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Swiss Agency for Development
and Cooperation SDC

Cooperation Strategy Mongolia 2018–2021



Abbreviations

ADB	Asian Development Bank	MoECSS	Ministry of Education, Culture, Science and Sports
AFS	Agriculture and Food Security	MoET	Ministry of Environment and Tourism
AIIB	Asian Infrastructure Investment Bank	MoF	Ministry of Finance
APA	Annual Performance Assessment	MoH	Ministry of Health
AR	Annual Report	MoJIA	Ministry of Justice and Internal Affairs
ARI	Aggregated Reference Indicator	MoLSP	Ministry of Labour and Social Protection
ASEM	Asia-Europe Meeting	MTR	Mid-term Review
ASM	Artisanal and small-scale mining	NAMEM	National Agency for Meteorology and Environment Monitoring of Mongolia
BMZ	Deutsches Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung	NGO	Non-governmental organisation
CHF	Swiss Franc	NSO	National Statistical Office
CSO	Civil society organisation	OSCE	Organization for Security and Co-operation in Europe
ESD	Education for Sustainable Development	OSS	One-Stop Shop
FAO	Food and Agriculture Organisation of the United Nations	PUG	Pasture-user group
GAP	Government Action Plan 2016-2020	RUA	Rangeland-use agreement
GBV	Gender-Based Violence Project	SAM	Sustainable Artisanal Mining Project
GDP	Gross Domestic Product	SCO	Swiss Cooperation Office
GDP II	Governance and Decentralisation Programme Phase 2	SDC	Swiss Agency for Development and Cooperation
GGAHP	Green Gold and Animal Health Consolidation Project	SDV	Sustainable Development Vision 2030
GIZ	Deutsche Gesellschaft für internationale Zusammenarbeit GmbH	SLP3	Third Sustainable Livelihoods Project
GoM	Government of Mongolia	SRB	Strengthening Representative Bodies in Mongolia Project
GOV	Governance	TVET	Technical vocational education and training
ICS	Internal Control System	UN	United Nations
ILO	International Labour Organization	UNDP	United Nations Development Programme
IFI	International Financial Institution	UNFPA	United Nations Population Fund
LDF	Local Development Fund	VEGI	Inclusive and Sustainable Vegetable and Marketing Project
MASAM	Mainstreaming Social Accountability in Mongolia Project	VET	Vocational education and training
MERV	Monitoring System for Development Relevant Changes	VSD	Vocational Skills Development Project
MFARD	Mongolian Farmers' Association for Rural Development	WBG	World Bank Group
MNT	Mongolian Tugrug	YEP	Youth Employment Project

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Foreword

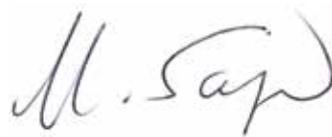
Diplomatic relationships between Switzerland and Mongolia started in 1964. Since then, Mongolia has experienced tremendous political, economic as well as social changes and, at the same time, made enormous progress in all of these areas. The democratic multiparty system that was introduced after the democratic revolution in 1990 is working and has proven relatively stable. The turn to a liberal market economy in conjunction with the mining boom has generated unprecedented, although unbalanced and unsustainable economic growth and government revenues. Mongolia is striving hard to further develop what has been achieved and secure it in the long term.

Switzerland has accompanied Mongolia in this process since 2001 when SDC started a humanitarian intervention in order to help the victims of the *dzud*, a climate disaster which resulted in the death of 10 million animals with far reaching social and economic consequences for the herders and their families. In 2004, SDC opened a cooperation office and launched a medium term cooperation programme with the intention of supporting the country in tackling structural challenges by introducing sustainable rangeland management. The first Swiss Cooperation Strategy for the period between 2007 and 2012 focused on natural resource management as well as employment and income generation. The following strategy for 2013-2017 was based on the Mongolian National Development Strategy, addressed a number of the country's key challenges, and added a further domain where Switzerland brings in specific expertise: state reforms, local governance and civic participation.

Looking back over almost 15 years of close cooperation carried out in good faith, the development partnership between SDC and its Mongolian counterpart has been very successful and has brought about tangible and visible results, which have improved the living standards of the Mongolian population.

Despite the encouraging development results of recent years, the country continues to face a host of challenges: rapid urbanisation, a shortage of job opportunities, consequences of climate change and an unbalanced economy. If used correctly and carefully, the country's wealth in mineral resources potentially provides it with a unique opportunity to renew infrastructure, expand the delivery of basic services to all citizens, tackle problems related to urbanisation and introduce policies reducing the impact of climate change. The promotion of governance and the improvement of political framework conditions to ensure transparent management of its mineral resource revenues will be a decisive factor for long-term sustainability.

Switzerland is committed to supporting Mongolia's development efforts that address the above key challenges, building on Mongolia's dynamism and political will for reforms. This Cooperation Strategy guides Switzerland's engagement for the next four years and targets the following sectors: agriculture and food security, vocational education and training, and governance. This strategy also takes into account the changing development context and, by introducing adapted modalities, prepares the ground for transforming Switzerland's partnership with Mongolia in the future.



Manuel Sager
Director-General of SDC
Ambassador

Executive Summary

Despite an overall positive economic outlook, Mongolia continues to face several interlinked development challenges. The country's remarkable progress in poverty reduction, fuelled by an unprecedented mining boom until 2013, has suffered a setback. As a result of the economic downturn, poverty increased from 21.6 percent in 2014 to 29.6 percent in 2016. A poorly diversified economy makes the country vulnerable to the volatility of international commodity markets, with repercussions in many other sectors. Further consolidation of the young democracy is needed as major governance shortcomings persist. The pressure on natural resources remains high. The effects of climate change and rapid urbanisation cause new and additional challenges in the fight against poverty.

Bilateral relations between Switzerland and Mongolia date back to 1964. SDC started a humanitarian assistance programme in Mongolia in 2001 to support herders affected by the *dzuds*. In 2004, the humanitarian programme evolved into a development programme. The Swiss programme has further evolved over the years, and during the last strategy period from 2013-2017 covered the fields of Agriculture and Food Security, Vocational Education and Training, and State Reform, Local Governance and Civic Participation.

The results of the Swiss programme during the last Cooperation Strategy were positive. The strategic goal was to contribute to equitable and sustainable social and economic development in Mongolia. Innovative approaches and a longstanding engagement in the field of agriculture and food security produced tangible results for herders' and small-scale farmers' livelihood and supported the diversification of the Mongolian economy. SDC interventions in the VET sector contributed to the improvement of the quality and image of vocational training in the country and increased the employability of rural men and women. Through its support to strengthening local governance, SDC contributed to improved citizens' participation and better access to and quality of public services, becoming a leading donor in this field.

The Cooperation Strategy 2018-2021 will consolidate results and best practices. The three domains – Agriculture and Food Security, Basic Education and Vocational Training, and Governance – will be continued. The overall goal of the Swiss Cooperation Strategy 2018-2021 is to contribute to the em-

powerment of Mongolian citizens and institutions towards an equitable, green and prosperous society, leaving no one behind. In order to achieve this, the Agriculture and Food Security domain will aim to improve the livelihoods of rural and peri-urban small-scale farmers and vulnerable herders; the Basic Education and Vocational Training domain will support the increased employment of women and men; and the Governance domain will foster accountable and effective national and sub-national government and an empowered civil society. The strategy will be underpinned by mainstreaming gender equality and governance in all SDC interventions. This Cooperation Strategy is in line with the overall goal of the Swiss Federal Council's Dispatch on International Cooperation 2017-2021 and the priorities of the Government of Mongolia.

In light of the changing development context, Mongolia's economic potential and a reduced cooperation budget, this strategy will prepare for the transformation of Switzerland's engagement in Mongolia for the period after 2021 in order to respond to the new reality shared by many Upper Middle Income Countries. The AFS domain shall be transformed in order to address climate change issues in rural areas. The VET domain will be phased out over the period 2018-2021. The Governance domain will increase in importance, as transparent, responsive and accountable public institutions are an important precondition for the equitable distribution of benefits from the country's resource wealth. SDC will intensify its activities to address urbanisation challenges, taking into account the nexus between rural and peri-urban areas.

To ensure sustainability and institutionalisation, SDC will pursue a strong alignment with national development priorities, strengthen the capacities of local partners from government and civil society, reinforce policy dialogue, and aim for increased co-financing of government partners. To prepare for the transformation of SDC's engagement in Mongolia, cooperation modalities will increasingly focus on technical assistance and knowledge transfer. SDC will also explore possibilities to engage with the private sector, work through trilateral cooperation projects, and tap into the experiences and know-how of SDC's Global Programmes.

The total budget is expected to be CHF 51.5 million for the entire period. Yearly budgets will reduce from CHF 13.5 million in 2018 to 12 million in 2021.

1 Context Analysis

Mongolia is a huge landlocked country with powerful neighbours in the north (Russia) and south (China) and a small population of 3 million inhabitants. It is a country of extremes with regard to winter/summer temperatures, population density (an average of two people per km²) and uneven population distribution. The sparsely populated countryside contrasts with the capital city, Ulaanbaatar, which is home to almost 1.5 million inhabitants. The city has grown by 70 percent in the last 20 years, and more than 50 percent of its inhabitants are internal migrants.

The country experienced an unprecedented economic boom between 2009 and 2013, with double-digit growth rates, followed by a phase of economic stagnation (1 percent in 2016). This development can mainly be attributed to a poorly diversified economy that is highly dependent on natural resources, and is thus exposed to the volatility of international commodity markets. Mongolia's legal framework is designed to level boom and bust cycles; however, it was poorly enforced during the last boom period, resulting in excessive spending, budget deficits and increasing public debt levels. The current macroeconomic crisis required a three-year IMF Extended Fund Facility package with strong policy reform conditions attached. While

the overall economic outlook for Mongolia remains bright thanks to large deposits of copper, gold, coal, and other minerals, political reforms and fiscal discipline are urgently needed in order to tackle these problems. Building a sustained and diversified basis for economic growth and employment, as well as investments in infrastructure, are of utmost importance.

The democratic Constitution of Mongolia from 1992 has been successful in guiding the transition to democracy by introducing a multi-party system, a market economy and the protection of human rights. Several peaceful government changes between the Mongolian People's Party (MPP) and the Democratic Party (DP) took place. While formal democratic institutions are well established, further consolidation of the rather young democracy is needed as major governance shortcomings persist. Law enforcement is still weak and corruption prevails in many areas, undermining citizens' trust in public institutions and political parties. Political and civic rights are generally respected and a variety of domestic and international human rights groups operate without government restriction. The media sector is relatively free; however, it is marked by a lack of autonomy from political interests and in-depth analysis. Although recent power shifts fol-



lowing the parliamentary elections in 2016 did not entail major changes in government priorities, an unstable and politicised civil service erode the institutional memory and hamper the improvement of public service provision. At the same time, important reform processes contributed in recent years to considerable progress on issues like decentralisation and the judicial system.

With regards to foreign policy, Mongolia has since 1990 embarked on a “third neighbour policy” in order to boost bilateral and multilateral diplomatic relations with countries beyond the two neighbours. The country has also become more active in the international arena and multilateral organisations, and aspires to play an important role as a mediator in the region and, in particular, on the Korean peninsula issue. Mongolia is a member of regional organisations and fora such as the AIB, OSCE and ASEM and has observer status in the Shanghai Cooperation Organisation.

Mongolia has managed to substantially reduce poverty in the past few years, mainly thanks to the economic boom and universal social welfare programmes. The official number of people living below the national poverty line declined from 38.8 percent in 2010 to 21.6 percent in 2014. However, this progress is rather fragile, as poverty increased sharply to 29.6 percent in 2016 as a result of the economic downturn. The poverty rate in rural areas remains higher (34.9 percent) than for urban areas (27.1 percent). However, because of the high urbanisation rate, the majority of poor people today live in urban and peri-urban areas, particularly in the *ger* areas of Ulaanbaatar and provincial centres, where access to basic public services such as water, sanitation, central heating and electricity is often insufficient. The perception of inequality remains high. The richest 20 percent of Mongolia consumes 40 percent of the total national consumption; the poorest 20 percent consumes about 7 percent. The current economic downturn may aggravate the existing gap with a disproportional impact on poor and vulnerable people.

The quality of public services like education and health needs significant improvement. Despite a literacy rate of 97 percent, the quality of education remains low. Disparities in access still exist, in particular with regard to preschool education for rural and peri-urban dwellers as well as people with disabilities. In the health sector, the sparse distribution of the rural population makes it challenging to deliver health care services to rural and remote areas, while the capacity of urban hospitals cannot keep pace with the growth of urban centres. Life expectancy is still low (average 69.89 years; men 66 years, women 74 years) and the prevalence of non-communicable diseases such as cardiovascular diseases and cancer is far above the international average. Access to drinking water remains a challenge in ru-

ral areas and the *ger* areas of Ulaanbaatar, where 60 percent of the residents have to rely on water kiosks for their water supply. The use of improved sanitation facilities in urban areas is 64 percent, and in rural areas 53 percent.

Mongolia ranks 53rd among 188 countries in the Gender Inequality Index. Women benefit generally from equal opportunities; however, their low degree of political participation and exposure to gender-based violence remain a problem. Although women are often more highly educated and represent the majority of the tertiary labour force, they are underrepresented in government and private sector management positions. Only 13 out of 76 seats in the Parliament are held by women. Domestic and gender-based violence is widespread among all segments of society, both in rural and urban areas. Significant disparities in salaries exist. Rural men have lower education levels because they are often taken out of school early to herd livestock.

Mongolia is one of the most vulnerable countries to climate change. The average temperature in Mongolia has increased by 2.1°C since 1940, more than double the rise of average global temperatures. *Dzuds*, a weather phenomenon unique to Mongolia, consisting of summer droughts followed by harsh winters, have repeatedly afflicted Mongolia in recent years, killing millions of livestock and threatening the livelihood of herder families. Climate change, together with overstocking, is among the main causes of rangeland degradation, with 65 percent of the Mongolian rangeland already affected. Water scarcity is increasing and water consumption is expected to exceed available water resources by 2030. In *aimag* (provincial) centres and Ulaanbaatar, air pollution emanating from the use of coal and low-grade heating materials in *ger* areas, as well as traffic, contribute to air pollution levels that are among the highest worldwide, with considerable effects on public health. Air pollutants are known to cause respiratory and cardiovascular diseases leading to premature deaths, and, just like the effects of climate change, results in tremendous economic burden. Water pollution, insufficient sewage systems and poor waste management are other important challenges.

In 2016, the Mongolian Parliament adopted the “Sustainable Development Vision 2030” (SDV 2030), which translates the Sustainable Development Goals to the country’s context and will guide the country in its endeavours to eliminate poverty and achieve sustainable development. Its objectives were further refined in the Government Action Plan 2016-2020. Donors are aligning their strategies with these important policy papers.

2 Swiss Foreign Policy

SDC is the official federal government agency representing Switzerland's development cooperation in Mongolia. SDC started a humanitarian assistance programme in Mongolia in 2001 to support herders affected by a particularly harsh *dzud*. In 2004, SDC opened a Cooperation Office as the humanitarian programme evolved into a development programme. Initially, the main focus was on the sustainable use of natural resources, agricultural development and food security. Over the years, the programme was expanded to include Vocational Education and Training and Governance.

Mongolia and Switzerland enjoy friendly diplomatic relations dating back to 1964. Both countries share common democratic values, and political exchanges take place also at a high level. On the multilateral level, Mongolia is a like-minded state and a partner for cooperation on selective topics. The economic relations with Mongolia are modest, and few Swiss companies are active in Mongolia.

This Swiss Cooperation Strategy in Mongolia is in line with the overall goal of the Swiss Federal Council's Dispatch on International Cooperation 2017-2021 and its strategic objectives. The Dispatch lists Mongolia as one of Swiss development cooperation's priority countries. All three domains of intervention – Agriculture and Food Security, Basic Education and Vocational Training, and Governance – respond to the priorities of the Government of

Mongolia. The Cooperation Strategy focuses on areas in which Switzerland provides added value and has particular credibility and experience.

Given the country's resource wealth and its considerable achievements in poverty reduction, and in the light of current discussions on the nature of SDC's involvement and programmes in Middle Income Countries, this Cooperation Strategy will prepare the ground for a transformation of Switzerland's engagement in Mongolia. During the transformation phase, full attention will be given to the sustainability, institutionalisation and consolidation of current projects and results. At the same time, the portfolio will evolve in order that a post-2021 engagement with a reduced budget and different intervention modalities will be possible or a phasing out can be initiated. A decision will be made in 2019 to ensure coherence with the next Dispatch on International Cooperation. The financial volume of Swiss development assistance to Mongolia will decrease from CHF 13.5 million to 12 million in the period 2018-21.

SDC is actively coordinating its activities with other donors and is building alliances and fostering synergies. The Asian Development Bank and the World Bank Group, as well as most UN agencies, are present in Mongolia. Among the most important bilateral donors are Germany, the European Union, Japan and South Korea.



3 Swiss Results

Swiss cooperation in Mongolia enjoys a high reputation among government counterparts, beneficiaries, international organisations and other donors. It has been lauded for its many successful projects, its strong field presence and its innovative and long-term engagement in sectors of high relevance. As a result, Switzerland is recognised as a key development partner in Mongolia.

During the period of the Cooperation Strategy 2013-2016/17, Switzerland's strategic goal was to contribute to equitable and sustainable social and economic development in Mongolia. Swiss support was focused on three domains: Agriculture and Food Security; Vocational Education and Training; and State Reform, Local Governance and Civic Participation. A special programme to support Sustainable Artisanal Mining (SAM) was also part of that Cooperation Strategy. The total budget over the five-year period amounted to CHF 92 million.

Agriculture and Food Security (AFS)

With its projects to strengthen the agriculture sector, SDC contributed to the diversification of the Mongolian economy. Thanks to the introduction of new high-yielding and early-maturing varieties of potatoes, as well as the development of a local seed-multiplication system, the country has become self-sufficient in potatoes. These positive results have been replicated in the vegetable sector. New adapted varieties were introduced and local seed production doubled.

To protect rangeland and increase the livelihood of herders, SDC supported the establishment of 1,300 pasture-user groups (PUGs), representing more than 42,000 households in 11 out of 21 *aimags*. The PUGs assume important institutional functions, introducing sustainable rangeland management practices, establishing micro-credit schemes, creating linkages with raw material processors and improving winter preparedness, all leading to improved livelihood of herders.

A science-based monitoring system has been introduced to monitor rangeland quality and degradation that is now being used by national agencies. More than 700 rangeland-use agreements (RUAs) were signed between herders and local governments, entitling herders to use pastures and fostering at the same time sustainable rangeland management

practices. Through advocacy and policy dialogue, policymakers are developing a new national Rangeland Protection Law, including the well-established PUG/RUA approach.

Seventy PUG-based cooperatives were supported to implement collective marketing actions in order to increase the income of herders for selected value chains (mainly camel and yak wool). The market links between cooperatives and processing companies were strengthened. SDC also supported the introduction of a livestock insurance system, giving all herders the opportunity to insure their animals against *dzuds*.

New control strategies for important animal diseases (foot-and-mouth disease and brucellosis) were introduced. SDC has been pivotal in the development of the new Animal Health Law, which is in line with international standards. The law was approved by parliament in December 2017. This law and the reorganisation of the Animal Health system is an important condition to allow Mongolia to export livestock products to China, Russia and other markets.

These positive results coupled with its long-term commitment enable SDC to hold a unique position in the agriculture sector, in particular with regards to rangeland management. The main lesson learned is that quality must be improved and market linkages strengthened for the successful marketing of herders' and farmers' products.

Vocational Education and Training (VET)

SDC interventions in the VET sector contributed to improvements in the quality and image of vocational training in the country by training schools' management and teachers, updating the curricula of selected professions, and providing modern equipment and tools. A total of 11 colleges and about 10,800 students were beneficiaries of the collaboration.

SDC worked on the transition from education to the labour market by introducing the concept of career guidance and advising the government on VET and employment promotion legislation, as well as strengthening the effectiveness of the services themselves. SDC was instrumental in demonstrating the value added by close partnerships between the government and private sector. Joint development



of a nationally accepted methodology for curricula development and occupational standards, improved demand-driven approaches of TVET schools, including local VET councils, advisory boards of TVET schools, local public-private platforms for VET, in-company instructors and increased apprenticeships were some of the successful measures introduced with the direct involvement of private sector representatives.

The non-governmental coordination platform in the VET sector supported by SDC was able to provide evidence of improved effectiveness of the sector through better collaboration among implementing partners and the government. As a result of these diversified interventions, employment rates in the target schools increased on average from 53 percent to 66 percent, which is about 10 percent higher than the national average.

In secondary education, the core curriculum was revised in line with the Education for Sustainable Development (ESD) concept and applied to all 628 Mongolian schools by ministerial order. About 27,000 teachers and school administration staff were trained in the new approach, and the textbooks for five subjects were revised. SDC also contributed to the integration of life skills in the curricula of secondary schools.

The main lesson learned is that increased private sector involvement is needed to improve the linkage between the supply and demand sides of labour markets.

State Reform, Local Governance and Civic Participation (GOV)

With its support for the strengthening of local governance in Mongolia, SDC contributed to improved access to and quality of public services at the local level, the strengthening of citizens' participation in decision-making, and the improvement of the legal environment for local governance. SDC has become a leading donor in the field of local governance.

SDC contributed to the introduction of 45 One-Stop Shops (OSS) at the sub-national level, offering a series of public administrative services. In bringing quality public service closer to citizens, the OSS led to efficiency and effectiveness gains in public administration and time savings for citizens. This concept was fully institutionalised and replicated to establish more than 150 OSS by the government with their own funding.

Local self-governing bodies (*khurals*) were revitalised through the training of more than 8,000 local councillors in nationwide induction training, carried out twice following local elections. As a result, local councillors are now capacitated to fulfil their roles, in particular in relation to oversight of executive and participatory decision-making. The leadership capacity of female councillors was strengthened to promote the equal representation of women and men in local councils.

Citizens' and CSOs' participation in local affairs has become a widespread practice as a result of improvements in the quality of public discussions, civic education campaigns and small grant provi-

sions from different projects. Democratic and participatory processes at *bagh* (sub-municipal), *soum* (municipal) and *aimag* (provincial) levels were introduced and implemented in target areas, with the inclusion of marginalised groups such as herders, women and minorities. The capacity of local CSOs to contribute to the improvement of local government performance and accountability was enhanced through technical support and training.

With the Integrated Budget Law (IBL), the Government of Mongolia in 2013 began to transfer block grants to subnational administrative units in the form of Local Development Funds (LDFs). This represents a major step forward in the decentralisation process. With the support of SDC, targeted local governments are now able to manage the entire LDF project cycle in compliance with budget and procurement laws. Moreover, decentralisation is well anchored in national policies and legal instruments, i.e. the State Policy on Decentralisation, which was supported by SDC and adopted in 2016.

The main lesson learned is that policy support alone is insufficient, and that such interventions must be backed with implementation support. In addition, sustainability issues must be addressed from the beginning, for example through the strategic selection of partners who can carry on project interventions.

Sustainable Artisanal Mining Project

For the past decade, SDC has been the only donor in the artisanal mining sector (ASM), which is an important livelihood source for 60,000 to 80,000 rural unemployed in Mongolia. Through the Sustainable Artisanal Mining (SAM) project, SDC supported the formalisation of artisanal mining in Mongolia. Today, artisanal mining is integrated in Mongolia's State Policy Framework of the Minerals Sector (2015), the Law on Mining (2014), the Government

Action Plan 2016-2020, and the Gold II Program of the Government of Mongolia (2017). The newly approved Artisanal Mining Regulation (#151), largely supported by SDC, includes clauses on land access (licenses on about 1,800 ha were issued in 2016 by the government), coordination among government institutions, ASM land rehabilitation, and occupational health and safety measures that are beneficial for artisanal miners.

Thanks to the formalisation of artisanal miners, their average income increased by 55 percent from 2014 to 2015, and by an additional 12 percent in 2016. More than 50 percent of all gold collected by the Bank of Mongolia in 2016 was ASM gold. The project promoted the Fairmined Standard certification and supported ASM NGOs in the process: In 2016, one NGO exported the first kilogram of certified gold (the first NGO in Asia).

The SAM project also contributed to the Minamata Convention to reduce mercury use in ASM. In order to repair environmental damages to the land, SDC introduced the Frugal Rehabilitation Method. As a demonstration, more than 200 ha of abandoned ASM sites were restored with the financial contribution of local authorities.

A Knowledge Hub was created and will be hosted by the Ministry of Mining. This is an important instrument to institutionalise the results and capitalise on the know-how generated, at both national and international levels.

The challenges remaining in the Mongolian ASM sector include the development of effective value chains, reform of the taxation system, the identification of legalised channels for ASM mineral supply chains, and effective enforcement of the new regulations at the local level. In the next two years, SDC will consolidate the results achieved and hand over its interventions to national stakeholders, as the SAM project will be phased out by 2019.



4 Implications

Considering the evolution of the context and the results achieved by SDC so far, the following implications will be taken into account for the new Cooperation Strategy.

In the field of **Agriculture and Food Security**, SDC will scale up, consolidate and eventually complete its two current projects on sustainable rangeland management/animal health and vegetable production. In order to ensure the sustainability of the projects, market orientation, the value chain approach and the capacities of local partners will be strengthened. In view of a possible engagement post-2021, the AFS domain will be transformed in order to address climate change issues in rural areas (mainly rangeland degradation and desertification). Climate change issues in urban areas (including promoting energy efficiency and combatting air pollution) will be addressed in dimensions of mitigation and adaptation and primarily from a governance perspective.

Basic Education and Vocational Training remains relevant, taking into account the relatively high unemployment rate. SDC will focus on the consolidation and sustainability of achieved results in vocational skills development, and the mainstreaming of ESD concepts and their implementation in secondary schools. Influential partners such as the World Bank Group, ADB, the European Union and BMZ will continue supporting the TVET and employment sectors. Considering this, and bearing in mind a reduced cooperation budget, the VET domain will be phased out during the period 2018-2021. This will allow SDC to respond to new challenges and focus on those fields and modalities in which SDC has the greatest added value.

Good governance will remain a priority of SDC. Transparent, responsive and accountable public institutions are a precondition for the equitable distribution of benefits from the country's resource wealth. SDC will increase its activities in this domain, and provide both policy support and assistance for the effective implementation of existing policies and laws, building on Swiss expertise and its comparative advantages. The consolidation of citizens' participation and social accountability mechanisms will be pursued. Sectoral governance interventions in areas of high relevance such as water, waste management, energy efficiency and land governance will contribute to improved public service delivery and thereby back policy interventions with tangible results for poor and vulnerable groups.

The **rapid urbanisation** process, which is the result of diverse economic and social factors, remains highly challenging as migrants from the countryside often settle in *ger* areas, which have become sprawling unplanned neighbourhoods. People living in these areas generally have insufficient and unequal access to basic public services like water, sewage pipelines, central heating and electricity. They are also exposed to severe levels of air pollution to which they themselves substantially contribute. SDC will intensify its activities in urban areas to reach the increasing number of poor urban and peri-urban dwellers, in particular through targeted governance interventions that address service delivery issues and air pollution. At the same time, activities to increase livelihood opportunities and public service delivery in rural areas remain important in reducing the immigration pressure on urban centres. An assessment on internal migration and vulnerabilities will be carried out and will provide evidence for further action. The links between urban and rural areas will be strengthened, for example through the promotion of herders' and farmers' access to markets.

SDC will **strengthen its poverty focus and gender mainstreaming**. This will be achieved through governance interventions that strengthen inclusion, as well as targeted activities in the field of agriculture and employment. The main beneficiaries in rural areas include herders and small-scale farmers, while the focus in urban settlements is on poor individuals such as unregistered migrants, single-headed (often female) households and the unemployed. Poverty assessments will be done to improve planning, implementation and the monitoring of our interventions with regard to poverty and inclusion.

Given the country's resource wealth and the past achievements in poverty reduction, this Cooperation Strategy will prepare the ground for a transformation of SDC's engagement in Mongolia, in accordance with the SDC approach to Upper Middle Income Countries (see Chapter 6 for more details).

5 Priorities and Objectives

The **overall goal** of the Swiss Cooperation Strategy 2018-2021 is to contribute to the empowerment of Mongolian citizens and institutions towards an equitable, green and prosperous society, leaving no one behind. SDC will achieve this goal through interventions in three complementary domains: (1) Agriculture and Food Security; (2) Basic Education and Vocational Training; and (3) Governance.

The proposed strategy builds on the continuity and capitalisation of past and current experience. The consolidation and institutionalisation of previous results will contribute to the sustainability of SDC's intervention. All three proposed domains of intervention respond to the priorities of the Government of Mongolia and are in line with the Dispatch on Switzerland's International Cooperation 2017-2020.

Domain 1: Agriculture and Food Security

Rangeland degradation due to overstocking and climate change directly threatens the livelihood of herder families, which represent 70 percent of the rural population. Diversification of production in the agriculture sector, better animal health and strengthened market links are necessary to increase the competitiveness of Mongolian products and improve the livelihood of herders and small-scale farmers.

The domain goal is to *contribute to green development and better livelihoods for vulnerable rural and peri-urban small-scale farmers and herders in a sustainable manner*. The expected outcomes are: (1) An improved regulatory framework and institutions for sustainable management in agriculture; and (2) Increased income for vulnerable herders and small-scale farmers through improved productivity, quality and market access.

The impact hypothesis is that if herders and farmers in rural and peri-urban areas and their organisations are capacitated and empowered, and if regulatory framework and institutions are improved for green and sustainable development, then the livelihood of small-scale farmers and vulnerable herders will improve. SDC will mainstream and scale up successful community-based models of sustainable rangeland management. In particular, this includes the PUG/RUA approach, which organises herders using the same land into PUGs and promotes the establishment of RUAs. In order to increase the income of vulnera-

ble herders and small-scale farmers, SDC will work on the sustainability of membership-based farmer and herder organisations and cooperatives. Better market access, the introduction of new vegetable varieties, and quality and traceability schemes for selected agricultural products will be supported. The program will continue to build on evidence-based examples from projects to improve the institutional environment and provide implementation support for relevant laws and regulations.

As sustainability and consolidation are the focus of the AFS domain, project-specific exit strategies to hand over responsibility to national partners will be elaborated. At the same time, projects addressing climate change adaptation in rural areas, mainly building on SDC's previous work on rangeland degradation and desertification, will be identified and launched.

Domain 2: Basic Education and Vocational Training

High economic growth in recent years didn't translate into higher employment rates. Unemployment remains high (around 10 percent), in particular for young people (17.4 percent). The key challenges in the sector are linked to the low quality of education and the mismatch between labour market demand and supply.

The domain goal is to *contribute to systemic changes in education and labour markets for increased employment of women and men*. The expected outcomes are: (1) A functioning institutional framework that promotes quality education and better employment is in place; (2) Youth and adults obtain and apply skills for better employment; and (3) The private sector is contributing to a market-oriented VET system.

The impact hypothesis is that if women and men have access to high-quality, demand-driven education and better-performing employment services, they will have more opportunities to find employment and thus improve their livelihood. SDC will continue to support Mongolia in implementing reforms in education (including the application of ESD concepts) and employment systems to strengthen the match between demand (labour market needs) and supply (skilled graduates). Upgrading training programs and the capacity building of teachers/trainers in second-



ary and TVET schools and civil servants in employment services will allow students to obtain the necessary skills for employability, including professional and soft skills. The integration of the private sector into all levels and processes of vocational education remains a priority.

As the domain will be phased out by 2021, an important focus in these last four years will be on the capitalisation of SDC's results and experiences. Moreover, in order to enhance sustainability, SDC will aim for greater ownership of the government through enhanced co-implementation and co-financing in the sector.

Domain 3: Governance

Good governance is, and will remain, one of the country's biggest challenges in order to ensure that all citizens benefit in an equitable and sustainable manner from the country's resource wealth and the expected economic recovery.

The domain goal is to *contribute to accountable and effective national and sub-national government and empowered civil society, both responding to the needs of citizens*. The expected outcomes are: (1) Decentralisation: Improved performance and accountability of local authorities; (2) Democratization: Improved participation of citizens in decision-making, and the improved capacity and social accountability role of CSOs.

The impact hypothesis is that comprehensive capacity building of, and policy support for, national and sub-national governments favouring democratisation and decentralisation reforms will contribute to improved and equitable public service delivery and more inclusive and sustainable development outcomes. SDC will continue its support for the decentralisation reform agenda of the Government of Mongolia through enhanced sectoral interventions (e.g. energy efficiency, land governance, waste management) with the aim of improving public services delivery in rural and urban/peri-urban areas, also benefitting

marginalised groups. Through its support to create an enabling regulatory framework for citizens' engagement and streamlining the application of social accountability mechanisms, SDC will strengthen responsive and accountable decision-making. Efforts to build the capacity of local parliaments and public administration (supply side), as well as citizens and CSOs (demand side), will contribute to the proper functioning of Mongolia's democratic institutions.

In order to enhance results orientation and sustainability, SDC will work towards the institutionalisation of capacity building efforts in partner institutions, continue policy-level support through technical assistance and the provision of Swiss expertise and effective policy dialogue at national and local levels. Climate change and internal migration may become areas of future support in the Governance domain, particularly in peri-urban areas.

Transversal themes: Gender and Governance

Gender and Governance are transversal themes and will be mainstreamed throughout the three domains. Both themes are also part of the overall monitoring and reporting system.

Key gender issues will be addressed in all projects through a focus on equality, equity and inclusion of women and men, as well as the analysis of sex disaggregated data. Equal access to assets and knowledge, and balanced participation in project processes and decision-making are supported. Moreover, a comprehensive intervention to fight gender-based and domestic violence started in 2016 under the Governance domain addressing a key concern in Mongolia.

Governance is a domain in itself and is also treated as a transversal theme. Every domain has an outcome dedicated to improving the institutional framework of the sector. Principles such as accountability, transparency, participation and efficiency will be applied in all SDC activities.

6 Program Implementation and Management of the Strategy

Approach and Modalities

Sustainability, institutionalisation and consolidation will guide the implementation of the Country Strategy. A strong alignment with national development priorities will be pursued, and SDC will strive to work within existing systems. This is considered a guarantor of ownership and sustainability. The capacities of local partners from government and civil society will be strengthened in order to hand them more responsibilities. All current self-implemented projects will be phased out by the end of this Cooperation Strategy. Synergies within the Swiss portfolio and alliances with other donors will be pursued wherever possible. Meetings are held regularly to identify relevant synergies within and among domains.

SDC cooperation modalities will focus increasingly on technical assistance and knowledge transfer in fields where Mongolia demands support and where Switzerland has expertise and experience. Increased co-financing of government partners will be targeted. Policy dialogue will be reinforced, building on evidence-based examples from projects and key policy messages. SDC will also explore possibilities to engage with the private sector and work through trilateral cooperation projects (e.g. China, Mongolia and Switzerland). To address emerging challenges, SDC will tap into the experiences and know-how of

SDC's Global Programmes, such as the Global Programme Climate Change (active in China) and the Global Programme Water (active in Central Asia).

Partners

The program will continue to work with competent Mongolian, Swiss and international implementing partners. This includes governmental organisations at national and sub-national levels, UN organizations and IFIs, CSOs and private sector entities. In terms of policy development and dialogue, Switzerland is committed to develop alliances and advocate for joint donor positions. SDC also remains dedicated to strengthen donor coordination to move from information exchange among donors to coherent policymaking.

Transformation of Swiss Engagement

Despite the economic potential of the country, Mongolia still faces important emerging challenges. This Cooperation Strategy will prepare for the transformation of SDC's engagement to respond to the new reality shared by many Upper Middle Income Countries. In such contexts, knowledge transfer, technical assistance and capacity building will





be more relevant than the amount of concessional finance. After 2021, SDC's focus in Mongolia is expected to be on a few selected fields. This includes governance and global challenges, in particular climate change-related issues (e.g. rangeland degradation in rural areas, air pollution and internal migration in peri-urban areas). Cooperation with the private sector and SDC's global programmes will be intensified. It is envisaged to create "spin-offs" of successful projects implemented by the global programmes through replication and adaptation to the Mongolian context. Their thematic expertise will be matched with the context knowledge of SDC Mongolia, which will (co-)finance tailored interventions. As mentioned, SDC will apply different cooperation modalities and instruments, and capitalise on its role as a knowledge broker to leverage impact. With the Outlook 2020 Global Credit, SDC Mongolia disposes of an important means that enables preparation for this transformation by piloting new areas (such as climate change), modalities (such as technical assistance) and forms of cooperation (such as triangular cooperation). A Cooperation Strategy mid-term review in autumn 2019 will provide more detailed guidance on this transformation or a potential exit.

Funding

The funding allocation for the Cooperation Strategy is expected to be CHF 51.5 million for the entire period, financed by SDC only. Yearly budgets will reduce from CHF 13.5 million in 2018 to 12 million in 2021. Due to forerunning commitments, the allocation for "Other projects" is higher than 10 percent for the first two years of the Strategy, but starting in 2020, it will level down to less than 10 percent. The financial means for project testing and piloting the transformation towards a possible post-2021 engagement are included in the budgets of the GOV and AFS domain.

Planned Disbursements (in million CHF, rounded figures)

Domain of Intervention	2018	2019	2020	2021	Total	%
Governance	3.9	6.3	7.7	7.7	25.6	50%
Agriculture and Food Security	3.9	2.8	2.2	2.2	11.1	22%
Basic Education and Vocational Training	3.7	2.6	1.6	1.6	9.5	18%
Other Projects	2.0	1.8	1.0	0.5	5.3	10%
Total per year	13.5	13.5	12.5	12.0	51.5	100%

7 Strategic Steering

The implementation of the Cooperation Strategy is subject to systematic monitoring and evaluation by the SCO Mongolia. A comprehensive Monitoring and Evaluation System (Annex 4) ensures the relevance, effectiveness and efficiency of the interventions, contributes to documentation and the reporting of results, demonstrates accountability, and allows for steering. Monitoring and evaluation also support continuous learning.

The overall country context will be monitored mainly through the annual MERV (Monitoring System for Development Relevant Changes), which tracks political, economic, social and environmental changes in the country and discusses implications for the programme. It can be complemented by specific political, economic or development analyses by SDC or other observers and actors, such as IFIs, UN and local institutions.

Swiss portfolio and country results are monitored mainly on the basis of the Result Framework (Annex 2). Indicators in the Result Framework include project indicators, national-level indicators from the government strategies, SDC's Aggregated Reference Indicators (ARIs) and standard thematic indicators. Indicators were selected based on criteria of relevance, reliability, practicability and representativeness, and allow for the measurement of and communication about achievements of SDC interventions. An Indicator Glossary is added in Annex 3. The monitoring based on quantitative indicators will be complemented by quality surveys,

assessments and case studies during the Cooperation Strategy period whenever relevant. In addition, the Annual Report is used for steering, reporting and accountability. A monitoring matrix will allow to assess the progress towards achieving expected outcomes in each domain "at a glance". National government agencies' reports and statistics, project partners' reports, discussions with stakeholders and regular field visits will enrich our observations on the Swiss programme.

For each project, an external evaluation is usually planned per project phase, be it a mid-term review or a final assessment, according to needs. For the Cooperation Strategy, a mid-term review is foreseen, which will in particular address the transformation and make recommendations for the future engagement of SDC in Mongolia. The mid-term review will be conducted in autumn 2019 so that strategic decisions will match with the next Dispatch on International Cooperation.

The **Management of the Portfolio by the SCO** is monitored using the Internal Control System (ICS) compliance report, which is submitted every year. This instrument allows for the assessment of SDC's efficiency and compliance, key aspects relating to operational and financial processes, as well as risk, human resources and knowledge management. In addition, specific indicators related to the consolidation and transformation of the program are elaborated in the Result Framework (field 6).



Annex 1: Cooperation Strategy at a Glance

Synopsis of the Swiss Cooperation Strategy 2018-2021		
Overall Goal		
To contribute to the empowerment of Mongolian citizens and institutions towards an equitable, green and prosperous society, leaving no one behind.		
Domains of Intervention		
Agriculture and Food Security	Basic Education and Vocational Training	Governance
Gender equality and governance as transversal themes		
Domain Goals		
To contribute to green development and better livelihoods for vulnerable rural and peri-urban small-scale farmers and herders in a sustainable manner.	To contribute to systemic changes in education and labour markets for increased employment of women and men.	To contribute to accountable and effective national and sub-national government and empowered civil society, both responding to the needs of citizens.
Swiss Contribution		
<ul style="list-style-type: none"> Improved regulatory framework and institutions for sustainable management in agriculture Increased income for vulnerable herders and small-scale farmers in rural and peri-urban areas through improved productivity, quality and market access 	<ul style="list-style-type: none"> A well-functioning institutional framework that promotes quality education and better employment is in place Youth and adults obtain and apply skills for better employment The private sector is contributing to a market-oriented VET system 	<ul style="list-style-type: none"> Decentralisation: Improved performance and accountability of local authorities Democratisation: Improved participation of citizens in decision-making, and improved capacity and social accountability role of CSOs
Budget		
CHF 11.1million	CHF 9.5 million	CHF 25.6 million

Annex 2: Result Framework by Domains

<p>Strategic Goal of SDC 2018-2021: To contribute to the empowerment of Mongolian citizens and institutions, towards an equitable, green and prosperous society, leaving no one behind.</p>		
<p>Domain of intervention 1: Agriculture and Food Security</p> <p>Impact hypothesis: If herders and farmers in rural and peri-urban areas and their organisations are capacitated and empowered, and if regulatory framework and institutions are improved for green and sustainable development, then the livelihood of small-scale farmers and vulnerable herders will improve.</p>		
<p>Domain Goal: To contribute to green development and better livelihoods for vulnerable rural and peri-urban small-scale female and male farmers and herders in a sustainable manner.</p>		
<p>(1) Swiss portfolio outcomes</p> <p>Outcome statement 1:</p> <p>Improved regulatory framework and institutions for sustainable management in agriculture</p> <p>Indicators and data sources</p> <p>1) Number of relevant policies, laws, strategies and plans developed at the national level (Source: National Law Registry) (SDC/ARI-FS2)</p> <p>2) Number of rangeland-use agreements approved by local authorities (Source: GGAHP)</p> <p>3) Increased public investments in rangeland management and the PUG system (Source: GGAHP)</p>	<p>(2) Contribution of Swiss Programme</p> <p>Link between 1 and 3</p> <p>Switzerland contributes to:</p> <ul style="list-style-type: none"> • Improving the legal and institutional environment in agriculture through advocacy and policy dialogues • Mainstreaming and up-scaling of successful models on sustainable rangeland management in national policy <p>These contributions will allow sustainable rangeland management with increased herders' involvement</p> <p>Positive factors/assumptions</p> <ul style="list-style-type: none"> - Increased awareness regarding rangeland degradation among decision-makers and herders - Political willingness for the adoption of a regulatory framework for sustainable management in agriculture (Rangeland Protection and Animal Health laws) - PUG/RUA approach continues to be effective and replicated, and will be recognised in the Rangeland Protection Law <p>Negative factors/risks</p> <ul style="list-style-type: none"> - Irreversible rangeland degradation accelerated due to climate change (drought) - Conflicts of interest between land-user rights for herders, mining industry 	<p>(3) Mongolia development outcomes</p> <p>Outcome statement 1:</p> <p>SDV 2.1.1. Obj. 1: Preserve the gene pool and resilience of pastoral livestock breeding that is adept to climate change, increase productivity, create proper flock structure of livestock in line with grazing capacity, reduce grazing and land deterioration and rehabilitate, adopt international standards in animal disease traceability, inspection and maintenance technology, and develop a livestock sector that is competitive in international markets</p> <p>GAP 2.36. Improve pasture usage and its protection, define its estimates, monitoring and rehabilitation, decrease degradation and desertification and increase herders' involvement in the fight against rodents and insects that harm the quality of hay, and use eco-friendly, advanced methods</p> <p>Country level-indicators:</p> <p>1) Number of private livestock (Source: NSO)</p> <p>2) Percentage of degraded rangeland (Source: NAMEM)</p> <p>3) Share of agriculture in GDP (Source: NSO)</p>

	and crop production industry postpones the adoption of the Rangeland Protection Law	
<p>Outcome statement 2:</p> <p>Increased income for vulnerable herders and small-scale farmers in rural and peri-urban areas through improved productivity, quality and market access</p> <p>Indicators and data sources</p> <p>4) Number of herders and farmers (male/female) with increased income (Source: GGAHP, VEGI) (SDC/ARI-E1)</p> <p>5) Increase in sales of supported cooperatives (Source: VEGI, GGAHP)</p> <p>6) Number of approved vegetable varieties available on local markets (Source: Bulletin of Plant Variety Commission)</p> <p>7) Percentage of PUGs and cooperatives with female leaders (Source: VEGI, GGAHP)</p>	<p>Link between 1 and 3</p> <p>Switzerland contributes to</p> <ul style="list-style-type: none"> • Strengthened membership-based farmer and herder organisations thanks to income-generation activities • Increased production and marketing of vegetables through improved techniques and market access • Improved quality and introduction of traceability schemes for selected products (yak and camel wool, meat) <p>This will allow for a more sustainable, diversified and inclusive agriculture sector</p> <p>Positive factors/assumptions:</p> <ul style="list-style-type: none"> - Commitment of the government to the diversification of the economy remains high - National demand for vegetables continues to increase (due to increased awareness of more balanced nutrition and of continued urbanisation) - International demand for high-quality and certified products is increasing <p>Negative factors/risks:</p> <ul style="list-style-type: none"> - Occurrence of <i>dzud</i>/drought, late/early frosts causing animal mortality and vegetable losses - High fluctuation of raw material prices (cashmere) on international markets - Outbreak of contagious animal diseases 	<p>Outcome statement 2:</p> <p>SDV 2.1.1. Obj. 4. Support the business and economics of herders and herder groups, and small and medium-sized farmers; provide modern techniques, technologies and electricity; and create a financial, economic and legal environment for sustainable production</p> <p>GAP 2.2. Initiate “Healthy food – healthy Mongolian” national programme, “Industrialization 21:100” programme, “National production” programme and “First meat and milk campaign”, and continue implementation of “Atar or fallow campaign III” to ensure the sustainable development of food, agriculture and light industry sectors (including 2.41 and 2.25)</p> <p>Country-level indicators</p> <p>4) The share capital of cooperatives in agricultural sector and the number of members (Source: NSO)</p> <p>5) Export of livestock products (greasy cashmere, processed meat) (Source: NSO)</p> <p>6) Vegetable yield, national average (t/ha) (Source: NSO)</p> <p>7) Vegetable consumption per capita, national average (kg), (Source: NSO)</p>

(4) Lines of intervention (Swiss Programme)

Outcome 1

- Support legal and institutional framework contributing to sustainable and inclusive development in agriculture
- Strengthen national institutions, farmers' and herders' organisations for a sustainable green sector
- Upscale and institutionalise the successful PUG/RUA approach for sustainable rangeland management

Outcome 2

- Support and strengthen farmers' and herders' cooperatives to improve product quality, market access, and, finally, income for their members
- Consolidate and disseminate best practices in collective action and linkages between cooperatives and the private sector
- Introduce and scale up innovations capable of increasing productivity (new varieties) or improving quality (traceability)
- Capacity building of men and women to increase female leadership within the existing organisations and partner institutions
- Promote the production, storage, marketing and consumption of locally grown vegetables

(5) Resources, partnerships (Swiss Programme)

The available budget for the AFS domain is CHF 11.1 million over the four years.

It is allocated to two projects, the Green Gold and Animal Health Consolidation Project (GGAHP) and the Inclusive and Sustainable Vegetable Production and Marketing Project (VEGI). The GGAHP is a self-implemented project which will be phased out by the end of 2020. The Ministry of Food, Agriculture and Light Industry, the Agency for Land Planning, the Agency for Meteorology and Environment, herder CSOs and professional associations are the main partners. The VEGI Project is mandated to the Mongolian Farmers' Association for Rural Development (MFARD), a local NGO. The VEGI policy component is implemented by the FAO.

Strategic Goal of SDC 2018-2021: To contribute to the empowerment of Mongolian citizens and institutions towards an equitable, green and prosperous society, leaving no one behind.

Domain of intervention 2: Basic Education and Vocational Training

Impact hypothesis: If women and men have access to high-quality, demand-driven and sustainability-aware education and better-performing employment services, they will gain employment, improve livelihoods and contribute to a green society.

Domain Goal: To contribute to systemic changes in education and labour markets for the increased employment of women and men.

(1) Swiss portfolio outcomes	(2) Contribution of Swiss Programme	(3) Mongolia development outcomes
<p>Outcome statement 1:</p> <p>A well-functioning institutional framework that promotes quality education and better employment is in place</p> <p>Indicators and data sources:</p> <p>8. Number of approved policy documents and regulations which include a substantial contribution from SDC projects (Source: ESD, VSD, YEP)</p> <p>9. Number of teachers, instructors and/or trainers (male/female) trained in ESD and in technical and/or vocational education (Source: ESD, VSD) (SDC/ARI-EV2)</p> <p>10. Satisfaction of clients on the performance of employment services and the responsiveness to their needs (male/female) (Source: YEP, MoLSP)</p>	<p>Link between 1 and 3</p> <p>Switzerland contributes to</p> <ul style="list-style-type: none"> • Policy work for education and employment reforms • Capacity building of teachers/trainers in secondary and TVET schools and of civil servants in employment services <p>This enables the government to reach its objective for higher educational standards and increased employment</p> <p>Positive factors/assumptions:</p> <ul style="list-style-type: none"> - Quality education and employment creation remain a priority for the government - Official commitment of the government to SDGs and to integrate sustainable development-oriented considerations in education <p>Negative factors/risks:</p> <ul style="list-style-type: none"> - High staff rotation in governmental structures - Budgetary deficit impacting on State social expenditures 	<p>Outcome statement 1:</p> <p>SDV 2.2.3. Obj. 2: Improve the general education system to the international benchmark levels and assure the quality</p> <p>GAP 3.3. Action plan of measures to increase employment among the general population and improve social security and welfare (including 3.3.5 and 3.3.8)</p> <p>Country-level indicators:</p> <p>8. Number of new/amended policies on sustainable development, general secondary and vocational education and the employment sector (Source: MoECSS, MoLSP)</p> <p>9. Number of full-time teachers in secondary and vocational schools (male/female) (Source: NSO)</p> <p>10. Number of job placements (Source: General Office of Labour and Social Welfare)</p>

<p>Outcome statement 2:</p> <p>Youth and adults obtain and apply skills for better employment</p> <p>Indicators and data sources:</p> <p>11. Number of children/youth/adults (male/female) with access to improved vocational skills training and applied ESD (Source: VSD/ESD) (SDC/ARI-EV3)</p> <p>12. Percentage of youth and adult beneficiaries in gainful employment (male/female) (Source: VSD)</p>	<p>Link between 1 and 3</p> <p>Switzerland contributes to</p> <ul style="list-style-type: none"> • Upgrading of training programmes, teaching material and equipment • Improving the responsiveness and relevance of the education system to the demand from employers <p>This will contribute to the reduction of unemployment in the country</p> <p>Positive factors/assumptions:</p> <ul style="list-style-type: none"> - Better public perceptions of TVET <p>Negative factors/risks:</p> <ul style="list-style-type: none"> - Change in education system priorities from “core curriculum model” to “Cambridge model” - Further worsening of the economy will decrease public funding for education sector (including TVET) and slow down the creation of new employment opportunities (including self-employment) 	<p>Outcome statement 2</p> <p>SDV 2.2.1. Obj. 2: Support employment, train the younger generation with proper knowledge and skills to have a decent work and run a private business, and reduce the unemployment rate</p> <p>SDV 2.2.3. Obj. 3: Improve vocational education and training system aligned to development priorities, and equip graduates with strong professional skills</p> <p>Country-level indicators:</p> <p>11. Number of VET students per school year (male/female) (Source: NSO)</p> <p>12. Unemployment rate (male/female) (Source: NSO)</p>
<p>Outcome statement 3:</p> <p>Private sector is contributing to a market-oriented VET system</p> <p>Indicators and data sources:</p> <p>13. Number of cooperation agreements between the private sector and schools (including secondary and TVET) (Source: VSD/ESD)</p> <p>14. Satisfaction of employers with the competencies and skills of the graduates (male/female) (Source: VSD)</p>	<p>Link between 1 and 3</p> <p>Switzerland contributes to</p> <ul style="list-style-type: none"> • Effective collaboration between schools and employers • Better integration of learning and practical application in the workplace • Wider involvement and commitment of the private sector in TVET delivery <p>This will allow schools to better meet the private sector demand for skilled workers, which in turn increases the employment and self-employment of graduates</p> <p>Positive factors/assumptions:</p>	<p>GAP 3.3.9. Provide the necessary conditions to promote cooperation between private sector enterprises and technical and vocational education and training centres</p> <p>GAP 3.4.8. Provide support to enterprises and organisations providing full-time employment to recently graduated inexperienced students</p> <p>GAP 3.4.10. Provide support to young entrepreneurs in start-up businesses (...)</p> <p>Country-level indicators:</p> <p>13. Total funding for employment promotion programmes per annum (MNT) (Source: MoLSP)</p>

	<ul style="list-style-type: none"> - Government plans to promote economic diversification through economic incentives (i.e., tax exemption) to selected sectors <p>Negative factors/risks</p> <ul style="list-style-type: none"> - Due to decreased economic growth, the demand for local qualified professionals becomes stagnant 	<p>14. Youth unemployment rate (male/female) (Source: ILO)</p>
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(4) Lines of intervention (Swiss Programme)

Outcome 1:

- Policy advice to the GoM on educational and employment policies, and on mainstreaming the ESD in secondary school curriculum, textbooks, pre and in-service teacher trainings
- Strengthening the institutional capacities of key ministries (MoECSS, MoET, MoLSP) and government agencies (General Office of Labour and Social Welfare, Institute of Teachers' Professional Development, Institute of Educational Research, Mongolian University of Education, etc.).

Outcome 2:

- Update curricula, training environment and programmes, and upgrade teaching capacities to international standards of competency-based training (CBT) in target TVET schools
- Facilitate the application of ESD principles in school-community engagement with the close collaboration of key stakeholders: local authorities, communities, the private sector, VET schools.

Outcome 3:

- Promote greater integration of the private sector into education by involving them in curricula development, in the advisory boards of schools, school examinations and skills assessments.
- Improve the quality of practical trainings through the system of in-company instructors.
- Further develop a system of job orientation and career guidance to reduce a mismatch in labour markets.
- Facilitate the cooperation of secondary schools with the private sector to improve internships and to implement community development actions.

(5) Resources, partnerships (Swiss Programme)

The available budget for the Basic Education and Vocational Training domain is CHF 9 million over the four years. The VET domain will be phased out.

The domain has a mix of implementation modalities, including mandates and contributions. The Vocational Skills Development project is a contribution to GIZ (the project has a multi-stakeholder approach, including German and Australian development cooperation funds, PPP with German and Mongolian private sectors). The following projects in the domain are mandated to organisations selected through an international bidding process:

- Vocational Education Project Phase 2 (called the Youth Employment Promotion Project) – by the GFA consulting group
- Education for Sustainable Development Project phase 2 – by Consortium of GIZ, Uppsala University, and IZB Zug University

The private sector, local NGOs and specialised agencies are also sub-contracted by the implementers, thus contributing to the capacity-building of local actors.

<p>Strategic Goal of SDC 2018-2021: To contribute to the empowerment of Mongolian citizens and institutions towards an equitable, green and prosperous society, leaving no one behind.</p>		
<p>Domain of Intervention 3: Governance</p> <p>Impact hypothesis: Comprehensive capacity building of, and policy support for national and sub-national government favouring democratisation and decentralisation reforms contribute to improved and equitable public service delivery and more inclusive and sustainable development outcomes.</p>		
<p>Domain Goal: To contribute to accountable and effective national and sub-national government, and empowered civil society, both responding to the needs of citizens.</p>		
<p>(1) Swiss portfolio outcomes</p> <p>Outcome statement 1:</p> <p>Decentralisation: Improved performance and accountability of local authorities</p> <p>Indicators and data sources</p> <p>15. Citizens' assessment of local khurals (parliaments) performance (Source: SRB)</p> <p>16. Annual Performance of Soum Authorities (Source: MoF, APA of SLP3)</p> <p>17. Gender - Representation of women in Parliament (Source: Election results at national and sub-national levels) (SDC/ARI-G3)</p> <p>18. Sexual and gender-based violence (number of victims receiving support) (Source: GBV) (SDC/ARI-G1)</p>	<p>(2) Contribution of Swiss Programme</p> <p>Link between 1 and 3</p> <p>Switzerland contributes to:</p> <ul style="list-style-type: none"> • The decentralisation policy reform of the GoM • Capacity building of national and local authorities, both elected representatives and civil servants • The empowerment of women in political decision-making • Make all local authorities more gender sensitive <p>These contributions will allow the GoM to reach its objective of making governance at the national and local levels more transparent, effective and accountable, and increase women's representation at the decision-making level</p> <p>Positive Factors/assumptions:</p> <ul style="list-style-type: none"> - Supportive legislative and regulatory framework (e.g., Glass Account Law) - Political stability: Stable government and administration for the next four years - Government remains committed to decentralisation reform <p>Negative factors/risks:</p> <ul style="list-style-type: none"> - Economic crisis and tight public resources lead to an absence of co-financing by the government 	<p>(3) Mongolia development outcomes</p> <p>Outcome statement 1:</p> <p>SDV 2.4 - Obj.2: Improve the leadership of civil service organisations at all levels, and develop transparent and accountable governance at the national and local levels, based on public participation and public-private partnership</p> <p>GAP 5.1.7. Improve the implementation of the Law on Gender Equality and increase the representation of women at the decision-making level</p> <p>The National Program on Gender Equality, 2017-2021 – Obj.2.2.5: Develop comprehensive and systematic preventive and care services that advance the elimination of gender-based violence and discrimination</p> <p>Country-level indicators:</p> <p>15. Expenditure of local governments (Source: NSO)</p> <p>16. Wasteful government spending (Source: Global Competitiveness Report)</p> <p>17. Government Effectiveness (Source: WBG)</p> <p>18. Shelters for survivors of gender-based violence (source: MoLSP)</p>

	<ul style="list-style-type: none"> - LDF funds are further cut and/or do not recover in medium term - Risk that the “elite” captures the political system and an increase in corruption 	
<p>Outcome statement 2:</p> <p>Democratisation: Improved participation of citizens in decision-making, and improved capacity and social accountability role of CSOs</p> <p>Indicators and data sources:</p> <p>19. Investment proposals of <i>soums</i> (municipalities) reflect <i>bagh</i> (sub-municipality) priorities (Source: MoF APA indicator 10) (linked to SDC/ARI-GO1)</p> <p>20. Percentage of all CSOs in operation with proven social accountability project implementation experience (Source: MASAM)</p>	<p>Link between 1 and 3</p> <p>Switzerland contributes to:</p> <ul style="list-style-type: none"> • Create an enabling regulatory framework for citizen engagement and CSOs • The empowerment of CSOs and citizens to make them better able to contribute to social accountability <p>These contributions will enable citizens’ participation to be more effective</p> <p>Positive factors/assumptions:</p> <ul style="list-style-type: none"> - Continued political commitment to citizen’s participation - Increasing interest of citizens and CSOs to engage in public affairs, triggered by discontent of people <p>Negative factor/risks:</p> <ul style="list-style-type: none"> - Unequal participation of different segments of society due to socio-economic background - Reduced incentive of citizens’ participation because of significant reduction of LDFs - Risk of politicisation of CSOs 	<p>Outcome statement 2</p> <p>GAP 5.1.4. Implement “People’s governance” programme to support deliberative democracy and citizens’ participation and involvement</p> <p>Country-level indicators:</p> <p>19. Voice and Accountability (Source: WBG)</p> <p>20. Transparency of government policymaking (Source: Global Competitiveness Report)</p>
<p>(4) Lines of intervention (Swiss Programme)</p>		
<p>Outcome 1:</p> <ul style="list-style-type: none"> • Support to the decentralisation reform agenda of the GoM through an enhanced sectoral focus (e.g., water, energy efficiency, land governance) in rural and urban/peri-urban areas • Support for the establishment, delivery and institutionalisation of training programmes for elected representatives and civil servants • Support for improvements in the efficiency and effectiveness of public financial management, planning and monitoring • Build capacity and support the empowerment of women politicians in order to increase women’s participation in decision-making • Strengthen the national capacity to combat gender-based violence, including increased awareness and comprehensive support for victims 		

Outcome 2:

- Improve the legal and regulatory framework on citizens' engagement
- Support the implementation of the already existing legal and policy framework on citizens' engagement through the capacity building of relevant key stakeholders
- Increase awareness on citizens' engagement
- Strengthen the technical and organisational capacities of CSOs and support the application of social accountability mechanisms
- Support the disclosure of relevant information by line ministries and government agencies

(5) Resources, partnerships (Swiss Programme)

The available budget for the Governance domain is CHF 25.6 million over the four years. A mix of implementation modalities is applied, including mandates and contributions. Projects will be co-financing by government counterparts wherever it is relevant and possible to strengthen their ownership. The self-implementation modality of GDP II will end within the Cooperation Strategy period.

Implementing partners include the Ministry of Finance, the Cabinet Secretariat of the Government of Mongolia, the Office of the Parliament of Mongolia, the municipality of Ulaanbaatar city, the Ministry of Justice and Internal Affairs, the National Academy of Governance, the World Bank Group, UNDP, UNFPA, The Asia Foundation and GIZ.

(6) Management Performance Results, including indicators (Swiss Programme)**Performance Result 1: Swiss programme is consolidated - Results and good practices are scaled up and replicated to ensure sustainability**

- Dedicated legacy/exit strategies are approved and implemented for key projects (SAM, GGAHP, VET)
- Capitalisation and documentation of key projects will be carried out Institutionalisation, particularly of capacity building efforts, is promoted throughout the programme
- Financial and human resources of local partners are increased
- Co-financing of government counterparts is increased wherever possible
- Policy dialogue is systematically carried out and is evidence-based
- SDC takes a proactive role in donor coordination
- Synergies between and within domains are promoted

Performance Result 2: The transformation of Switzerland's engagement is prepared

- Projects in cooperation with global programmes on water and climate change are approved and implemented
- New cooperation modalities and instruments are piloted and successful pilots will be scaled up (e.g., trilateral cooperation, engagement with the private sector)
- Increased focus on technical assistance and knowledge transfer
- Opportunities for interventions in peri-urban area are identified and carried out
- The thematic concentration of the programme will be increased, focusing on governance and global challenges
- Social inclusion and poverty dimension will continue to be addressed in the design, implementation and monitoring of all projects
- Policy dialogue will systematically include poverty, gender and inclusion

Annex 3: Indicator Glossary

Indicator 1	Number of relevant policies, laws, strategies and plans developed at national level (ARI-FS2)	Country Indicator 1	Number of private livestock
Definition	Laws, policies, strategies and plans on agriculture-related issues are renewed (including Rangeland Protection, Animal Health, Cooperatives, Seeds and Varieties)	Definition	Actual number of privately owned livestock, nationwide
Baseline	1 (2017)	Baseline	60.5 million head (2016)
Target	4	Target	Not available
Source	National Registry of Laws www.legalinfo.mn	Source	NSO
Collection Method	Review of laws, policies, strategies and plans	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 2	Number of Rangeland-use agreements (RUAs) approved by local authorities	Country Indicator 2	Percentage of degraded rangeland
Definition	RUAs registered in the national database, disaggregated by <i>aimags</i>	Definition	Percentage of rangeland altered with respect to the plant species composition of the reference communities for the matched ecological site groups, nationwide
Baseline	700 RUA (2017)	Baseline	65% (2015)
Target	1100 RUA (2020)	Target	Not available
Source	GGAHP	Source	NAMEM
Collection Method	Project/ Administration of Land Affairs, Geodesy and Cartography (ALAGAC) database	Collection Method	1500 observation plots
Periodicity	Annual	Periodicity	Publication every 2 years

Indicator 3	Increased public investments in rangeland management and the PUG system	Country Indicator 3	Share of agriculture in GDP
Definition	Change of public investments at the <i>aimag</i> level directed towards rangeland management	Definition	Gross Domestic Product (GDP) of agriculture, forestry and fishing in relation to national GDP
Baseline	tbd	Baseline	10.7% (2015)
Target	+ 20% (2020)	Target	Not available
Source	GGAHP	Source	NSO
Collection Method	Projects	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 4	Number of herders and farmers (male/female) with increased income (ARI-E1)	Country Indicator 4	The share capital of cooperatives in agricultural sector and number of members
Definition	Number of herders and farmers who are part of a cooperative with increased turnover per cooperative member, compared with previous reporting period	Definition	Total amount of stakeholders' capital (in MNT) and number of members listed in the business register of NSO, in the agriculture sector
Baseline	Not available	Baseline	MNT 12,359.8 million 17,026 members (2015)
Target	Tbd by end 2017	Target	Not available
Source	GGAHP	Source	NSO
Collection Method	Cooperative Accounts	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 5	Increase of sales of supported cooperatives	Country Indicator 5	Export of livestock products (greasy cashmere; processed meat)
Definition	Change of total sales of supported cooperatives, compared with the previous reporting period	Definition	Amount of greasy cashmere and processed meat exported, in tonnes
Baseline	Tbd by end 2017	Baseline	Greasy cashmere: 4,988 t Processed Meat: 4.7 ths.t (2015)
Target	+30% (2020)	Target	Not available
Source	VEGI, GGAHP	Source	NSO
Collection Method	Project	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 6	Number of approved vegetable varieties available on local markets	Country Indicator 6	Vegetable yield, national average (t/ha)
Definition	Vegetable varieties approved by the national Plant Variety Commission and available on local markets	Definition	Average production of vegetables per hectare, in metric tonnes
Baseline	2 (2017)	Baseline	9.4 th.t per ha (2015)
Target	8 (2019)	Target	Not available
Source	VEGI	Source	NSO
Collection Method	Bulletin of Plant Variety Commission	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 7	Percentage of Pasture-user groups (PUGs) and cooperatives with female leaders	Country Indicator 7	Vegetable consumption per capita, national average (kg)
Definition	Percentage of PUGs and cooperatives established with project support that are headed by a women	Definition	Consumption of vegetables per person and annum in kg
Baseline	27% (2017)	Baseline	58 kg (2015)
Target	35% (2020)	Target	70 kg (2020)
Source	GGAHP, VEGI	Source	NSO
Collection Method	Project	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 8	Number of approved policy documents and regulations which include a substantial contribution from SDC projects	Country Indicator 8	Number of new/amended policies on sustainable development, general secondary and vocational education and employment sector
Definition	Aggregated number of policy documents (laws, state policies, policy regulations that have been approved by the GoM or Parliament) that support ESD application, improve TVET quality and improve the employment of youth	Definition	Aggregated number of laws, state policies, policy regulations that have been approved by the GoM or Parliament in ESD, sustainable development, green development and aimed at improving the quality of TVET and employment services
Baseline	3 (2016)	Baseline	tbd
Target	8 (2020)	Target	Not available
Source	ESD, VSD, YEP	Source	MoECSS, MoLSP
Collection Method	Projects reports	Collection Method	Sector surveys, analysis
Periodicity	Annual	Periodicity	Annual

Indicator 9	Number of teachers, instructors and/or trainers (male/female) trained in ESD and in technical and/or vocational education (ARI-EV2)	Country Indicator 9	Number of full-time teachers in secondary and vocational schools (male/female)
Definition	Aggregated number of teachers, instructors and/or trainers in general secondary schools trained in the application of ESD, and teachers, instructors and/or trainers of TVET (including in-company instructors) trained in renewed/re-qualification courses/trainings.	Definition	Aggregated number of full-time teachers in general secondary schools and full-time teachers in TVET
Baseline	ESD: 21,600 (2016) VSD: 848 (2016)	Baseline	30,994 (female 24'741) 28,490 (81% female) in general education schools; 2,504 (65% female)
Target	ESD: advanced training for 2,500 (2020) VSD: + 10% (2019)	Target	Not available
Source	ESD, VSD	Source	NSO
Collection Method	Projects reports	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 10	Satisfaction of clients on the performance of employment services and the responsiveness to their needs (male/female)	Country Indicator 10	Number of job placements
Definition	Percentage of the clients who are satisfied with received services	Definition	Number of clients of employment services who got a job through job-placement services
Baseline	No baseline available	Baseline	32,219 (2015)
Target	80% (2019)	Target	Not available
Source	YEP, jointly with MoLSP	Source	General Office of Labour and Social Welfare (GOLSW)
Collection Method	Evaluation forms	Collection Method	Labour force survey methodology of GOLSW
Periodicity	Annual	Periodicity	Annual

Indicator 11	Number of children/youth/adults (male/female) with access to improved vocational skills and applied ESD (ARI-EV3)	Country Indicator 11	Number of VET students per school year (male/female)
Definition	Aggregated number of: i) Students in target occupations of VSD; ii) Adults trained in skills trainings; iii) Schoolchildren in general education schools where ESD is applied	Definition	Absolute number of students in TVET
Baseline	Students in target occupations: 754; Adults trained in Short term skills training: 1403; ESD: About 300,000 students nationwide (2016)	Baseline	42'675 (2015)
Target	VSD: + 20% (2019) ESD: About 500,000 students nationwide	Target	2020: 60,000
Source	VSD, ESD	Source	NSO
Collection Method	Projects reports	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 12	Percentage of youth and adult beneficiaries in gainful employment (male/female)	Country Indicator 12	Unemployment rate (male/female)
Definition	Percentage of the total number of graduates who are employed within six months of completing the training (employee wage to be 10% above the minimum wage), or are enrolled in further trainings	Definition	The number of unemployed people as a percentage of the working age population
Baseline	34% (females 16%) (2016)	Baseline	7.5% (2015, NSO)
Target	60% (females 20%) (2019)	Target	2020: 6% (target of GoM)
Source	VSD	Source	NSO
Collection Method	Tracer studies to be conducted within six months of graduation	Collection Method	NSO methodology
Periodicity	Annual	Periodicity	Annual

Indicator 13	Number of cooperation agreements between private sector and schools (including secondary and TVET)	Country Indicator 13	Total funding for employment promotion programmes per annum (MNT)
Definition	Number of cooperation agreements concluded between private sector and TVET schools; number of cooperation agreements concluded between secondary schools and the private sector	Definition	Volume of funds allocated from the Employment Promotion Fund for implementing public employment promotion programmes
Baseline	VSD: 28 (2016) ESD: 0	Baseline	26'665 Mio MNT for 6 employment promotion programmes
Target	VSD: 56 (2019) ESD: 40 (2020)	Target	Not available
Source	ESD, VSD	Source	MoLSP
Collection Method	Projects reports	Collection Method	Sector report
Periodicity	Annual	Periodicity	Annual

Indicator 14	Satisfaction of employers with the competencies and skills of the graduates	Country Indicator 14	Youth unemployed rate (male/female)
Definition	Percentage of employers cooperating with schools, who confirm that the vocational education and training responds to their needs in terms of content and organisation	Definition	Percentage of youth employed to the total labour force aged 15-24
Baseline	53% (2016)	Baseline	17.4% (2014)
Target	65% (2019)	Target	Not available
Source	VSD Project	Source	ILO
Collection Method	Project report (survey)	Collection Method	ILO, STAT database
Periodicity	Annual	Periodicity	Annual

Indicator 15	Citizens' assessment on the local khural performance	Country Indicator 15	Expenditure of local governments
Definition	Percentage citizens who assessed local khural performance as "very good" and "good"	Definition	Percentage of local government expenditure as a share of total government expenditure
Baseline	UB 18.4%; Rural 27.3% (2015)	Baseline	2015: 29%
Target	UB 30%; Rural 40% (2019)	Target	Not available
Source	SRB	Source	NSO
Collection Method	Public perception survey	Collection Method	Mongolian Statistics yearbook
Periodicity	Every 3 years	Periodicity	Annual

Indicator 16	Annual Performance of Soum Authorities	Country Indicator 16	Wasteful Government Spending
Definition	Average Annual Performance Assessment score of <i>soums</i> calculated based on 8 core criteria	Definition	Wasteful government spending is assessed on a 1-to-7 scale and the country is ranked among 144 countries.

Baseline	31.4% (2016)	Baseline	Score 3.3, ranked in 120th position among 144 countries (2015-2016)
Target	40% (2017) 50% (2018) 60% (2019)	Target	Not available
Source	MoF	Source	The Global Competitiveness Report
Collection Method	MoF Annual Performance Assessment of <i>Soums</i> (APA)	Collection Method	Assessment on economic competitiveness
Periodicity	Annual	Periodicity	Annual

Indicator 17	Gender – Representation of women in politics (ARI-G3)	Country Indicator 17	Government Effectiveness
Definition	Proportion of seats held by women in national Parliament and sub-national elected offices	Definition	Perceptions of the quality of public services and the quality of the civil service
Baseline	14.5% national level 27.3% local level (2015)	Baseline	Value -0.40, ranked in 40th position among 214 countries (2015-2016)
Target	30% national level 40% local level	Target	not available
Source	Official election results	Source	WBG
Collection Method	Official election results	Collection Method	The Worldwide Governance Indicators (WGI)
Periodicity	Every 4 years	Periodicity	Annual

Indicator 18	Sexual and Gender Based Violence (ARI-G1)	Country Indicator 18	Shelters for survivors of gender-based violence
Definition	Number of persons (male/female) - subjected to physical, sexual or psychological violence - having received psychosocial, medical and/or legal support by visiting One-Stop Service Centres (OSSCs) for GBV	Definition	Number of shelters established for survivors of violence at <i>aimag</i> , city and district levels
Baseline	tbd after national survey	Baseline	10 in 2015
Target	tbd	Target	20 in 2019 30 in 2021
Source	GBV	Source	Indicator 12 (National Programme on Gender Equality 2017-2021)
Collection Method	MoH and MoJIA report, integrated database on GBV and baseline of OSSCs	Collection Method	Reports and decisions from MoJIA, Crime Prevention Council, MoF, National Commission on Gender Equality, sub-national administrations, khurals and NGOs
Periodicity	Annual	Periodicity	Annual

Indicator 19	Investment proposals of <i>soums</i> (municipalities) reflect <i>bagh</i> (sub-municipality) priorities (ARI-GO1)	Country Indicator 19	Voice and Accountability
Definition	Percentage of investment decisions of <i>soums</i> that reflect <i>bagh</i> meeting decisions	Definition	Perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media
Baseline	Average 39% The best <i>aimag</i> has 100% and the worst 0% (2016)	Baseline	Value -0.24, ranked in 56th position among 214 countries (2015-2016)
Target	50% (2017) 55% (2018) 60% (2019)	Target	Not available

Source	MoF APA, Indicator 10	Source	WBG
Collection Method	MoF and SLP3	Collection Method	The Worldwide Governance Indicators (WGI)
Periodicity	Annual	Periodicity	Annual

Indicator 20	Percentage of all CSOs in operation with proven social accountability project implementation experience	Country Indicator 20	Transparency of government policymaking
Definition	Percentage of all CSOs in operation with proven social accountability project implementation experience	Definition	Transparency of government policymaking assessed on a 1-to-7 scale and the country is ranked among 144 countries
Baseline	44.2% of all CSOs in operation had implemented SA projects (2016)	Baseline	Score 4.1, ranked in 69 th position among 144 countries (2015-2016)
Target	50% of all CSOs in operation have SA project implementation experience (2019)	Target	Not available
Source	MASAM	Source	The Global Competitiveness Report
Collection Method	CSOs survey and project annual report	Collection Method	Assessment on economic competitiveness
Periodicity	Annual	Periodicity	Annual

Annex 4: Monitoring System

Dimension	Monitoring area	Instrument	Periodicity
Country context	Overall country context relevant for the CS	MERV	Annually: September
Swiss portfolio	<ul style="list-style-type: none"> • Swiss portfolio outcomes • Country development outcomes • Transversal themes 	Domains' Quarterly reports	Quarterly: March, June, September (AR), January (kick-off)
		Annual programme review (APR) with partners	Annually: September
		Monitoring matrix	Annually: September
		Annual report	Annually: October
		Country Strategy Mid-term review	Once per strategy: Autumn 2019
		Project reviews	Once per project phase (mid-term or end review)
Management	SCO efficiency and compliance	ICS compliance report	Annually: September
		External audit	Annually: March-April

Annex 5: Financial Planning

Planned Disbursements (in million CHF, rounded figures)

Domain of Intervention	2018	2019	2020	2021	Total	%
Governance	3.9	6.3	7.7	7.7	25.6	50%
Agriculture and Food Security	3.9	2.8	2.2	2.2	11.1	22%
Basic Education and Vocational Training	3.7	2.6	1.6	1.6	9.5	18%
Other Projects	2.0	1.8	1.0	0.5	5.3	10%
Total per year	13.5	13.5	12.5	12.0	51.5	100%

Annex 6: Glossary

Aimag	Province; first level of administrative subdivision in Mongolia (21 <i>aimags</i> in total)
Bagh	Sub-municipality; third level of administrative subdivision (<i>soums</i> are divided into <i>baghs</i>)
Dzud	Weather phenomenon unique to Mongolia consisting of summer drought followed by harsh winters, in which a large number of livestock die
Ger	Portable, round tents covered with skins or felt that are used as a dwelling by nomads on the steppes of Mongolia and Central Asia
Khural	Parliament at national (State Great Khural) and sub-national level (Citizens' Representative Khurals)
Soum	Municipality; second level of administrative subdivision (<i>aimags</i> are divided into <i>soums</i>)

Annex 7: Map of Mongolia



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