



Mongolia: Strengthening Capacity on Disaster Risk Assessment, Prevention and Transfer Instruments in Mongolia

Project Name	Strengthening Capacity on Disaster Risk Assessment, Prevention and Transfer Instruments in Mongolia
Project Number	52021-001
Country	Mongolia
Project Status	Proposed
Project Type / Modality of Assistance	Technical Assistance
Source of Funding / Amount	
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 - Agricultural policy, institutional and capacity development Finance - Insurance and contractual savings
Gender Equity and Mainstreaming	Some gender elements
Description	The proposed knowledge and support technical assistance (TA) will support the National Emergency Management Agency (NEMA) of Mongolia in the development of legal, policy, and institutional frameworks needed for strengthening disaster risk assessments, promoting disaster prevention and risk reduction, and disaster risk financing and insurance in Mongolia. The Government of Mongolia requested a TA from the Asian Development Bank to support disaster risk management. The TA is included in ADB's country operations business plan for Mongolia, 2019-2021. Originally listed as two TA projects, Strengthening Disaster Risk Insurance Scheme and Strengthening Capacity on Disaster Risk Assessment and Disaster Prevention Planning, which are now combined into one TA.
Project Rationale and Linkage to Country/Regional Strategy	Mongolia is extremely vulnerable to hazards due to its geographical location, poorly developed infrastructure, persistent poverty, limited institutional capacity, and continental climate. The country experiences over 3,000 small- to medium-scale disasters each year, posing serious setbacks to the country's social and economic sustainable development. The toll of disasters has been significant, as from 2004 to 2013 disasters and hazardous phenomena caused approximately USD321 million (MNT841.5 billion) of damages and losses. Over the same period, a total of USD16 million (MNT42.2 billion) from central and local government resources, and respective ministerial budgets and donations were spent for disaster response and recovery activities (footnote 3). To support the sustainable socio-economic development of the country there is a significant need for Mongolia to strengthen its disaster management system. This requires a comprehensive approach to disaster risk management (DRM), based on a more holistic approach, which includes emphasizing disaster risk reduction (DRR), as well as strengthening disaster preparedness and emergency response. Current laws and policies predominantly focus on disaster preparedness and emergency response but do not adequately cover DRR, prevention or promote the transference of risks. Strengthening DRR from identifying risks and hazards, awareness in the impact of those risks, planning for, making resources (including financial) available to implement plans and integrating all these elements into the development agenda and plans is an important risk reduction strategy. The government plans to increase investments in risk prevention, reduction, and preparedness measures. This will reduce the government financial burden and contingent liability as well as seek opportunities to engage the private sector as a complement to further increase overall financial resilience to disasters. This should include promoting financing instruments for different layers of risk. However, as there is limited understanding among policy makers, private sector stakeholders, and the public about the rationale and potential benefits of enhanced financial arrangements for disaster response current financial management and risk reduction actions are not comprehensive and have limited impact. An overall disaster risk financing strategy needs to be put in place. Disaster risk insurance is one such financial instrument that can enhance resilience. The recently adopted Law on Disaster Protection of Mongolia, which was revised and ratified on 27 February 2017, provides the legal basis for disaster risk insurance as part of the risk transfer approach. The law requires all legal entities to have an insurance policy in place against the potential risk of natural and man-made disaster incidents. However, the law does not provide details on the regulatory framework. The absence of such a framework has limited the upscaling of initiatives made by development partners in advancing the insurance mechanism on disaster risk, like the index-based livestock insurance program as well as plans by private local insurers to offer earthquake risk insurance products.
Impact	Mongolia's resilience to and national capacity to cope with disasters enhanced.
Outcome	Disaster risk management mechanisms and governance at the national and local levels strengthened
Outputs	Disaster risk assessments enhanced Disaster resilience enhanced Financial resilience to disaster risk strengthened Institutional, technical and management capacity strengthened
Geographical Location	Nation-wide
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 consultants following the ADB Procurement Policy (2017, as amended from time to time).

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
Executing Agencies	National Emergency Management Agency Partizan Rd., Ulaanbaatar Mongolia

Timetable

Concept Clearance	08 Aug 2019
Fact Finding	-
MRM	-
Approval	-
Last Review Mission	-
Last PDS Update	20 Aug 2019

Project Page <https://www.adb.org/projects/52021-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=52021-001>

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