

Mongolia
Orkhon CSOs & Academia Meeting
September 8, 2017

The World Bank Group (WBG) met with 10 representatives of the Civil Society Organizations and Academia in Orkhon aimag on September 8 to exchange views and perceptions on Mongolia's development opportunities and challenges as well as possible WBG support.

The discussions focused on three guiding questions:

- 1) What do you see as Mongolia's biggest opportunities as well as challenges to end extreme poverty and promote shared prosperity?
- 2) What are the development priorities for Mongolia in the next 4-6 years?
- 3) How do you think the WBG (World Bank, IFC, MIGA) could support Mongolia in the next 4-6 years to end poverty and promote shared prosperity in a sustainable manner?

Category	Comments from Stakeholders
<p style="text-align: center;">Inputs on country diagnostic (opportunities, challenges, and pathways to end poverty & promote shared prosperity)</p>	<p>Opportunities</p> <ul style="list-style-type: none"> • Regional development/decentralization may be the basis for the development of the country; hence in this regard, the WBG coming out to the regions and listening to the people in itself is an opportunity. • The Khangai region is ahead of the other regions in terms of development. • The city of Erdenet was developed following its rich mineral resources and Erdenet has potential to become a regional center. • Population density and market concentration are high in Erdenet, so there are opportunities to do business and implement projects/programs thus contributing to ending poverty. • Erdenet mine created a good pool of skilled work force and human resources. There are local universities/university branches. Building on the skills and knowledge of the people, projects to support SMEs could be implemented. • Livestock has potential to support development. Processing of agricultural products e.g. hides/skins and intestines, etc. at the SME level. • There is an opportunity to recycle/process waste to create wealth. • There are ready project proposals that could be funded e.g. a ger area sanitation project. • There is a possibility of creating a free trade zone to expand the market for local products. <p>Challenges</p> <ul style="list-style-type: none"> • The mining-based economy in Erdenet created environmental issues creating the need for environmental restoration and learning to reuse/recycle waste. In this regard, clean energy and renewable energy opportunities could be scaled up for larger production. • Ger area pollution is also a problem in Erdenet. Clean air projects of the past have been unrealistic. Local scientists are better informed of the local

	<p>circumstances and can propose better solutions but creating a level-playing field and access to finance by the SMEs remains as a challenge.</p> <ul style="list-style-type: none"> • CSOs have become stagnant and the quality of their work remains low. Bigger and more powerful regional organizations are still yet to be established. Thus, CSO capacity building is a real need. • Poverty is still widespread and people’s livelihoods suffers. There is often a hurry in making changes fast; thus, ending poverty quickly but this is a process and should be looked at more long term. • Pension loans are too common among the seniors. Elderly people get loans to support their children’s education, health expenses, and other areas, so youth employment also needs to be addressed to address this issue. • Effectiveness of governance and integrity and equity have become a challenge. Corruption is causing people a lot of suffering. • Politics is standing in the way of properly managing the mining and agricultural resources. • Amongst the many challenges, education is the most pressing. The future is dependent on the education of the young people. The current education system and the universities do not provide skills and knowledge necessary on the market. The education system should be developed to provide a platform for people to gain not only technical but also soft skills and life skills. High school graduates do not get proper orientation on their potential career trajectories and options. Instability in the education policies and programs has been causing the issues in the sector. The education system does not build on the traditional and cultural heritage of the country. • Local university graduates have an unfair disadvantage against those graduated abroad. The value of a Mongolian education should be enhanced. • Due to lack of jobs and low salaries, many Mongolians go overseas to do menial work, causing brain drain. • Food and road safety are causing health issues and disabilities. • Private hospitals provide services that are very costly. • While some development challenges are half explicit, there are some that are even hidden.
<p>Inputs on WBG strategy and partnerships</p>	<p>Sectors:</p> <ul style="list-style-type: none"> • Governance reforms: promote decentralization and regional development. • Employment generation should be an area of focus. Employment among the disabled should also be looked at and promoted separately. • Systemic support in trade could be provided: from creating a trade zone, supplying the equipment and onwards in the process. • Support to SMEs in terms of accessible funding, technical assistance, and broader sector development. • Processing of livestock raw materials: processing of milk, hides, etc. to create economic opportunities and jobs. • Human resource development: further advancements in education, health and science should become priorities. Also, early childhood training is needed to

	enable children obtain skills from an early age. Furthermore, support is needed for educating the public in gaining healthy lifestyles.

Results of the survey taken during the meeting:

1. In your view, what are the crucial development areas for Mongolia to focus actions aimed at ending poverty and shared prosperity throughout the country over the next decade? * (please select up to 5 options)

<input type="checkbox"/>	Public sector governance/reform	4	40%
<input type="checkbox"/>	Education	4	40%
<input type="checkbox"/>	Anti corruption	3	30%
<input type="checkbox"/>	Environmental protection and pollution control	3	30%
<input type="checkbox"/>	Private sector development	1	10%
<input type="checkbox"/>	Job creation/employment	1	10%
<input type="checkbox"/>	Agriculture, livestock, and forestry	1	10%
<input type="checkbox"/>	Health	1	10%
<input type="checkbox"/>	Food security	1	10%
<input type="checkbox"/>	Urban development	1	10%
<input type="checkbox"/>	Social protection	1	10%
<input type="checkbox"/>	Natural resource management	0	0%
<input type="checkbox"/>	Rural development	0	0%
<input type="checkbox"/>	Economic growth	0	0%
<input type="checkbox"/>	Disaster risk management	0	0%
<input type="checkbox"/>	Equality of opportunity	0	0%
<input type="checkbox"/>	Financial markets	0	0%
<input type="checkbox"/>	Foreign investment	0	0%
<input type="checkbox"/>	Road and transport	0	0%
<input type="checkbox"/>	Trade and exports	0	0%

<input type="checkbox"/> Energy	0	0%
<input type="checkbox"/> Water and sanitation	0	0%
<input type="checkbox"/> Climate change	0	0%
<input type="checkbox"/> Other:	0	0%

2. How do you think the World Bank Group can have the most impact on its assistance to Mongolia? In which areas do you believe the WBG should focus in the next 4-6 years? (please select up to 3 options)

<input type="checkbox"/> Supporting human development	5	50%
<input type="checkbox"/> Supporting natural resource management and environmental protection	3	30%
<input type="checkbox"/> Supporting public sector governance	3	30%
<input type="checkbox"/> Supporting the business environment	1	10%
<input type="checkbox"/> Supporting investment in infrastructure	1	10%
<input type="checkbox"/> All are equally important	0	0%