



**MONGOLIA**

**EU COUNTRY ROADMAP FOR  
ENGAGEMENT WITH CIVIL SOCIETY**

**(Abstracts – Public Version)**

**2014 - 2017**

**- update June 2016 -**

# 1 STATE OF CIVIL SOCIETY

## 1.1 ENABLING ENVIRONMENT

Mongolia is a landlocked country situated between China and Russia, with a population of just under 3 million. It has still high levels of poverty though it is making significant strides to reduce it. Over the past 20 years, Mongolia has experienced its fastest economic growth period on the back of strong mineral extractions and exports. However, its macroeconomic outlook has been clouded by growing external imbalances, which have been exacerbated by the recent drop in investor confidence, caused inter alia by dispute between a foreign investor and the Mongolian State in the mining sector. Moreover, there have been deteriorations in the control of government spending, with the debt ceiling set by parliament having been surpassed by over 10% of GDP, causing a twin deficit in the current and fiscal accounts. Finally, the World Bank Governance Indicators also point out a poor level of government effectiveness in Mongolia with limited institutional capacities, and confirm the difficulties in controlling corruption.

The economic growth of the past decades has supported social transfers and better social insurance benefits sharing for the people of Mongolia. According to the last figure, the poverty rate in Mongolia stood at 21.6% in 2014, down from 27.4% in 2012 and driven by the continued growth in livestock incomes, pensions and real wages. Although progress has been made in the past years on several Millennium Development Goals (MDGs), significant regional & social disparities prevail, in particular in rural areas. Nevertheless, rural areas saw the fastest poverty decline, dropping by 9 percentage points and accounted for more than half the reduction in poverty rate between 2012 and 2014. This reduction in poverty was because of continued growth in livestock incomes in the Highland regions especially.

Mongolia constitutes a positive role model in Central Asia - with a multiparty system, media and a strong and active civil society. The legal framework to effectively involve CSOs in the elaboration of national and sectoral policies is good enough (easy registration process, bank account opening, tax exemption etc.). In the recent years, the Parliament of Mongolia has passed some laws to ensure public participation (e.g. General Law on Administration, Law on Legislation). The authorities are open to CSOs to draft laws, action plan and some policy papers. However, the implementation of these laws is really weak and the commitment of the government to effectively involve CSOs is rather low. On 29 June 2016 Mongolians have elected a new Parliament. There is the need to observe carefully if changes will happen in the coming months.

Despite there are no particular limitations to freedom of expression and association in Mongolia and the basic legal rights of civil society, including the rights to exercise freedoms of expression, assembly and association, are protected in the Constitution of Mongolia, several topics are still sensitive (mining, some environmental issues or specific human rights issues). For instance, concerning the access to public information, the legal framework is satisfying but has several regimes of exemptions. Much public information is hidden. In addition, journalists are highly self-censored and HRDs are not safe and not protected from reporting on issues of public concern or disclosing public interest information. Legally, the CSOs should be consulted during the preparation of policies before any adoption by the government / parliament, but this law (on development planning) is not always/often well enforced.

## 1.2 PARTICIPATION AND ROLES

Mongolia remains a centralised country with scattered population outside the capital city, making outreach by CSOs at provincial and local level extremely difficult.

Mongolia is divided into 21 Aimags (provinces) which are subdivided into sums (districts) and bags (subdistricts). The provinces are headed by governors, appointed by the prime minister, and local assembly (khural) chairmen, elected in local government elections, held every four years. Local authorities do not have a relevant role in Mongolia, mainly due to the fact that two thirds of the population live in the three main cities (of which about 50% of the total in the Capital Ulaanbaatar). The remaining third of the population (less than one million people) live scattered through an area that is more than the double of France, making it the least densely populated country in the world.

In this context, it is clear that the decision process is very much focused in the central authorities and the resources are mostly invested in the capital and its surroundings. This is also true for the functioning of civil society organisations, which have difficulties to reach out outside the capital city.

An Aimag or Sum local authority office often consists of two to ten people, with limited administrative capacities, who receive from the central government almost exclusively the budget covering their salaries. Social workers, dispatched by central authorities and employed by the public administration, often work on other administrative tasks rather than on their core assignments.

A recent law has granted more budgetary power and resources to local authorities, but this is limited to the availability of some small funds to be used for selected micro-projects and, in most cases, Mongolian local authorities have also problems in absorbing and managing such limited amounts.

For this reason, it is advisable to maintain the approach adopted in the past, of assisting local authorities via CSO, rather than directly contracting local authorities to manage EU thematic programs funds. However, such projects should also help local authorities to build capacity.

## 1.3 CAPACITY

While there are no particular limitations to freedom of expression and association in Mongolia, local Civil Society Organisations (CSOs) have not yet reached an efficient organisation and representation, and need capacity building in order to be able to involve themselves better in the main decision process.

There are a few larger CSO organisations that are operationally able to manage EU financed development projects. Mongolian CSOs are structurally small. Most of the NGOs have less than 10 staff members. National NGOS with more than 10 staffs are either funded by the EU or receive EU grants (for instance Caritas Mongolia and Caritas Czech Republic).

Nevertheless, some have the capacities to engage in policy advocacy, at least in some sectors we support in the frame of EIDHR like Persons with Disabilities (PwD), human trafficking, LGBT.

Most of other local organisations are very small, - sometimes single person entities - providing commendable efforts, but often of limited interest for the broader community.

Also, coordination between Mongolian CSOs is limited, partnership among CSOs difficult to establish and networking difficult to implement. CSOs have very limited access to public finance, especially to local finance. Therefore, the financial situation of CSOs is overly dependent vis-a-vis of international donors.

However, some Mongolian CSOs have been able to develop their capacities to conduct researches and engage in effective advocacy and outreach, including the most vulnerable segments of the population.

Despite their role and their growing leadership in the implementation of local development strategy in the context of a (slow) decentralisation process, Local Authorities have still few capacities (human, financial, skills...).

They work in thematic groups like human trafficking or PwD and participate in regional and international networks and platforms, which are supported by external funding sources.

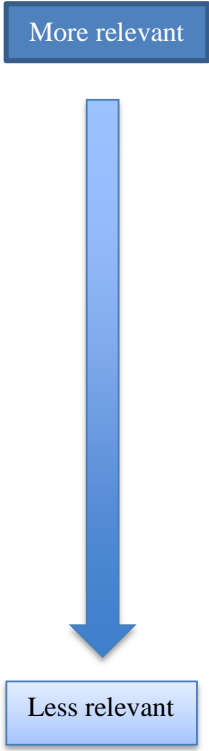
## 2 CURRENT EU ENGAGEMENT

### 2.1 STRUCTURED EU DIALOGUE WITH CIVIL SOCIETY

The European Union keeps constant discussion with CSOs in Mongolia, despite the fact there is no Delegation established in Ulaanbaatar. The implementation modality is through Grant contracts, awarded via Restricted Calls for Proposals. Information sessions with CSOs are regularly held at the occasion of the launch of Calls for Proposals for the thematic financial instruments currently available for Mongolia. It was also informed by the work done for the elaboration of the Mongolia Human Rights Strategy.

This Roadmap is the result of an active participation of civil society organisations in Mongolia. In June 2014, under the partnership between EU and different organisations, a constructive SWOT analysis, which identified strengths, weaknesses, opportunities and threats for CSOs in Mongolia, had been introduced in the EU Roadmap for engagement with Civil Society in Mongolia.

As a follow-up, a survey aiming to assess the evolution of NGOs' working environment in Mongolia in a changing political and economic context has been undertaken in May 2016. The survey was sent to 100 persons working for different CSOs in Mongolia and 23 answered. The survey gave the following results:

	<b>Strengths</b> <ul style="list-style-type: none"> <li>• <b>Capacity to empower people in some areas of intervention(→)</b></li> <li>• <b>Know-how on Environment Field and Advocacy in some areas(↑5)</b></li> <li>• <b>Good know-how to reach vulnerable population(↑1)</b></li> <li>• <b>Quite large and experienced MNG CSO (↓1)</b></li> <li>• <b>Good collaboration International/National CSO(→)</b></li> <li>• <b>Affiliation with business association (new)</b></li> <li>• <del>Freedom of expression within clear legal FW for CSO</del></li> <li>• <del>Good coordination existing with Government in some instances</del></li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>• <b>Limited funds available, especially from national source(↑1)</b></li> <li>• <b>Poor participation at Policy level(↓1)</b></li> <li>• <b>Lack of coordination in some areas(→)</b></li> <li>• <b>Weak Lobbying power(↓3)</b></li> <li>• <b>Limited accountability of received funds mainly due to global (but not specific) weak capacities and sustainability (↓1)</b></li> <li>• <b>Partnership among CSO difficult to establish(→)</b></li> <li>• <b>Limited public awareness about role of CSO in MNG(→)</b></li> </ul>
	<b>Opportunities</b> <ul style="list-style-type: none"> <li>• <b>CSO more present at decision making at policy level(↑1)</b></li> <li>• <b>Increasing collaboration with INGO/Local CSO(↑2)</b></li> <li>• <b>Increasing CSO capacities (not for all types of CSO) (↑2)</b></li> <li>• <b>Existing networks(↑2)</b></li> <li>• <b>Increasing collaboration with central government and local authority(↓2)</b></li> <li>• <b>Improvement of CSOs legal framework(→)</b></li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>• <b>Too much reliant on international funding(↑3)</b></li> <li>• <b>Corruption(↑4)</b></li> <li>• <b>Unstable economic situation(↑2)</b></li> <li>• <b>Lack of support from the general public(↑5)</b></li> <li>• <b>Pressure on CSOs in some sectors (mining, local level) (↑2)</b></li> <li>• <b>not clear role and mandate (vis à vis private sector and government) (↓3)</b></li> <li>• <b>Link with some political organisation (point of attention) (→)</b></li> <li>• <b>Competition among CSO (with negative effects on coordination among activity results) (↑2)</b></li> </ul>

	<ul style="list-style-type: none"> <li>• <del>MNG CSO not yet mature</del></li> <li>• <del>Legal framework for CSO may change (CSO law to be amended)</del></li> </ul>
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According to the updated SWOT, the working environment of CSOs has been deteriorating in Mongolia. Two important strengths (freedom of expression and good relationship with the government) are not relevant anymore. In addition, all the weaknesses identified in 2014 are still considered as relevant or extremely relevant for more than 70% of the responders.

## 2.2 POLICY DIALOGUE FOR AN ENABLING ENVIRONMENT

The Partnership and Cooperation Agreement (PCA) between Mongolia, the European Union (EU) and, its Member States was signed in April 2013. The PCA opens new, broad possibilities of cooperation in many different fields, including political dialogue, human rights, development, trade and investment, agriculture, people-to-people contacts, energy, environment and climate change.

The EU is committed to assist Mongolia in the consolidation of its Democracy and Market Economy. The EU has responded to the request of the Mongolian Government to assist the country in its modernization through the adoption of EU principles, norms and standards.

In line with the changing economic and social landscape in Mongolia, the EU development cooperation focal sector has moved from Rural Development in 2007-2010 to Human Resources Development in Rural Areas in 2011-2013.

For the period 2014-2020, the EU development cooperation will assist Mongolia in finding a more balanced and greener model of growth. Transparency and accountability of revenue generation and public spending are part of the solution, but the country also needs to put in place mechanisms to spread the benefits among the population. Investments in the social reform sector will be needed to ensure a more equitable and inclusive growth. Further attention must be given to the education system (including in vocational education), with the aim to work towards the diversification of the economy by creating skilled jobs and decent work outside the mining sector.

The two focal sectors for the country have been defined accordingly:

- ☐ Improved governance of revenues for inclusive and sustainable growth
- ☐ Support for better employment opportunities

The EU is also in the process of establishing a formal Dialogue with Mongolia on Human Rights. Aspects of relevance to CSOs will be taken into account in its elaboration.

## 2.3 MAINSTREAMING CIVIL SOCIETY

In the past, the EU Delegation has mostly relied on European NGOs, partnering with local CSOs, for a dialogue with civil society and for the implementation of projects funded by the Non State Actors (NSA) thematic budget-line. The partnership with both local CSOs and local authorities (LA) has been a requirement for European organisations in the guidelines of the Calls for Proposals published by the EUDEL, in order to access EU grants in Mongolia.

This approach has proved to be appropriate and functional to the strengthening of local CSOs and local authorities with regards to the means at the EUDEL disposal (country managed remotely from Beijing, China). Moreover, the dialogue with local civil society has substantially intensified

during the 2011-2014 period. This presence is, however, still relying on the frequency of missions in the country. A long-term presence of the EU in Mongolia would definitely increase the relations and dialogue with CSOs.

The EUDEL will mainstream Civil Society in the upcoming implementation of the MIP 2014-2020, within the 2 focal sectors. Opportunity and implementation modalities will be assessed case by case only, in each project design.

Local Authorities do not have the linguistic and administrative skills to apply under EU Calls for Proposals. It is suggested to maintain, like in the past, the focus on CSOs without allocating funds for LA, as was done in the 2011-2013 period. However, the partnership with LAs should remain an essential requirement to CSOs implementing projects in the framework of this thematic instrument.

## **2.4 COORDINATION**

Coordination is being addressed through the support of and cooperation with EU Member States present in Ulaanbaatar. Regular coordination meetings are also held with Beijing-based EU MS Embassies through the Mongolia Co-ordination Group.

However, since the EUDEL is based in Beijing, receiving up-to-date information, organising genuine discussions and coordinating remain a challenge.

## **2.5 LESSONS LEARNT**

The feedback received by the CSOs was positive and confirmed the relevance of the approach and priorities proposed by the Delegation. The main messages to be retained as an outcome of the consultation process are the following (updated in 2016):

1. Domestic fund is still limited, external donors are still the main source of funding, especially in remote and suburban areas, with the provisions of some specific services and opportunities;
2. Mongolian Civil Society still has a limited strategic vision and political weight, capacity building and networking development need to be strengthened;
3. A lot remains to be done for organising Local Authorities in a country which is still extremely centralised, with unstable political and economic status, making advocacy by CSOs often useless;
4. Civil society and local authorities in Mongolia are not yet mature to afford a complete switch from basic service providing to an active role in the 'governance' process and need to be supported in their growth;
5. For local CSOs, International CSOs remain an important partner to provide credibility and independence in the dialogue with authorities;
6. There is a need for public awareness and dialogue with and advocacy towards the government concerning the role of CSOs so as to build mutual trust.

## **Annex I**

### **SWOT analysis proposed by CSO in Mongolia on the 24<sup>th</sup> of June 2014 in Ulaanbaatar**

<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>• Capacity to empower people</li> <li>• Freedom of expression within clear legal FW for CSO</li> <li>• Quite large and experienced MNG CSO</li> <li>• Good know-how to reach vulnerable population</li> <li>• Good coordination existing with Government in some instances</li> <li>• Good collaboration International/National CSO</li> <li>• Know-how on Environment Field and Advocacy in some areas</li> </ul>	<ul style="list-style-type: none"> <li>• Weak Lobbying power which leads to poor participation at Policy level</li> <li>• Limited funds available, especially from national source</li> <li>• Lack of coordination in some areas</li> <li>• Limited accountability of received funds mainly due to global (but not specific) weak capacities and sustainability</li> <li>• Weak coordination among CSO</li> <li>• Networking difficult to implement</li> <li>• Partnership among CSO difficult to establish</li> <li>• Limited public awareness about role of CSO in MNG</li> <li>• Negative attitude toward government</li> <li>• Lack of focus on male centered issues</li> </ul>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>• Dynamic situation due to the growth</li> <li>• CSO more present at decision making at pol level</li> <li>• Increasing collaboration with Government/LA to implement</li> <li>• Increasing collaboration with INGO/Local CSO</li> <li>• Increasing CSO capacities (not for all types of CSO)</li> <li>• Existing networks</li> <li>• Legal framework for CSO may change (CSO law to be amended)</li> </ul>	<ul style="list-style-type: none"> <li>• Legal framework for CSO may change (CSO law to be amended)</li> <li>• MNG CSO not yet mature</li> <li>• Still not clear role and mandate (vis-à-vis private sector and government)</li> <li>• Too much reliant on international funding</li> <li>• Unstable economic situation</li> <li>• Corruption (point of attention: no concrete cases)</li> <li>• Link with some political organisation (point of attention)</li> <li>• Pressure on CSOs in some sectors (mining, local level)</li> <li>• Lack of support from the general public</li> <li>• Competition among CSO (with negative effects on coordination among activity results)</li> </ul>