VIRTUAL COOPERATIVES OF PASTORAL LIVESTOCK COMMUNITIES (P174733)

STAKEHOLDER ENGAGEMENT PLAN

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March 2021 (updated July 2023)

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ABBREVIATIONS

AP   Affected person/party
CSO   Civil society organization
ESCP   Environmental and social commitment plan
ESMF   Environmental and social management framework
JICA   Japan International Cooperation Agency
LCP   Livestock Commercialization Project
MOFALI   Ministry of Food, Agriculture and Light Industry
NGO   Non-governmental organization
PCU   Public Complaints Unit
PIU   Project Implementation Unit
SEP   Stakeholder engagement plan

1. Introduction

Virtual Cooperatives of Pastoral Livestock Communities is a four-year, US$ 2.752 million project. The project development objective is to improve livelihoods and quality of life of remote pastoral livestock communities in targeted locations by harnessing digital technologies and services. This project will be funded by the Japan Social Development Fund and will be overseen by the World Bank. LCP PIU will support and will assist with the project implementation as these two projects are both governed by the MOFALI and coordinated by the LCP Project coordinator. Virtual Cooperatives of Pastoral Livestock Communities Project activities are organized into three components:

Component 1: Mobilizing vulnerable herders into virtual cooperatives (US$ 1.16 million). The key objective of this component is to strengthen the social mobilization of herder organizations by empowering herders with information and improving their access to livelihood services by creating a trusted digital platform (virtual cooperative). Similar to cooperatives known from the physical world, a virtual cooperative is a voluntary association of agricultural producers who act together to provide services to its members that solve jointly identified business challenges. Those challenges may include sourcing inputs, accessing processing equipment, finding buyers for their produce, or organizing its transportation. In the virtual realm, assemblies, decision-making and information exchange happen virtually, and the internet platform will be designed to organize joint action that the cooperative prioritized for its members. The project will undertake a baseline, which will also analyze existing gender gaps among herders, including in accessing and using ICT, and develop approaches to ensure the participation of women in virtual cooperatives. To overcome issues of herders' trust in a digital platform, the project will take a participatory approach for formulating the virtual cooperatives' governance structure, roles and responsibilities of and relationship among all parties, the rules for offering, accessing and paying services through the platform, as well as for data protection. When developing the governance structure, due attention will also be given on developing suitable models for financing platform services. The participation of herders and other players in this process will build trust among the herders and other platform participants.

Capacity building: It will help pilot innovative mobilization of herders into virtual cooperatives, use digital channels for streaming technology extension, agri-service delivery, connect them with local governance systems and build business linkages with private sector for improved market access. This approach complemented with periodic face-to-face interactions will ensure connectedness between pastoral communities throughout their transhumance trails and improve the quality of outreach and service delivery. The component will enhance capacity building and other knowledge services by strengthening the capacity of herders to develop locally relevant and culturally appropriate content and adjust their business processes to maximize their benefits from the digital platform. The project will provide professional training on video production, on using the platform, on (virtual) collective action to pool input provision, organizing a certain amount of livestock of the required quality for a processing enterprise at a specified time. The participatory approach will ensure that the content is relevant for herders and meets their knowledge needs. In this activity block, the pilot will use existing knowledge on best practices from research institutions and agricultural universities, national extension centers, ongoing projects in the cashmere sector, as well as from collectors, buyers, and processors. The pilot will also build the capacity of other linked service providers to offer their services via the platform and maximize its use for their purposes as well as on the platform's institutional and operational framework.

Digital service stack: The project will take a participatory approach for developing and delivering a stack of digital services. Using herders' inputs and iterative feedback, the project will develop a stack of digital

services with Digital Green designing an appropriate interface that suits local needs. It will apply digital innovation to reach otherwise left out, remote herders, and promote sustainable livestock management and cashmere wool production practices and disseminate price and quality and other information that herders identified as relevant for them. The IT solution will offer alternative suitable access channels that herders have identified as desirable, such as mobile applications, SMS, online and offline videos, voice recordings, as well as a variety of devices and channels for access (such as smartphones, tablets, or computers, helplines, etc.). This subcomponent will help develop a *Virtual Training Academy:* Jointly with herders, livestock researchers, and practitioners in the sector, it will develop digital libraries of indigenous knowledge on livestock production and breeding practices. It is envisaged to form partnerships with existing institutions that already provide locally relevant extension content, such as, for example, the Mongolian University of Life Sciences and other institutions collaborating in the Responsible Cashmere Round Table (RCRT).

Component 2: Linking herders with markets and services (US$ 1.20 million)

This component will finance technical assistance, common facilities, small scale productivity infrastructure, working capital in a form of small grants to the virtual cooperatives based on institutional performance criteria for availing high-quality services from technical assistance providers, acquiring small scale productive infrastructure, working capital for collective production and market activities, etc. The delivery approach is mostly through forging partnerships with existing public and private actors and may include organizing an innovation challenge to crowdsource disruptive ideas for piloting service provision in the domain of virtual cooperatives.

Digital financial services: The project will collaborate with existing digital financial services providers to pilot design and distribute sustainable livestock finance products on a virtual cooperative platform to improve their outreach to isolated herder communities. This model for digital livestock finance will have a high potential to be replicated by other players;

Livestock services: Develop partnerships with public and private players for delivering services through the platform. Players include animal health services, market information (such as prices, information on processing enterprises and their requirements), weather and climate advisory, providers of digital payment services, nutrition information, or One Health approaches. Offering an integrated interface and one stop point for fragmented services will help facilitate the convergence of public and private services.

Marketing services: The project will prepare virtual cooperatives for participation in high impact value chains by promoting principles of animal welfare, sustainable livestock practices, grass-fed organic livestock, fair trade, and responsible sourcing mechanisms. Support will be provided to the targeted livestock producers for (i) improving their product quality and safety, (ii) building traceability system for responsible practices and chain of custody mechanism, and (iii) instituting third-party certification process for marketing premium quality animal fiber.

Component 3: Project Management (US$0.39 million). This component will support the project's implementation. It will support the coordination of project activities of Digital Green, digital service providers, and the local facilitating agencies. The Project Management Unit will be staffed and equipped to enable it to effectively carry out monitoring and evaluation, environmental and social safeguards management, and the fiduciary functions of the project under the guidance of MOFALI. The component will finance incremental staff, consultants, operating costs, technical assistance (TA), training, monitoring and evaluation (M&E) activities, baseline and final impact assessments, information dissemination, and

annual audits.

The project will be implemented in about two aimags to be selected from the four aimags of Uvurkhangai (Bayangol and Arvaiheer soums), Khovd (Darvi and Must soums), Arkhangai (Battsengel and Tsenkher soums), and Bayankhongor (Bumbugur and Buutsagaan soums) as is seen in Figure 1.
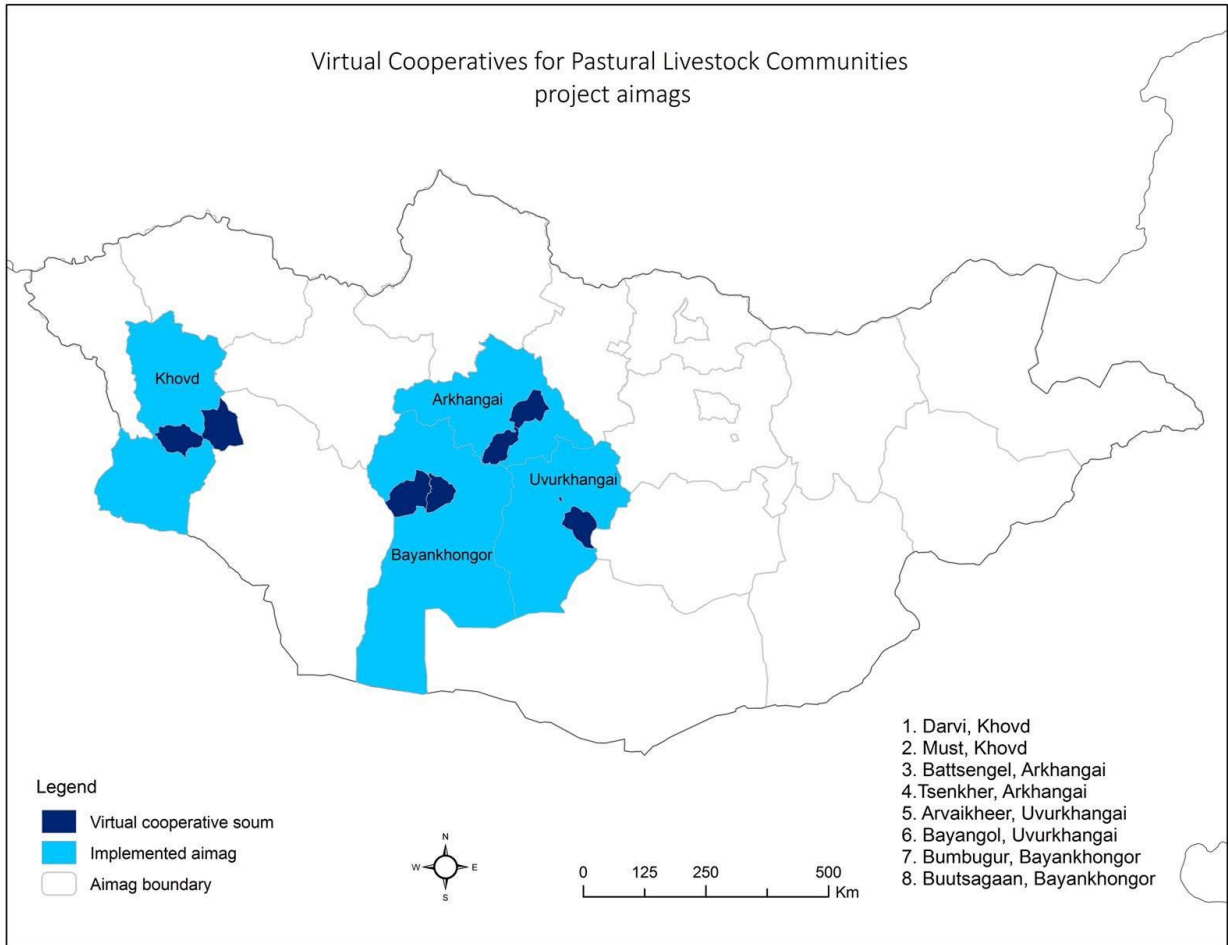

Figure 1 Project aimags and soums

Arkhangai aimag is situated in the center of Mongolia, in the northern slopes of Khangai Mountains, bordering several aimags including Bulgan aimag to the northeast, the southeast of Uvurkhangai, south of Bayankhongor, Zavkhan aimag to the west, and Khuvsgul to the northwest. The climate in the winter drops from −30 °C to −38 °C and goes up from 25 °C to 36 °C in the summer. The natural vegetation ranges from rugged high mountains, forests, taiga, and rolling steppe. Streaming from the Khangai mountains, major rivers Tamir, Chuluut, and Khanui rivers flow down to Ugii Lake, Kholboo Lake, Duruu Lake, Terkhiin Tsagaan Lake, and Buyan Ulaan Lake. The highest point of the aimag is located at Kharlagtai Peak at 3,529 meters above sea level. As of 2019, the average population of the Arkhangai aimag was 94,324, composed of 19 soums and 101 bags in a total territory of 55,313 square km. There aren't any ethnic minorities residing in the aimag and all residents speak and communicate in Khalkh Mongolian.

Khovd aimag borders China to the west, Bayan Ulgii Aimag to the northwest, Zavkhan Aimag to the east

and northeast, and Govi-Altai Aimag to the south. Its territory is 76,000 square km. Khovd consists of 7 major rivers, four lakes, and most of the Altai Mountains. The Altai Mountains, the natural temporal dynamics of pasture lies between 1,200 and 4,400 meters above sea level. Khovd aimag is notorious for its harsh weather cycles, as temperatures regularly reach as high as 40 °C during summer and as low as −30 °C during winter. Natural vegetation zones or habitats range from the desert and salt lakes of the lowlands to alpine meadows, mountainous mixed forest, subalpine woodland, high mountain tundra, rocky outcrops, glaciers, and permanent snowcaps of the peak country. Rivers drain into lakes in hollows formed by glacial erosion and into the larger rivers that flow downstream to the enclosed Great Lakes Basin. At lower altitudes lies the drier steppe, dominated by feather grasses and unpalatable shrubs, and to the east and south lies the desert steppe and the Gobi. In terms of demographics, Khovd aimag has a total population of 29,800 and is home to many ethnic minorities; Khalkh (28.1%), Zakhchin (25.2%), Kazakh (11.2%), Uriankhai (8.3%), Uuld (6%), Durvud (6.5%), Myangad (5.3%), and others (2%). While standard Khalkha Mongolian is the predominant language, however, the Kazakh language is spoken in the majority of Jargalant, Khovd, Buyant and Bulgan soums.

Bayankhongor aimag lies in the mountainous and wooded Khangai in the north, the central steppe region, and the arid Gobi Desert in the south. Blackwood forests are in the northern part and saxaul forests in the southern part of the aimag. Its territory is 115,977.80 square km. Ikh Bogd mountain is the tallest point at about 3957 meters above sea level. The largest lakes are Bayankhongor Nuur, Orog Nuur, and Boon Tsagaan Nuur, home to a significant source of birding areas. In the north of the aimag, hot and cold mineral springs stretch across the landscape. There are 24 large and small rivers, nine lakes, eight large springs, eight wells, and 32 small springs. The aimag has rich mineral resources such as gold, copper, black and brown coal, crystal, fluorspar, shiny marble, granite, asbestos, and different construction materials such as earth color dye, quality clay, limestone, etc. Unfortunately, Ongi River and Ulaan Lake are rapidly drying up due to gold mining operations. There aren't any ethnic minorities residing in the aimag and all residents speak and communicate in Khalkh Mongolian.

Khangai mountains lie in the north and the Altai Mountains in the south of the **Uvurkhangai aimag**. The total territory of the aimag is 62,895.33 square km. Natural vegetation zones or habitats range from the desert steppe, steppe, forest-steppe rich of granite mountains with rocks and cliffs and grasslands with bushes and trees that provide vital habitats for some rare and threatened species. Climate is unstable at an average temperature of 2.1C. The hottest temperature reaches to 44.8C, and the coldest drops to -47.5C. In terms of demographics, the population of the aimag is 115,684 living sparsely in 19 soums and 105 bags. The gender ratio is 98 males per 100 females. There aren't any ethnic minorities residing in the aimag and all residents speak and communicate in Khalkh Mongolian.

The project is expected to have overall environmental and social benefits in terms of improved livestock practices sustainability and livelihood improvement of herders. Physical investments as part of component 2 may include establishment of small-scale productive infrastructure such as sheds, fences, bath tubs, etc. Given the scale and type of civil works, the potential environmental impacts during construction period are expected to be small, temporary and localized, and can be readily mitigated by incorporating good civil works practices as set out in the ESMF. There will be some other environmental issues, including occupational, health and safety (OHS) risks for project workers; water efficiency and pollution issues associated with the operation of livestock and cashmere wool production facilities; risk of communicable disease transmission caused by people gathering or animal raising; and sustainability and animal welfare issues of livestock cultivation. These environmental issues are generally small-scale and site-specific, and can be readily minimized or mitigated with good practices as set out in the ESMF.

The project is expected to have positive social impacts on the ground by introducing innovative digital

solutions. Not only that, it may improve herders' connectivity to other stakeholders, markets and services, hence, could increase their household income from livestock products, particularly wool and cashmere. The project will not create resettlement or income loss of households and also will not have any adverse impacts on ethnic minorities.

2. Previous stakeholder engagement activities

Before finalizing the project design and Environmental and social management framework (ESMF), a number of consultations and engagement sessions were held with stakeholders representing different sectors to inform them of the proposed project and receive their feedback on the project design and ESMF. These activities are summarized below.

Table 1 Previous engagement and consultation activities

No.	Date and location	Participant(s)	Topic	Outcome
1	Sept 9, 2020

Virtual call | Batsukh, Director Animal Hygiene, General Authority for Veterinary Services

Khanimkhan, National Agricultural Extension Center

Erkhembayar, President, National Association of Zoo Technicians and Animal Breeders

Altantuya, National Association of Mongolian Agricultural Cooperatives

Dondogdorj, MOFALI | Shared project concept note, heard their view and received feedback. | Mobilizing herder cooperatives virtually can be challenging as a large number of them do not function well in the real world.

Consider virtually linking cooperatives, first, then link the individual herders in the second step.

Agreeing with project design, activities and strategies. |
| 2 | Sep 10, 2020

Virtual call | Bolor-Erdene Battsengel, Chairperson, Mongolian Communications and Information Technology Authority (CITA) | Shared project concept note, heard their view and received feedback. | Agriculture Gov't services should be linked to the e-Governance platform under which MOFALI will set up its digital services

A multi-step approach seems sensible: the pilot will test approaches in few locations ("laboratory") and will produce lessons learned; MOFALI can migrate successful elements into its platform once developed |
| 3 | Sep 10, 2020 | Enkh-Amgalan Tseelei, Project Manager of | Shared project concept note, heard their view | Agrees with project design, activities and strategies |

		Virtual call	Green Gold, Swiss Government funded project	and received feedback.	Consider diversification since herders have a variety of animals: Yak wool is compared to "3d grade cashmere", more pasture friendly grazing, good productivity
4	Sep 11, 2020 Virtual call	Eriko Tamura, Chief Representative, JICA Mongolia Office	Shared project concept note, heard their view and received feedback.	Confirmed project concept, interested in collaborating Connectivity is a big problem in remote areas; connectivity is available just in aimag centers
5	Sep 11, 2020 Virtual call	Vinod Ahuja, Country Director, FAO Amartogtokh Misha, Mongolia Animal Health Identification System (MAHIS)	Shared project concept note, heard their view and received feedback.	Concerns on integrating various existing platforms and databases
6	Sep 16, 2020 Virtual call	Enkh-Ireedui, Head of SME Banking Department, Khan Bank Bilguun, Manager, SME Banking Department, Khan Bank Ulambayar, Head of Retail Banking Department, Xac Bank Altanzul, CEO, TransCapital NBFI	Shared project concept note, heard their view and received feedback.	Agrees with project design, activities and strategies, and interested in collaborating in various areas
7	Sep 16, 2020 Zuunmod soum, Tuv aimag	Herders and local government officials of Zuunmod soum	Shared project concept note, heard their view and received feedback.	Fully supports and agrees with project design, activities and strategies Herders' digital literacy is a big concern
8	Sep 17, 2020 Erdene soum, Tuv aimag	Herders, local government officials and herders' cooperative of Erdene soum	Shared project concept note, heard their view and received feedback.	Fully supports and agrees with project design, activities and strategies Herders' digital literacy is a big concern
9	Sep 17, 2020 Virtual call	Enkhbat, Chief Executive Director, Unitel Group Juldyz, Business Development and Data Analysis Division	Shared project concept note, heard their view and received feedback.	They have a variety of applications and tools that they are ready to offer for use and interested in collaborating

		Manager, Unitel Group		
10	Sep 17, 2020 Virtual call	Chantsallkham Jamsranjav, Manager South Gobi Cashmere Project, WCS Mongolia Jutta Reahg, Senior Technical Expert, GIZ Nyamkhuu Tsoodol, ICT/IT Technical Advisor to MOFALI, FAO Shinenemekh Volooj, Sustainable Cashmere Platform, UNDP Mongolia Jan Hinrichs, Senior Natural Resources Economist, Environment, Natural Resources and Agriculture Division, ADB	Shared project concept note, heard their view and received feedback.	Digital tools are promising to use; establish cashmere traceability (blockchain successfully tested in cashmere and applied by the private sector in meat), important to coordinate standards with ongoing activities in cashmere; link to resource management, which is critical for sustainability of the cashmere industry
11	Sep 17, 2020 Ulaanbaatar	Tatsuya Hamada, CEO, Mobicom Corporation Oyunchimeg, Director, Digital business division, Mobicom Corporation Munkhzorig, Director, ICT Department, Mobicom Corporation	Shared project concept note, heard their view and received feedback.	They have a variety of applications and tools that they are ready to offer for use and interested in collaborating
12	Sep 18, 2020 Virtual call	Miyashita Hiromichi, Japanese Embassy	Shared project concept note, heard their view and received feedback.	Confirms project design Requests to link to JICA projects
13	Sep 18, 2020 Virtual call	Batkhishig Baival, Country Director, Sustainble Fibre Alliance Mongolia	Shared project concept note, heard their view and received feedback.	Validates project design: linking remote herders into organized value chains using digital tools = needed and timely; lots of potential
14	Sep 18, 2020 Virtual call	Nyam-Ochir Gankhuyag, Executive Director, National Federation of Pasture User Groups Namuulan, Training Officer, National	Shared project concept note, heard their view and received feedback.	Project concept is feasible Timely to harness digital technologies

		Federation of Pasture User Groups		
15	Sep 18, 2020 Virtual call	Erdenebayar, Lecturer and Head of the Board of Directors, Mongolian University of Life Sciences (MULS) Erdenechuluun, Prof. of Economics, MULS Batjargal, Prof. of Statistics and Econometrics, MULS	Shared project concept note, heard their view and received feedback.	Have knowledge base that can support the project

3. Stakeholder identification and analysis

For the purpose of developing effective stakeholder engagement strategy and ensuring project inclusivity, project key stakeholders were identified by undertaking stakeholder mapping and analysis approaches. Project stakeholders are defined as individuals, groups or other entities who:

- are impacted or likely to be impacted directly or indirectly, positively or adversely, by the Project (also known as 'affected parties')
- may have an interest in the Project ('other interested parties'). They include individuals or groups whose interests may be affected by the Project and who have the potential to influence the Project outcomes in any way

Disadvantaged/vulnerable individuals or groups in this context refers to herders with less than 200 livestock and are located in remote areas with difficulty to accessing different services and markets.

3.1. Affected parties

Affected parties include local communities, community members and other parties that may be subject to direct impacts from the project. Specifically, the following individuals and groups fall within this category:

- Project site herders
- Herders' cooperatives whose operation may be impacted
- Wool and cashmere producers and buyers whose income may be impacted
- Livestock service providers whose operation might be impacted
- Cashmere companies

Majority of affected parties are located in the project aimags and speak in Khalkha Mongolian. These stakeholders had identified the best means of engaging them as TV, community meetings and text messages, hence, the project will utilize those tools. In case ethnic minority presence is confirmed, consultation with these EM groups would be carried out in culturally appropriate manner, such as in language they are comfortable with.

3.2. Other interested parties

Some stakeholders may be interested in the project because of its location, its proximity to natural or

other resources, or because of the sector or parties involved in the project. Moreover, civil society and nongovernmental organizations may have in-depth knowledge about the environmental and social characteristics of the project area and the nearby populations, and can help play a role in identifying risks, potential impacts, and opportunities for the MOFALI to consider and address in the assessment process. Some groups may be interested in the project because of the sector it is in (for example, digital service providers and ICT companies), and others may wish to have information simply because public finance is being proposed to support the project.

Project interested parties are:
- Local government
- NGOs and CSOs
- ICT companies
- Digital financial service providers
- Researchers

3.3. Disadvantaged/vulnerable individuals or groups

It is particularly important to understand whether project impacts may disproportionately affect the disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their concerns or understand the impacts of a project. These include among others:
- Poor households that have 200 or less livestock
- Women
- Youth
- Elderly
- Persons with disability,
- Single headed (> 60 years if male and > 55 years if female),
- Less than 200 livestock,
- Living in a remote location (> 30 km from soum center).

The baseline survey and qualitative beneficiary consultations will be conducted in the initial stage of the project and will be used to confirm and refine this definition as well as the proportion of the indigenous people in the selected locations as needed.
- Ethnic minorities

Poor households often lack the means of resources to attend any community meeting that provides project information, hence, the most feasible approach to ensure their attendance and inclusion is to provide designated transportation and meal allowances. The detailed strategy to include disadvantaged or vulnerable groups' views and concerns to the project is outlined in section 4.4 of this document. Quick social impact assessment will be carried out as part of project design. In case ethnic minority presence is confirmed, consultation with these EM groups will be conducted to seek their participation in project activities.

3.4. Summary of project stakeholder needs

Table 2 Project stakeholder needs

Stakeholder group	Key characteristics	Language needs	Preferred notification means	Specific needs (accessibility, large

				print, child care, daytime meetings)
Affected persons/parties	Mostly herders or herder organizations with limited knowledge about foreign language or computer	Official language – Khalkh Mongolian and written in Cyrillic	Text messages Printed materials Face to face meetings	Meetings in the afternoon due to grazing of livestock in the morning. Large prints Open space
Interested parties	NGOs, COSs or private companies with adequate knowledge about the project	Official language – Khalkh Mongolian and written in Cyrillic	Workshops In-person or virtual meetings Social media posts	Nothing particular
Disadvantaged/vuln erable groups	Women, youth, elderly or disabled people with limited access to resources and information as well as poor households with 200 or less livestock and ethnic minorities	Official language – Khalkh Mongolian and written in Cyrillic Where there is ethnic minorities, local language or dialect, such as Khazaks.	Face to face meetings Printed materials	Some citizens who are visually impaired may require materials in Braille Elderly stakeholders may require loud speaker Poor households and their members may require transportation and meal assistance Ethnic and language minorities may require local language translation as well as culturally appropriate venues

4. Stakeholder engagement program

4.1. Purpose and timing of stakeholder engagement program

A key objective of the project stakeholder engagement program (SEP) is to establish a systematic approach to stakeholder engagement that will assist the MOFALI to build and maintain a transparent and constructive relationship with its beneficiaries, interested parties as well as disadvantaged or vulnerable groups. Having a SEP would also enable the MOFALI to ensure that appropriate project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, comprehensive and accessible manner and format. In order to meet best practice approaches, the project will apply the following principles for stakeholder engagement:

- *Openness and life-cycle approach:* Public consultations for the project(s) will be arranged during

the whole life-cycle, carried out in an open manner, free of external manipulation, interference, coercion or intimidation

- *Informed participation and feedback:* Information will be provided to and widely distributed among all stakeholders in an appropriate format; opportunities are provided for communicating stakeholders' feedback, for analyzing and addressing comments and concerns
- *Inclusiveness and sensitivity:* The participation process for the projects is inclusive. All stakeholders are encouraged to be involved in the consultation process, to the extent the circumstances permit. Equal access to information is provided to all stakeholders. Sensitivity to stakeholders' needs is the key principle underlying the selection of engagement methods. Special attention is given to vulnerable groups, in particular women, youth, elderly, persons with disabilities, and ethnic groups.
- *Flexibility:* If social distancing due to Covid-19 and other newly found infectious diseases inhibits traditional forms of engagement, the project should adapt to other forms of engagement, including various forms of internet communication.

Throughout the project implementation, its stakeholders will be provided with bi-annual updates through different mediums such as LCP project[1] website, handouts and in-person meetings.

4.2. Proposed strategy for information disclosure

In order to ensure effective and meaningful engagement with project stakeholders, the MOFALI will utilize various kinds of tools. During the project design consultation meetings, local stakeholders such as herders and government officials have identified TV, text messages and community meetings as most useful and engaging tools to receive information and exchange ideas. Therefore, in addition to these approaches, news releases on LCP and MOFALI websites as well as social networking websites will be used to disclose information to project stakeholders. MOFALI will respond to concerns and grievances of project-affected parties related to the environmental and social performance of the project in a timely manner. For this purpose, a Grievance Redress Mechanism (GRM) will be established and widely communicated with the project stakeholders.

Table 3 Project information disclosure

No.	Stakeholders	List of information to be disclosed	Method	Location/ Frequency	Responsibilities
1	Project beneficiaries	Project information including E&S instruments, benefits of the project, Grievance redress mechanism	Information meetings Social media posts through platforms such as Facebook Printed materials	Project soums/ Bi-annually.	Environmental and social specialist
2	Local government	Project information and	Information meetings	Project soums/ Bi-annually.	Communication and Advocacy specialist

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[1] LCP PIU is responsible for supporting implementation of the Digital Cooperatives project as well. Therefore, Digital Cooperatives project will be able to leverage resources of the LCP.

No.	Stakeholders				
		updates including its benefits	Social media posts through platforms such as Facebook Printed materials		
3	Wool and cashmere producers and buyers	Project information, opportunities and updates	Information meetings Social media posts through platforms such as Facebook	Project soums and Ulaanbaatar/ Quarterly	Communication and Advocacy specialist
4	Livestock service providers	Project information, opportunities and updates	Information meetings Social media posts through platforms such as Facebook	Project soums and Ulaanbaatar/ Quarterly	Communication and Advocacy specialist
5	NGOs and CSOs	Project information and updates	Information meetings Social media posts through platforms such as Facebook	Project soums and Ulaanbaatar/ Quarterly	Communication and Advocacy specialist
6	Government stakeholders	Project information and updates	Information meetings Social media posts through platforms such as Facebook Printed materials	Project soums and Ulaanbaatar/ Quarterly	Communication and Advocacy specialist

4.3. Proposed strategy for consultation

Stakeholder consultation involves the development of constructive, productive relationships over the long term. It would enable the MOFALI to understand stakeholders' concerns regarding project activities and outcomes, and will be used to improve the project efficiency and effectiveness. It would also allow for identifying environmental and social risks and impacts at early stages to ensure immediate mitigation or intervention. Virtual cooperatives project will employ instruments such as in-person and virtual meetings, focus group discussions, key informant interviews and surveys for consultation.

Table 4 Project consultation

No.	Stakeholders	Topic of consultation	Method used	Location/Dates	Responsibilities
1	Project beneficiaries	Project introduction, announcements of planned activities, associated risks and mitigation measures. Project progress	Focus group Community events	Project soums/ bi-annually	PIU

		Project outcomes and major achievements	Key informant interview		
2	Local government	Project progress updates Project cooperation opportunities Project outcomes and major achievements	Project progress workshops Key informant interview	Project soums/ bi-annually	PIU
3	Wool and cashmere producers and buyers	Project progress Project cooperation opportunities	Community events Workshops	Project soums/ bi-annually	PIU
4	Livestock service providers	Project progress Project cooperation opportunities	Community events Workshops	Project soums/ bi-annually	PIU
5	NGOs and CSOs	Project progress Project cooperation opportunities	Community events	Project soums/ bi-annually	PIU
6	Government stakeholders	Project progress updates Project outcomes and major achievements	In-person meetings	Project soums/ bi-annually	PIU

4.4. Proposed strategy to incorporate the view of vulnerable groups

Given the project priority to empower vulnerable herder households and support women, the MOFALI will identify potential barriers and difficulties, which may prevent these groups from attending the project stakeholder meetings and receiving project related information and news. Project information disclosure and stakeholder consultation systems will therefore be particularly attuned to the challenges and obstacles faced by vulnerable and disadvantaged groups and the LCP PIU will take special measures that suits these stakeholders' needs. Since some disadvantaged households may lack means of transporting to meeting locations or having labor who could replace them in their absence, the PIU will ensure to organize project dissemination workshops and stakeholder consultations closer to their residence and where required, may provide some assistance with transportation and meal allowances. In Mongolia, women—disproportionally more than men—face limited access to financial services and resources, which greatly prevents them from attending any community meetings to communicate their issues and concerns. Such norms often lead them to receive any information through their spouses or male partners who may have more access to public information. To address this issue, the project will prepare handouts specifically for women and youth who may not have same access to project information as others. Similarly, persons with disability are often times discouraged from participating in stakeholder engagement or consultation processes due to inaccessibility of venues. To address this, the project may organize its events at participant-friendly and inclusive facilities that allow participation of persons with disabilities as well as elderly. Ethnic minorities may face issues receiving information due to social and language barriers. However, the project will ensure to provide its engagement and consultation materials in accessible

manner and deliver in local languages.

4.5. Timelines

Table 5 Summary of activities

Project stage	Engagement activity	Timeline	Responsibilities
Initiation	Project information session including planned activities and grievance redress mechanism	60 days upon project commencement	PIU
Implementation	Project progress updates using various formats such as community meeting, social media posts and text messages	Bi-annually throughout project implementation period	PIU
Closure	Project outcomes and major achievements Project monitoring results	Last year of the project	PIU

4.6. Review of comments

Project beneficiaries and stakeholders will be provided with opportunities to express their concerns and feedback through LCP websites, social media pages as well as local representatives. Once comments or feedback are received, they will be collected at the PIU Communication and Advocacy specialist (CAS) for further internal circulation to relevant specialist and once adequate response is formulated, they will be communicated back to stakeholders through the CAS using different tools such as individual letter, community meeting or text messages.

4.7. Future phases of project

Stakeholders will be kept informed as the project develops, including reporting on project environmental and social performance and implementation of the stakeholder engagement plan and grievance redress mechanism. The project reports will be developed annually and will be prepared in Mongolian language to ensure accessibility to all. The project will utilize different means of platforms such as community or in-person meetings, focus group meeting as well as community events and workshops to disseminate the project reports.

5.   Resources and responsibilities for implementing stakeholder engagement activities

The LCP Communication and Advocacy Specialist under the supervision of the Project Coordinator will be responsible for carrying out main stakeholder engagement activities. The communication and advocacy specialist will be assisted by the project environmental and social specialist, extension officer as well as administrative assistant. The project will allocate adequate resources for implementation of the SEP activities in the overall budget. Contact information of the responsible personal is: Tselmeg Boldbaatar, Communication and Advocacy Specialist, e-mail address: tselmeg.lcp@gmail.com, phone number +976 70104042.

When organizing stakeholder engagement or consultation activities, a person in charge of the event will be responsible for gathering following information and documenting each of the activities. These are:

- Date and location of engagement activity
- Engagement objective (For instance, providing information on ESMF requirements or project update and receiving stakeholders' feedback on project implementation etc)
- Engagement type (individual meeting, workshop, focus group discussion, virtual call or meeting etc)
- Number of participants and gender disaggregated data
- A list of materials distributed during engagement activity
- Feedback matrix of participants
- Actions require follow ups etc.

6. Grievance mechanism

Timely and effective redress of stakeholder grievances will contribute to bringing sustainability in the operations of a project. In particular, it will help advocate the process of forming and strengthening relationships between project management and the stakeholder community groups and bridge any gaps to create a common understanding, helping the project management to efficiently operate in the area. MOFALI does not have any specific Environment or Social Safeguards Policy currently. World Bank safeguard policy procedures require MOFALI to have grievance redress procedure for the project affected persons. The GRM would address affected persons/parties' concerns and complaints promptly, using an understandable and transparent process that is gender responsive, culturally appropriate, and readily accessible to the affected persons at no cost. MOFALI will receive project related grievances and complaints through several different channels such as the LCP website (lcp.mn), PIU office phone number that is +976 70104042 and the MOFALI hotline 109. This GRM consists of a PCU for Environment and Social safeguarding coordinated by the PIU Environmental and Social Specialist. The committee consists of the following constitution as listed in Table 6.

Table 6 Constitution of Public Complaint Unit

1	PIU Environmental and Social Specialist
2	PIU M&E Specialist
3	PIU Communications and Advocacy Specialist

Responsibilities of the PCU will include:

- Logging complaints and date of receipt onto a complaints database and inform the Contractor or responsible parties
- Investigating the complaint to determine its validity and to assess whether the source of the problem is because of project activities, and identify appropriate corrective measures and responsible persons
- Informing the AP of investigation results and the action taken
- Submitting an interim report to local government agencies on status of the complaint investigation and follow-up action within the time frame assigned if a complaint is transferred from local government agencies
- Reviewing the contractor's response to the identified corrective measures, and the updated situation
- Undertaking additional monitoring, as necessary, to verify as well as review that any valid reason for complaint does not reoccur.

This GRM should provide an effective approach for resolution of complaints and issues of the affected persons/parties with procedures for timely disclosure of project information, and contact details of designated staff at all levels will be made available to the public for raising concerns/complaints. Grievances of APs will first be brought to the attention of the Environmental and Social Specialist of the LCP PIU. Grievances not redressed by them will be brought to the PCU set up to monitor project Implementation for each project area. The PCU will determine the merit of each grievance, and resolve grievances within 15 days of receiving the complaint; further grievances will be referred by APs to the appropriate courts of law. The PIU will keep records of all grievances received including: contact details of complainant, date that the complaint was received, nature of grievance, agreed corrective actions and the date these were affected, and final outcome.

6.1. Proposed grievance redress steps and timeframe

Procedures and timeframes for the grievance redress process are as follows and shown in Table 7.

Table 7 Grievance redress mechanism

Stage 1	Access to GRM. If a concern arises, the AP may resolve the issue of concern directly with the contractor, or make his/her complaint known to either the LCP Public Complaint Unit (PCU) directly, or through the Bagkh or Soum government, whichever level of authority he/she is most comfortable with. Complaints can be submitted either through LCP webpage or social media pages. Where no internet connection is available, stakeholders may submit their complaints using pre-developed paper forms that are readily available at local government offices.
Stage 2	Official Complaint to PCU. If a complaint is filed at bagkh/soum level, the bagkh/soum representative will submit an oral or written complaint to the PCU. For all submitted complaint, the PCU must make a written record. For each complaint, the PCU must assess its eligibility. If the complaint is not eligible, e.g. related to an issue outside the scope of the project, PCU will provide a clear reply within five working days to the AP.
Stage 3	PCU Complaint Resolution. The PCU will register the eligible complaint. The PCU, with support of the PIU's Environmental and Social Specialist, will take steps to investigate and resolve the issue. This may involve instructing the contractor to take corrective actions. Within seven days of the redress solution being agreed upon, the contractor should implement the redress solution and convey the outcome to the PCU.
Stage 4	Stakeholder Meeting. If no solution can be identified by the PCU or if the AP is not satisfied with the suggested solution under Stage 3, within two weeks of the end of Stage 3, the PCU will organize a multi-stakeholder meeting under the auspices of the Governor of the concerned soum, where all relevant stakeholders will be invited. The meeting should result in a solution acceptable to all, and identify responsibilities and an action plan. The contractor should implement the agreed redress solution and convey the outcome to the PCU within seven working days.
Stage 5	Aimag Governor Resolution. If the multi-stakeholder meeting cannot resolve the problem, and the AP is unsatisfied, the PCU will set up a meeting with the relevant aimag Governor to identify a solution.

The estimated budget for implementing the web-enabled GRM mechanism throughout the project is USD $ 5000.

World Bank Special Mission. If the aimag Governor is unable to find a resolution, the PCU will inform WB and a special mission will be initiated to resolve the issue. Note that if the APs are still not satisfied with the outcome, they can go through local judicial proceedings.

The World Bank's Grievance Redress Service (GRS). GRS provides an additional, accessible way for individuals and communities to complain directly to the World Bank if they believe that a World Bank-financed project had or is likely to have adverse effects on them or their community. The GRS enhances the World Bank's responsiveness and accountability by ensuring that grievances are promptly reviewed and responded to, and working together identifies problems and solutions.

Accountability Mechanism of GRS. In addition, affected people may always contact or submit their complaint to the GRS of the WB via the following addresses, which will be included in the signboard of sub-project sites.

The GRS accepts complaints that are:
- related to an active World Bank-supported project (IBRD or IDA)
- filed by a person or community who believes they have been adversely affected by a World Bank-financed project
- filed by a bidder or potential bidder about the procurement process on a World Bank-financed contract

Complaints must:
- identify the project subject of the complaint
- clearly state the project's adverse impact(s)
- identify the individual(s) submitting the complaint and whether confidentiality is requested
- specify if the complaint is submitted by a representative of the person(s) or community affected by the project
- if the complaint is submitted by a representative, include the name, signature, contact details, and written proof of authority of the representative
- Supporting evidence is not necessary but may be helpful in reviewing and resolving the complaint. The complaint may also include suggestions on how the individuals believe the complaint could be resolved. The identity of complainants will be kept confidential upon request. More instructions available at: http://www.world bank.org/grs

The GRS accepts complaints in English or the official language of the country of the person submitting the complaint. (The Complaint Form of WB Grievance Redress Service is attached in Annex 3). Submissions to the GRS may be sent by:
Email: grievances@worldbank.org
Fax: +1-202-614-7313
Letter: The World Bank Grievance Redress Service (GRS)
MSN MC 10-1018
1818 H St NW
Washington, DC 20433, USA

7. Monitoring and reporting

The LCP PIU will play the overall monitoring role and undertake M&E activities, including (a) regular supervision of project implementation sites; (b) preparing planned implementation progress reports; (c) monitoring and verification of data; (d) conducting stakeholder engagement surveys for ensuring beneficiaries' and communities' satisfaction with the project activities. Throughout project implementation, beneficiaries and stakeholders of the project will be provided with opportunities to express their concerns and feedback through LCP websites, social media pages as well as local representatives. Once comments or feedback are received, they will be circulated internally to relevant specialist and once adequate response is formulated, they will be communicated back to stakeholders through the PIU Communication and Advocacy specialist using different tools such as individual letter, community meeting or text messages.

Project documents and reports shared by technical support and facilitating agencies throughout the project implementation will provide necessary reference data for monitoring and evaluation. Bi-annual ESCP compliance monitoring reports would be prepared and submitted by the LCP PIU throughout the project implementation. In case of COVID-19 restrictions continue to remain operational, appropriate changes will be made in involving stakeholders and monitoring. In the course of project implementation, the SEP will be periodically updated, as necessary, consistent with the requirements of ESS10, in a manner acceptable to the Bank. Any major changes to the project related activities and to its schedule will be duly reflected in the SEP. Information on public engagement activities undertaken by the Project during the year will be conveyed to the stakeholders using different mediums such as the LCP website and social media pages.