



Mongolia: Implementing Innovative Approaches for Improved Water Governance

Project Name	Implementing Innovative Approaches for Improved Water Governance								
Project Number	51099-001								
Country	Mongolia								
Project Status	Active								
Project Type / Modality of Assistance	Technical Assistance								
Source of Funding / Amount	<table border="1"><tr><td colspan="2">TA 9440-MON: Implementing Innovative Approaches for Improved Water Governance</td></tr><tr><td>Japan Fund for Poverty Reduction</td><td>US\$ 1.00 million</td></tr><tr><td colspan="2">TA 9440-MON: Implementing Innovative Approaches for Improved Water Governance (Supplementary)</td></tr><tr><td>High Level Technology Fund</td><td>US\$ 400,000.00</td></tr></table>	TA 9440-MON: Implementing Innovative Approaches for Improved Water Governance		Japan Fund for Poverty Reduction	US\$ 1.00 million	TA 9440-MON: Implementing Innovative Approaches for Improved Water Governance (Supplementary)		High Level Technology Fund	US\$ 400,000.00
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High Level Technology Fund	US\$ 400,000.00								
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth								
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships								
Sector / Subsector	Agriculture, natural resources and rural development - Irrigation - Rural water policy, institutional and capacity development - Water-based natural resources management Water and other urban infrastructure and services - Urban water supply								
Gender Equity and Mainstreaming	No gender elements								
Description	<p>The proposed knowledge and support technical assistance (TA) will strengthen water governance processes at the river basin level so that lessons learned can be scaled up and applied across Mongolia and other river basins in the region. The TA will support capacity building primarily through training, learning by doing, knowledge sharing, and pilot testing small-scale interventions. The TA will analyze lessons learned and prepare them as recommendations to support longer-term institutional and policy reforms. The TA is designed to bring significant changes to the approach to planning and managing water sector investments at the river basin level across Mongolia. It will improve the effectiveness and sustainability of water sector investments and infrastructure to provide socio-economic benefits. The TA is consistent with the Asian Development Bank's (ADB) country partnership strategy for Mongolia, 2017 -2020. It will complement efforts of the Ministry of Environment and Tourism to implement its responsibilities in the water sector, underpinned by the Mongolia Sustainable Development Vision 2030. It builds on ADB's country water security assessment, the Ministry of Environment and Tourism's Integrated Water Management Plan for Mongolia, and the Ulaanbaatar 2020 Master Plan and Development Approaches for 2030. The TA converges with ADB's Water Operational Plan, which aims to enhance water governance and resilience to water-related disaster risks and the capacity for climate change adaptability of developing member countries.</p>								

Project Rationale and Linkage to Country/Regional Strategy

Long-term sustainable and inclusive growth in Mongolia is heavily reliant on the management of its natural resources, but rapid socio-economic developments in the country put severe pressure on these resources. Hence, effective investments in the water sector are needed to support economic growth, health and well-being, livelihoods, environmental sustainability, and disaster resilience. Each of these presents significant challenges in planning and implementation. Moreover, Mongolia is already seeing impacts from climate change in terms of temperature and precipitation patterns, putting further pressure on degraded grasslands and poor livestock practices. Increased evaporation from higher temperatures and greater variability in precipitation may cause a decrease in river water levels, higher seasonal variations, and a decline in groundwater levels because of decreased recharge.

The Government of Mongolia has made significant progress in improving its legal and institutional framework for integrated water resource management (IWRM) and the environmental protection of river basins. In 2010, Mongolia was divided into 29 river basins. By introducing the concepts of river basin organizations (RBOs), which consists of river basin councils (RBCs) and river basin authorities (RBAs), paved the way for decentralization and community involvement in water governance. The Water Law of 2012 serves as an umbrella law for water management and provided an integrated water resources management framework, under which RBAs were established in the country. But given limited resources and lack of capacity, only 21 of the proposed 29 RBOs were established to (i) support the preparation of river basin management (RBM) plans and (ii) implement the plans through multi-sector stakeholder consultation.

Existing government policies emphasize that the mining sector is a key driver of national economic development. Extensive water-intensive mining activities have begun to induce regional economic development restructuring and influence demographics in Mongolia, increasing environmental and water security risks. Mongolia's future development rests heavily on how it manages its water resources, and moving toward energy and food security will require a considerable amount of its scarce water resources. Urbanization and population growth, disaster risk mismanagement, and development projects, may lead to unsustainable water use and conflicts among users. ADB's country water security assessment for Mongolia highlights that proper policies and planning, adaptation strategies, and mitigation measures for climate change need to be established at the river basin level, especially given the localized water stress situation in Mongolia. Managing Mongolia's rising energy and food security challenges and demands particularly for river basins with significant mining, hydropower and agriculture activity will make water management even more critical in supporting socio-economic development.

The government needs to overcome several institutional challenges to strengthen IWRM in Mongolia, including: (i) limited intergovernmental and local-level government (aimag and soum) coordination; (ii) insufficient mandate and capacity of the RBOs themselves to effectively address the challenges and work with central and provincial governments; (iii) lagging development of the parallel RBCs; (iv) lack of stakeholder coordination through RBCs; (v) insufficient data collection, monitoring, and management (dispersed and poorly managed); (vi) lack of resources, such as a competent cadre of technical staff and finances, for effective water management execution; and (vii) inefficient water management tools and little consideration for alternative models for more effective water management.

Impact	Water governance to better understand and respond to climate change and water-related disasters in Mongolia improved
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Project Outcome

Description of Outcome	Capacity for water sector planning and management in select river basins strengthened
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Progress Toward Outcome

Implementation Progress

Description of Project Outputs	River basin policy recommendations introduced Capacity building program for river basin administration strengthened and delivered Actions and approaches for better river basin management implemented
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Status of Implementation Progress (Outputs, Activities, and Issues)	
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Geographical Location	Nation-wide
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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 ADB will engage the firm or entity following the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions using quality- and cost-based selection with quality-cost ratio of 90:10 and simplified technical proposal. This is the most appropriate method considering the complex nature of the TA and the technical expertise required to pilot test the approaches.

Procurement Procurement will follow the ADB Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time).

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Responsible ADB Department East Asia Department

Responsible ADB Division Environment, Natural Resources & Agriculture Division, EARD

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Timetable

Concept Clearance 20 Jul 2017

Fact Finding 20 Jun 2017 to 21 Jun 2017

MRM -

Approval 05 Dec 2017

Last Review Mission -

Last PDS Update 21 Sep 2018

TA 9440-MON

Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
05 Dec 2017	26 Apr 2018	26 Apr 2018	30 Jun 2020	-	-

Financing Plan/TA Utilization

ADB	Cofinancing	Counterpart				Total	Cumulative Disbursements	
		Gov	Beneficiaries	Project Sponsor	Others		Date	Amount
0.00	1,400,000.00	0.00	0.00	0.00	0.00	1,400,000.00	05 Dec 2017	7,200.00

Project Page <https://www.adb.org/projects/51099-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=51099-001>

Date Generated 09 November 2018

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