Mongolia
SDGs Mainstreaming,
Acceleration and Policy Support
Review of Mongolia’s experience in implementing 2030 agenda

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Contents

• Background, entry points
• SDGs, SDV-2030 and Three Pillars Development Policies (TPDP)
• Aligning strategies and budgets with 2030 agenda and SDGs
• Ensuring that no one is left behind
• Focusing on selected accelerators and unpacking the budget
• Facilitating policy coherence, monitoring and evaluation for results
• Key recommendations, strengthen mechanism that support coordinated and coherent policy making
After a brief period of rapid GDP growth of 2011-2013, Mongolia’s economic situation deteriorated. By 2016 GDP growth had fallen to nearly zero, the fiscal deficit had climbed to 17.3% of GDP, and Mongolia faced a serious risk of default on external debt.

By mid 2018, the economy started recovery. The Government has already achieved positive results in reversing the macroeconomic deterioration and reducing the fiscal deficits.
SDGs, SDV-2030 and TPDP

Approved by the General Assembly of UN in Sep 2015

Approved by the Mongolian Parliament in Feb 2015

SDVs 2030

- Governance
- Society
- Economic
- Environment

SDGs: 17 goals, 169 targets, 244 indicators

4 pillars, 44 objectives, 20 indicators

SDV heavily focused on promotion of economic growth,

The SDV does not sufficiently recognize the balance between the economic, social and environment issues.
Three core recommendations regarding measures that could enhance ability to achieve the SDGs

The initial mission note to government presented three core recommendations regarding measures that could enhance ability to achieve the SDGs under current tight fiscal conditions:

1. **Coordinated and coherent policy making – and implementation – will be vitally important.** This requires mechanisms to align sectoral policies and plans with the SDGs and with any other government short- and medium-term policy priorities, while identifying duplication and inefficiency and closing gaps in coverage.

2. **Systems are needed at the Cabinet level to carefully monitor SDG progress, including the effectiveness of SDG-related government-financed programs.** If the Government wishes to make demonstrable SDG progress by 2030, it will be necessary to closely track the progress of key SDG programs while holding central and local government officials accountable for outcomes. Systems that provide decision-makers with up-to-date high-level information on SDG progress to allow quick responses to bottlenecks would be of great benefit.

3. **Policies and budget allocations need to be better aligned with Mongolia’s Sustainable Development Vision 2030 to enhance impact.**
Alignment of the Three Pillar Development Policy (TPDP) with 2030 Agenda and SDGs

2018 a TPDP which is serving as the key guideline for investment decisions in the coming two fiscal years. The policy sets forth the three pillars of government investment policy for 2018-2020 as:

- **Multi-pillar economic development policy**
- **Fair, equitable, accountable and sustainable governance policy**
- **people-centered social policy**
Alignment of Three-Pillar Development Policy (TPDP) objectives with SDG targets

- Concentration of TPDP interventions per SDG

Similar to the SDV, the TPDP also does not provide great detail on some other core SDGs such as gender, inequality and addressing climate change. Roughly one fifth of the 169 SDG targets are addressed by TPDP objectives with a majority of actions (51%) being concentrated on a single goal, namely SDG 8.
Ensuring “No one is left behind” and “At risk of being left behind”

• “Leaving No One Behind” also requires reducing inequalities and disparities

• Poverty declined significantly in 2012-2014 (from 39.2 to 21.6%) but increased in 2014-2016 (to 29.6%). Incomes of many households in Mongolia are centered around the poverty line, thus these households remain vulnerable to falling back into poverty NSO 2017.

There are a number of reasons why people are being left behind:
- Gaining economic growth does not bring equality,
- Accessing inequality in social services
- Rural-urban difference
Selected accelerators and smart budget

• Policies in a way that balances the three dimensions of sustainable development – economic, social and environmental
• Can help the government to channel scarce resources towards areas with a high degree of development impact:
  • Addressing air pollution and its implication on health, public expenditure and the economy
  • Reversing land degradation and its impact on rural poverty and vulnerability
  • Addressing ageing trends and its impact on age care support services
  • Addressing the challenge of demographic trends and their implications on public expenditure and service provision
Smart Budget Planning

- Mongolian public finances are still under great pressure, as the 2016 debt and budget crisis is being gradually resolved.

- The budget of the Ministry of Education, Culture, Science and Sports (Mo ECSS) for 2018 stands at MNT1,610 billion or 4.8% of GDP. Education consistently accounts for about 85% of the Mo ECSS’s budget, with culture, science and sports accounting for the remainder. The recurrent budget accounted for 77.3%, the capital budget accounted for 16.1% of the total budget, and expenditures on the State Education Fund (which represent lending) accounted for 6.6%.

- The budgeted environment related expenditures in 2018 are MNT362.4 billion or 4.4% of the total budget. In the 2018 budget, environment-related revenues were budgeted to equal MNT208.4 billion or 4% of total stabilized revenues (MNT1,928.4 billion or 37% of total if mining-related revenues are included).

- As a result of the fiscal situation in 2016, funding for some social welfare programs was reduced, and a further reduction by 10% of the funding for social welfare programs was reflected in the 2017 state budget.

- The large proportion of government spending is directed toward non-SDG purposes, most importantly debt repayment and servicing.
Facilitating policy coherence, monitoring and evaluation for results

All the policy documents are aligned with some SDGs – in particular the decent work, poverty, health and education goals, but less so with environmental, gender and overall inequality content of the SDGs.

### Key elements of the monitoring and evaluation system in Mongolia

<table>
<thead>
<tr>
<th>Data</th>
<th>Plans and programmes (with performance indicators)</th>
<th>Monitoring and evaluation Reports</th>
<th>Online systems</th>
<th>Oversight</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Statistical data by NSO</td>
<td>• Four-year GAP</td>
<td>• Ministries’ reports to the Cabinet and Cabinet reports to the Parliament on GAP and SEG</td>
<td>• NSO website – outcome indicators</td>
<td>• Audits of GAP and SEG implementation</td>
</tr>
<tr>
<td>• Administrative data collected by ministries, government agencies and local governments</td>
<td>• Annual Socio-Economic Guidelines (SEG)</td>
<td>• Reports on implementation of government programmes</td>
<td>• Soum development database (NDA) – soum and aimag level outcome indicators; etc.</td>
<td>• Audits of budget execution</td>
</tr>
<tr>
<td>• The data ecosystem - Unconventional data collected by government, non-governmental actors and social media</td>
<td>• Action Plan for Implementation of the Green Development Strategy</td>
<td>• Studies evaluating performance of government and mainly donor-funded programmes</td>
<td>• Industrial development database (NDA)</td>
<td>• Audits of public investment expenditure execution, etc.</td>
</tr>
<tr>
<td></td>
<td>• Sectoral programmes</td>
<td></td>
<td>• Systems for tracking public expenditures (MoF)</td>
<td>• Media and social media reports</td>
</tr>
</tbody>
</table>
Key recommendations, strengthen mechanism that support coordinated and coherent policy making and implementation

1. Strengthen mechanisms that support coordinated and coherent policy making and implementation

2. Align public expenditures with Mongolia’s Sustainable Development Vision 2030, medium-term plans and the SDGs

3. Enhance the system of monitoring of SDV, TPDP and mid-term programs by developing an integrated system to monitor progress

4. Integrated policies and interventions to address specific social and environmental issues to accelerate progress towards achieving the SDGs