized PWDs conference and Barrier Free Day jointly with the Aimag Governor's office and Provincial Department of Labor and Social Welfare (PDLSW) in Uvurkhangai aimag. Government organizations were represented by S. Undrakh, the Head of the PDLSW and A. Adya, Head of the Department of Social Policy who are closely involved in the project and the SSN project also funded by USAID. In total, 115 delegates from 18 soums and aimag center participated. Conference organizers stressed the social model of disability. As part of the conference activities, the PWDs who came from the soums were involved in the medical check-ups and sport competitions, funded by the local government. The conference was followed by a Barrier Free Day, which brought 140 delegates from soums, children with disabilities and members and leaders of DPOs of Uvs and Bayankhongor aimags.

##### *Campaign*

In the framework of the campaign to disseminate social model of disability and raise awareness on accessibility standards, local DPOs organized several activities in October. In Uvurkhangai aimag, PWDs in aimag center were involved in the medical check-up in their respective bagh center, celebrated the day of White Cane and organized 2nd conference for PWDs. In Arkhangai aimag, Mercy Corps aimag officer conducted training on proposal development to 31 members of 7 DPOs.

##### *Meeting with the Bayangol district authorities*

At the meeting with the Bayangol district Head of Social Development department, it was agreed to have an extended group meeting involving all district planning department representatives, in order to discuss

the plans for implementing Standards on Constriction and Walkways as well as organizing public awareness raising events.

### ***Farmer to Farmer (FtF) Project Mercy Corps.***

In the beginning of the month, the FtF team was able to identify a new volunteer to cover the “dried meat and jerky assignment”. Mr. Ronnie Stratton, a butcher from Montana who is at the same time a very well experienced international consultant in the areas of meat processing, marketing, food safety, and Small to Medium Enterprise (SME) development, was willing to be fielded very quickly and arrived in Mongolia on October 15. The assignment will continue until November 09. Mr. Stratton has spent his first week in Tsetserleg, Arkhangai Aimag, introducing the jerky technology to Egneshgui Ikh Partnership. This company produces traditional unflavored dried and shredded meat “Borts”. The packed product is marketed through the major supermarket chains in Ulaanbaatar. With this new technology, Mr. Zanabazar hopes to be able to expand his product line and market share. During the TA in Arkhangai, a film team covered the methodology on Jerky making to produce a 10 minute educational video. The second technical assignment of the US volunteer is in Dalanzagdad, Umnugobi Aimag at a traditional dumpling producer, who started with the production of sausages, ham and smoked tongue in 2009. The company’s name is Huslen Buyen. They would like to diversify the production with other dried and smoked meat products. In addition, Mercy Corps and the FtF expert are hoping to connect the enterprise to the mining company Oyu Tolgoi for direct marketing. The last assignment of Mr. Stratton will be in Ulaangom, Uvs Aimag, from October 31 to November 4. At Uvs Zel Gobi Co. LTD - which includes a sausage factory, butchery store and restaurant. This technical assignment will focus on cutting methodology of meat and the production of different dried and smoked meat products. To all three TA’s BDS provider are invited as tandem participants.

Furthermore, contracts for the two final assignments could be made. Mr. Greg Higgins, an awarded Chef and sausage expert from Portland, Oregon will provide technical advice to the sausage factories Khan Jargalant in Hovd Aimag and Bat Arvijeher in Ulaangom, Uvs Aimag. Dr. Poul Hansen, who will cover the remaining dairy assignment, is a Professor Emeritus in Food Science and Technology at the Ohio State University. Following retirement in 1995 he has remained active in international development of food science education and transfer of food technology to developing countries. This truly senior expert will advise the newly established industrial dairy Khan

Yembuu in Jargalant, Uvs Aimag on development of children’s dairy products. Further, he will visit the small dairy Hovd Sky in Hovd Aimag and assist them to improve and diversify their products. Both assignments will take place in November, with a film team covering the TAs in Hovd between Nov. 14-17. BDS providers will be invited to participate during the TA’s in Hovd and Uvs Aimag.

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

#### ***Building Capacity of business groups***

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 October are arranged under EMIRGE’s three objectives:

#### ***Facilitate formation and strengthening of producer groups***

- Program expansion. CHF began the process of expanding the number of producer groups and farmers reached by EMIRGE. We will refine our approach based on past experience with existing groups and build off their success by calling on them to serve as mentors. The number of groups will increase from 4 to 10 by the new year.
- Ongoing development of existing groups. CHF/EMIRGE Program Manager visited Mongolia in October with a technical consultant to conduct a technical and organizational assessment of the 4 original EMIRGE producer groups and outline next steps in our partnership. Having achieved a number of joint initiatives that have resulted in significant improvement in members’ farm operations, EMIRGE is now facilitating work plan development which will include an array of business and technical trainings and assist development of group enterprise concepts.

#### ***Establish commercial relationships between producer groups and market actors***

- Improve the cooperative enabling environment. CHF worked with the Mongolian National Cooperative Association to hold regional events in Darhan and GoviAltai to solicit input from cooperatives on key development issues and educate them on their role in the advocacy process. Over 100 cooperative members and stakeholders participated in the events. The feedback was then used in a workshop of national level stakeholders

in Ulaan Baatar to develop an advocacy agenda and strategy to advance cooperative sector interests.

#### *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. An English-subtitled video translation will be ready in early November.

### **U.S. DEPARTMENT OF AGRICULTURE FUNDED PROJECTS MANAGED BY USAID**

#### **Rural Agribusiness Support Program (RASP)-USDA Mercy Corps**

##### **Client Sales**

Clients made \$621,578 in sales during October 2011. The total sales generated by business clients under RASP from January 2005 to date are \$ 18,508,922.

| 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         | 5,954,945,154         | 4,841,419         | 1230        |
| Oct 2011     | 776,972,000           | 621,578           | 1250        |
| <b>Total</b> | <b>24,162,951,949</b> | <b>18,508,922</b> | <b>1256</b> |

##### **Loans: Access to Finance**

By 22 October, 2011, RASP clients accessed 27 loans with a total value of \$102,560 for the facilitation of which Mercy Corps provided \$38,527 (37.56%) as additional cash collateral to commercial banks. In 2011, RASP clients have accessed a total of 457 loans totaling \$1,380,245 with the average loan size for the year reaching \$3,020. Since the start of the program in May 2004, a total of 2,838 loans have been dispersed, with a total value of \$8,129,336. Mercy Corps has provided 37.5% as additional cash collateral to secure our client's loans. The repayment rate to date stands at 97.82%. The monthly average

of number of disbursed loans in 2011 is 50 and the average value of loans which is now \$3,020 shows and increase. Both parameters show significant demand for this instrument from rural SMEs.

##### **Special technical assistance in target aimags**

MC Representative offices in Arkhangai, Gobi-Altai and Dundgobi conducted value chain promotion technical assistance in seabuckthorn planting, artificial insemination for dairy goats and experience exchange tour for market oriented micro dairy farm practices involving 41 local entrepreneurs. Overall, the participants learned six new agribusiness production methods, 2 local consultants worked with the goat AI experts as counterparts. More than 30% participants of sea-buckthorn planting TA used the methods after training to planting the fruit tree in their own fields.

##### **Value added business expansion project implementation**

RASP continued to monitor value added business expansion projects in the 12 aimags. To date 29 grantees have been completed their business expansion investments. The grantees have been shown that their sales increased by 21%, increase purchase and intake of locally produced raw materials by 36 % and created 117 new full time jobs.

##### **Market access and expansion**

Umnugobi aimag MC Representative offices collaboration with Governor's office of Dalanzadgad soum (Umnugobi aimag) organized vegetable week end market for 10 days. In total 21 local vegetable growers participated in the market event. They generated \$ 10,080 income from direct sales their growing vegetables. Also, Uvs and Zavkhan aimag Representative offices organized boots producers' market day in Hovd aimag center and Tosontsengel soum. 36 local producers took part and sold \$6,000 of products. Furthermore, the "Khishig Khangain deej" and "Tunsag Khairhan" LLC from Bayankhongor aimag which are value added business expansion grantees participated in "Big cities exhibition-2011" event. During the exhibition they made sales with values \$3000 and signed agreement with buyers for supply 800 kg packaged dry curds.

##### **Sector support for agribusiness development**

Local Economic Development (LED) Planning. (1) Must soum's (Hovd aimag) Citizens Representative Khural approved the LED plan developed with support of MC in 2011; (2) Three Aimag Representative Offices organized the participatory LED planning methodology training and TA in Mandakh (Dornogovi aimag), Bayanbulag (Bayankhongor aimag) ,

Zuungovi (Uvs aimag) in which involved in total 55 members of planning and monitoring committee of the soums; 3) RASP provided follow up LED planning capacity building training for local government officials, businesses and CSO on subject “Fund raising and project developing”, in Delgerekh (Dornogovi aimag) and Deren (Dundgovi aimag), with 25 participants. The participants refined 40 selected projects included in their LED plans as part of the training.

Investors’ forum of Baruunturuun soum. Baruunturuun soum (Uvs aimag) organized investors forum for their LED implementation in Ulaanbaatar. The forum was organized by the Soum Citizens Representatives Khural, Governor’s Office and it’s Ulaanbaatar based Local Council and participated more than 80 delegates. During the forum a total of \$480,000 was raised to implement 20 local development projects.

LED plan development and implementing workshop. At beginning of October, 2011 MC Representative office in Hovd aimag organized workshop on soum development plan developing and implementation in Dariv soum. The workshop participated in total 183 people including all Soum Governors, chairmen of Citizen’s Representative Khural, and bag Governors of Hovd aimag, Aimag Government Office staff heading by Aimag Governor Nyamdavaa and staff of the aimag Agriculture and SME department Objective of workshop was to discuss about current situation of LED plan development and implementing in Soums of Hovd aimag and identification of constraints and its solving methods.

Regional capacity building training for planning and monitoring committee of LED plans. In Dundgovi, Bayankhongor, Hovd and Uvs aimags, Mercy Corps held trainings involved in total 110 participants (members planing and monitoring comitees for LED plan, representatives of local government, businesses and NGOs) from 27 soums which developed LED plans from 11 RASP aimags to capacity of planning and monitoring committee members of soums which developing and implementing their LED plans and develop sustainable working guidelines for these committees.

### Food Safety

Demonstration training for food market owners and experts in Uvs aimag. October 3-4, 2011, RASP organized modern food market demo-training with collaboration “Ikh nuur gom” food market of Uvs aimags 2011. Twenty-one food market owners and food laboratory technicians from Gobi-Altai, Khovd, Bayankhongor, Zavkhan and Uvs aimags took part. Participants exchanged their experiences and learned from the new market and model laboratory and commented on the draft laws “Food trade center, calcification

and general requirement”, “Standard and regulation of diagnostic laboratory of food market” and issued consolidated recommendations.

### Animal Health

“Soum strategic plan for infectious diseases control”. RASP conducted the technical assistance on improving the soum mid-term strategic plan for infectious disease control (2011- 2021) in Gurvantes soum, (Umnugovi aimag) during a three-day training that included 11 local vets.

“Veterinary technician” training. MC Representative office of Arkhangai aimag collaboration with Mongolian School of Veterinary Science and Biotechnology organized a “Veterinary technician training” for 30 days with equal cost sharing between participants and Mercy Corps. In the training attended 13 people who want to learn veterinary technician subjects. Mercy Corps anticipates that some of these vet techs will be used to staff the 3-person vet office in each soum that is part of the MOFALI Mongol-Mal policy.

## OCTOBER PICTURES



*Snowfall in October*



*Usaid/Mongolia and BPI teams checking out customs system at Zamiin Uud*