



## Mongolia: Strengthening Capacity for Environmental-Economic Accounting

Project Name	Strengthening Capacity for Environmental-Economic Accounting		
Project Number	49299-001		
Country	Mongolia		
Project Status	Active		
Project Type / Modality of Assistance	Technical Assistance		
Source of Funding / Amount	<b>TA 9043-MON: Strengthening Capacity for Environmental-Economic Accounting</b>		
	Technical Assistance Special Fund		US\$ 700,000.00
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Governance and capacity development		
Sector / Subsector	<b>Agriculture, natural resources and rural development</b> - Land-based natural resources management		
Gender Equity and Mainstreaming	No gender elements		
Description	In January 2015, the Government of Mongolia's National Statistical Office (NSO) requested Asian Development Bank (ADB) assistance for compiling the material flow, energy, and environmental tax accounts within the framework of the System of Environmental-Economic Accounting (SEEA). The technical assistance (TA) would establish improved assessment and monitoring arrangements for the key indicators that cover Mongolia's green development agenda: material flow, energy, and environment tax accounts under the SEEA. The support would help to implement the government's National Program for Development of Official Statistics, 2016_2020.		

Project Rationale and Linkage to Country/Regional Strategy

In 2014, through its Green Growth Policy, the government formally adopted the green economy concept as a vehicle to attain sustainable development and reduce poverty. The policy aims to change previous \_grow first and clean it up later\_ practices into more environment-friendly, nonpolluting, and effective production systems to increase productivity. Its goal is to create inclusive and participatory economic growth, and increase the quality of life. Specific challenges for Mongolia include poverty, unequal income distribution, natural resource-based economic structure, inefficient use of energy and resources, wasteful consumption, technical and technological obsolescence, and vulnerability to climate change. To address such concerns, the promotion of the concepts of green economy, green production, and green growth aims to create economic systems with low carbon emissions, efficient use of natural resources, and avoidance of environmental pollution and degradation.

In 2010, the Mongolian Parliament approved the National Program for Development of Official Statistics, 2011\_2015, which initiated data collection and analysis necessary to support environmentally sustainable growth. The program specifies that accounts for environmental-economic accounts will be constructed, data sources will be generated, and relevant estimates will be made. To strengthen monitoring and quantifying of the implementation of its green growth policy and actual practices, the government decided to adopt and implement the first international statistical standard for environmental-economic accounting\_SEEA 2012\_recommended by the United Nations to its member countries. The SEEA is a multipurpose conceptual framework for understanding the interactions between the economy and the environment, and for describing stocks and changes in stocks of environmental assets.

The SEEA's central framework covers measurement in three main areas: (i) the physical flow of materials and energy within the economy and between the economy and the environment; (ii) the stocks of environmental assets and changes in these stocks; and (iii) economic activity and transactions related to the environment. While the SEEA system comprises a series of more than 20 accounts, a country often chooses to implement only a selection of the accounts depending on the specific environmental issues it faces. Measurement in these areas is translated into a series of accounts and tables, as described in several United Nations' manuals.

NSO began by prioritizing the compilation of the material flow, energy, and environmental tax accounts, all covered in the SEEA and considered critical to monitor Mongolia's green growth aspirations. In 2014, NSO initiated work on compiling the material flow account for 2005\_2013 on an experimental basis. Although a good start was made, the exercise highlighted the complexity of the process. Some national data used for compiling the material flow account were unavailable; international data were used instead. A solid survey is needed to develop the national data and indicators required for compiling the account.

In parallel, Mongolia participated in discussions to establish mechanisms to monitor the new set of Sustainable Development Goals (SDGs), which build upon the Millennium Development Goals and converge with the post-2015 development agenda. Each of the 17 SDG goals, agreed on 25 September 2015, have specific targets to be achieved by 2030. ADB is ready to provide support adapted for its developing member countries to respond to specific regional, national, and local challenges. It recognizes that the SDGs are likely to be customized to regional, national, and local contexts given the enormous diversity of Asia.

The Government of Mongolia, through NSO, is seeking support to strengthen the capacity of NSO and relevant agencies for monitoring implementation of its green growth policy, in particular regarding t

Impact	Integration of efficient use of natural resources into economic development planning improved. [Government of Mongolia. National Program for Development of Official Statistics 2016_2020 (draft); Green Development Policy of Mongolia, 2014]
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**Project Outcome**

Description of Outcome	Improved monitoring for green economic development of Mongolia applied
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Progress Toward Outcome

**Implementation Progress**

Description of Project Outputs	National methodology for compiling the three accounts for green development indicators is finalized Data for compilation of the three accounts collected and reported Monitoring and data analysis capacity of NSO and relevant agencies strengthened
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Status of Implementation Progress (Outputs, Activities, and Issues)

Geographical Location

**Summary of Environmental and Social Aspects**

Environmental Aspects
Involuntary Resettlement
Indigenous Peoples

## Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

## Business Opportunities

**Consulting Services** Four individual consultants will be engaged to support NSO: an environment (energy) specialist (international, 4 person-months); an environment economist (international, 4 person-months); a project management expert (national, 22 person-months); and a statistician (national, 20 person-months). Consulting services are needed for methodology development, data collection, training, and project coordination. ADB will engage the consultants following its Guidelines on the Use of Consultants (2013, as amended from time to time) using the individual consultant selection method. The consultants are expected to be mobilized during the first quarter of 2016. Procurement will be carried out in accordance with ADB's Procurement Guidelines (2015, as amended from time to time). Purchased equipment will be turned over to NSO upon completion of TA activities. The TA proceeds will be disbursed in accordance with ADB's Technical Assistance Disbursement Handbook (2010, as amended from time to time). One full-time administrative support staff will be engaged (22 person-months) to assist NSO in administering the TA, and organizing workshops and training. Resource persons will be engaged for a maximum of 10 working days, using single source selection, to participate in and make presentations during the in-country workshops and training.

## Responsible Staff

Responsible ADB Officer	Boland, David G.
Responsible ADB Department	East Asia Department
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, EARD
Executing Agencies	<i>National Statistical Office of Mongolia Government Bldg.-3, Baga Toiruu-44 Ulaanbaatar - 11</i>

## Timetable

Concept Clearance	11 Nov 2015
Fact Finding	-
MRM	-
Approval	11 Dec 2015
Last Review Mission	-
Last PDS Update	14 Mar 2017

## TA 9043-MON

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
11 Dec 2015	06 Jan 2016	06 Jan 2016	31 Mar 2018	-	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
700,000.00	0.00	80,000.00	0.00	0.00	0.00	780,000.00	11 Dec 2015	326,821.33

Project Page	<a href="https://www.adb.org/projects/49299-001/main">https://www.adb.org/projects/49299-001/main</a>
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