



# Green development policy of Mongolia and its implementation

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# Global perspective



1992 – UN Summit  
– Environment and  
Development

- Proposed to ensure sustainable development by developing “National program of sustainable development in the 21<sup>st</sup> century”.

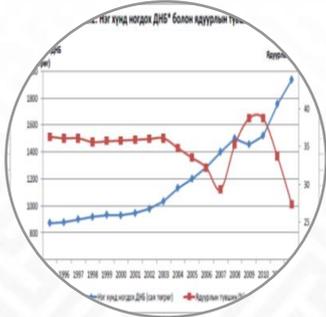


**RIO+20**  
United Nations  
Conference on  
Sustainable  
Development

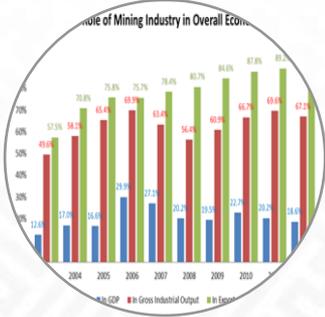
2012 - RIO+20  
“The Future  
we want”:

- **Climate change** – New situation and challenges
- **Green economy** – new strategy for sustainable development and poverty eradication
- **Sustainable development governance** – implement in all levels

# Need and justification for Green development policy- Challenges



**Poverty level,  
unequal  
income  
distribution**



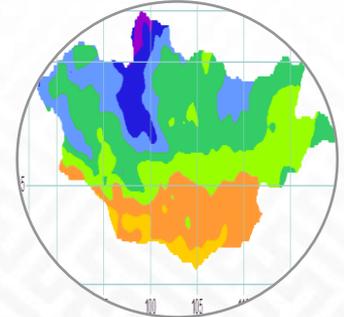
**Economy is  
dependent on  
one sector**



**Outdated  
technology  
and inefficient  
and wasteful  
consumption**



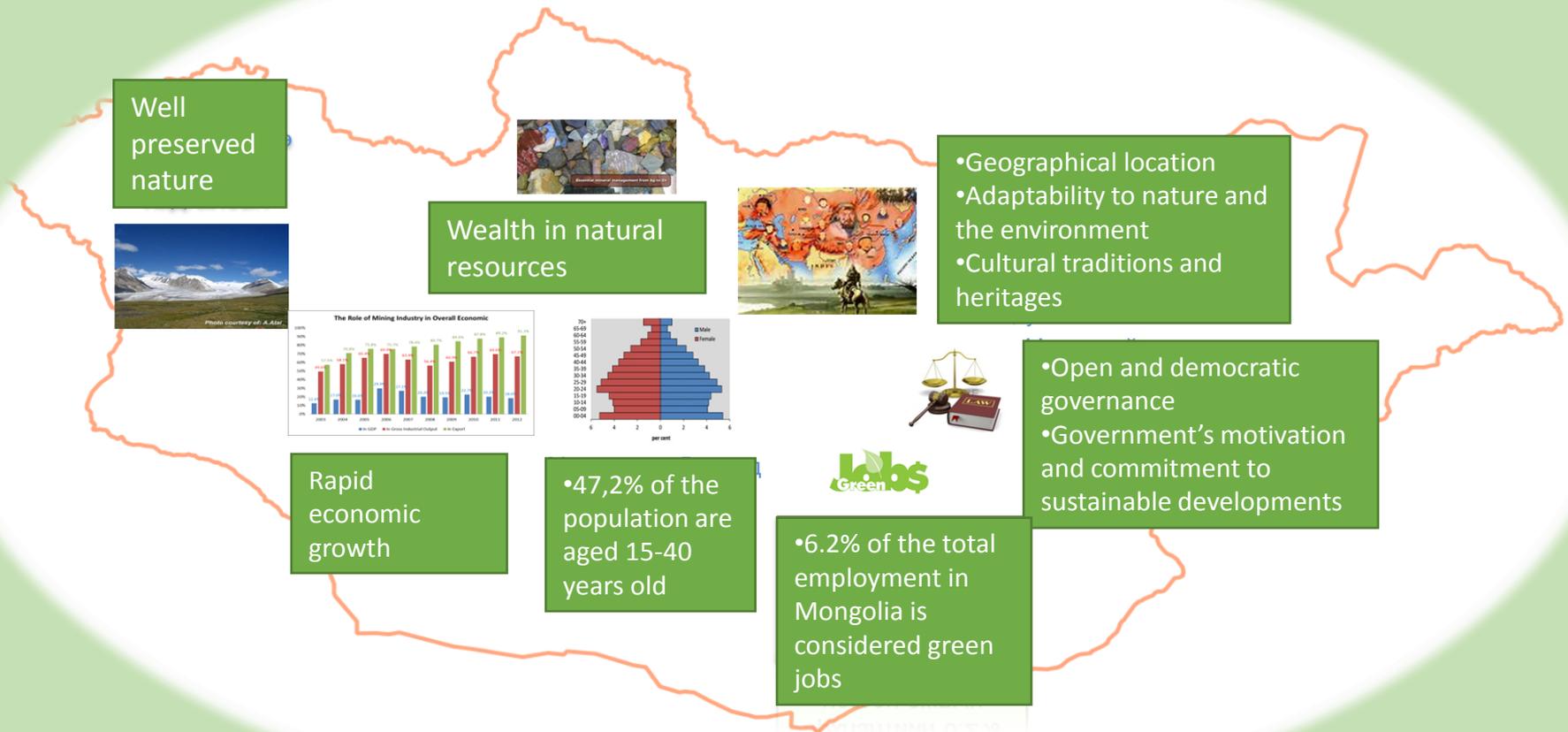
**Environmental  
pollution and  
deterioration**



**Vulnerability  
to climate  
changes**

**Need to transform to a green and environmentally friendly development model**

# Need and justification for green development - Opportunities



## Need and justification for Green development policy - Progress

Ministry of Environment, Green Development and Tourism has become a key line ministry.

2012

World Environmental Day



Mongolia was a host country

2013



Green development policy was adopted.

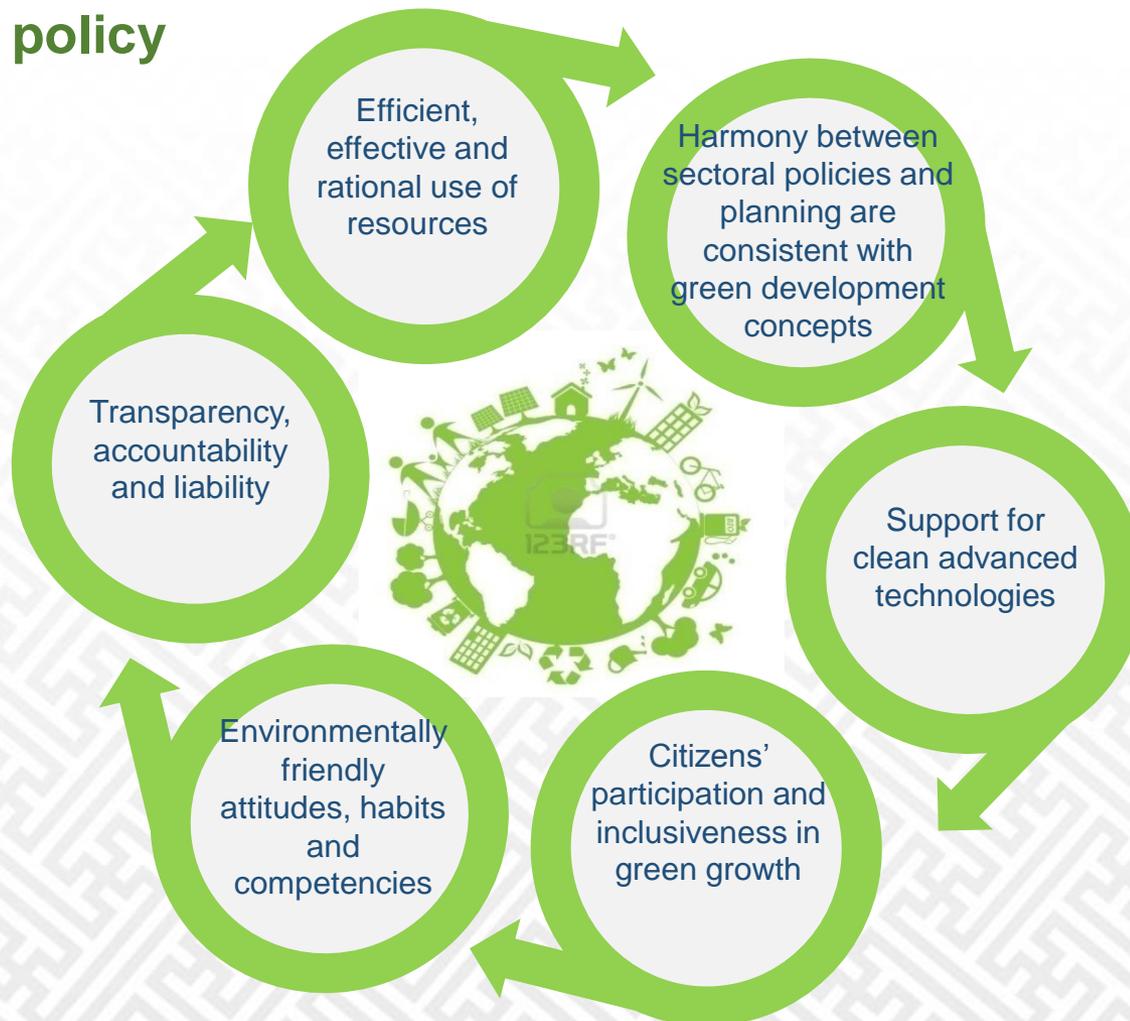
2014

# Green development policy

## Goal

**The goal of the Green Development Policy is to advance Mongolia's national development in an environmentally sustainable manner, building the conditions for future generations to benefit and gain in the long term and to ensure environmental sustainability through creation of growth based on green development concepts and through citizens' participation and inclusiveness.**

## Principles of Green development policy



## Strategic objectives

1

Promote resource efficient, low carbon production and consumption with emphasis on waste reduction

2

Maintain ecosystem balance and reduce environmental degradation while intensifying reclamation activities and environmental protection

3

Promote investment in environmental protection, human development and clean technology and leverage tax, credit and incentive mechanisms to finance green economy

4

Promote green jobs, reduce poverty and promote green lifestyle

5

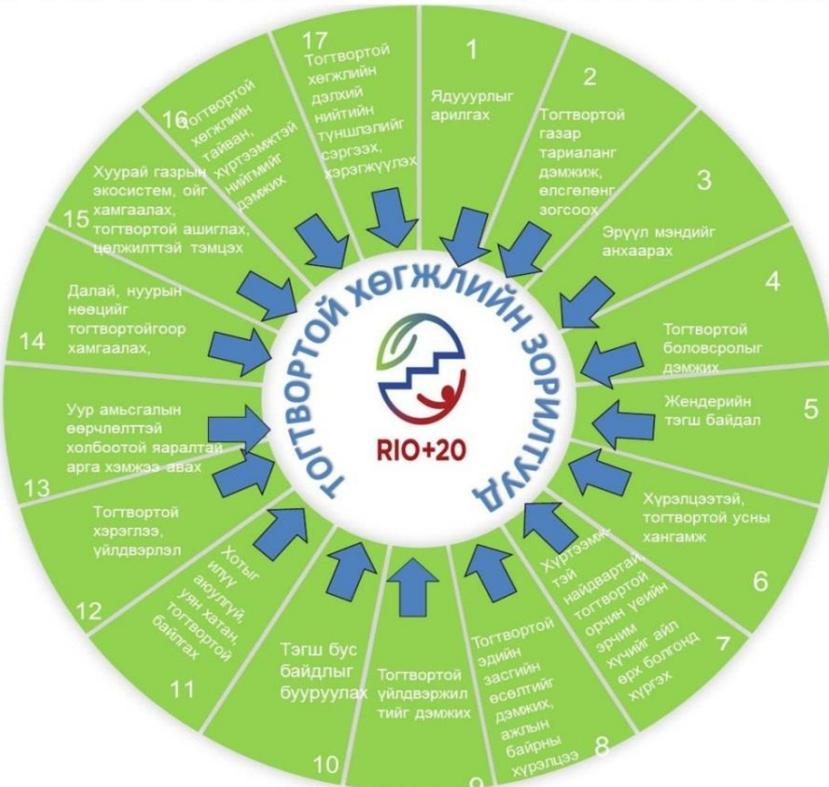
Make education, science and technology and innovation accelerators of green development by promoting environmentally adapted style and cultural values

6

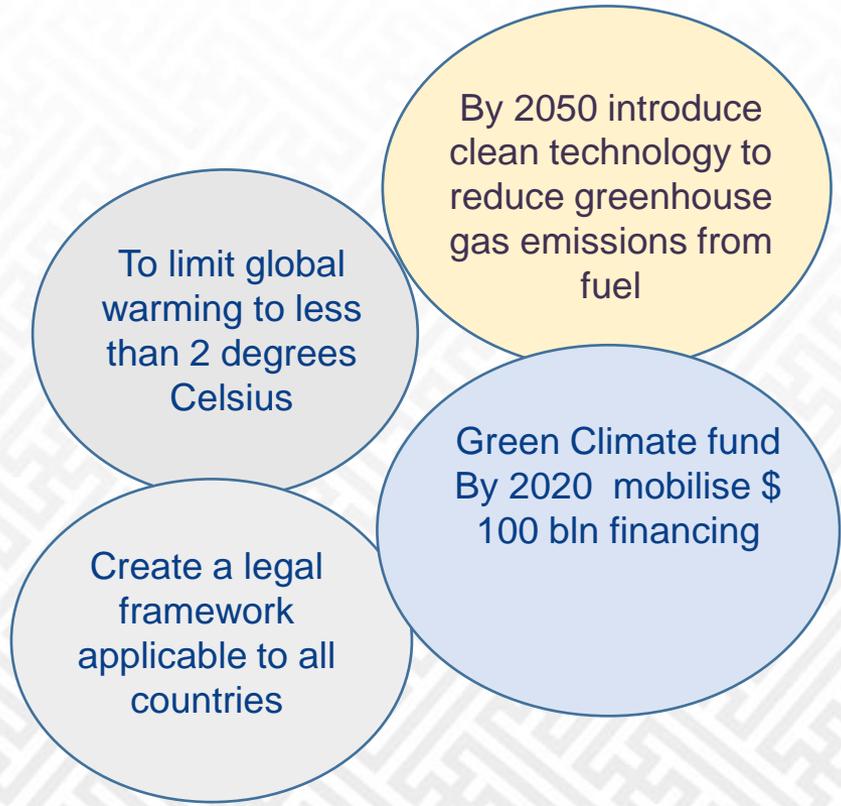
Plan and implement human settlement adapted to climate change, and rural resources carrying capacity

# Harmony of Green development policy

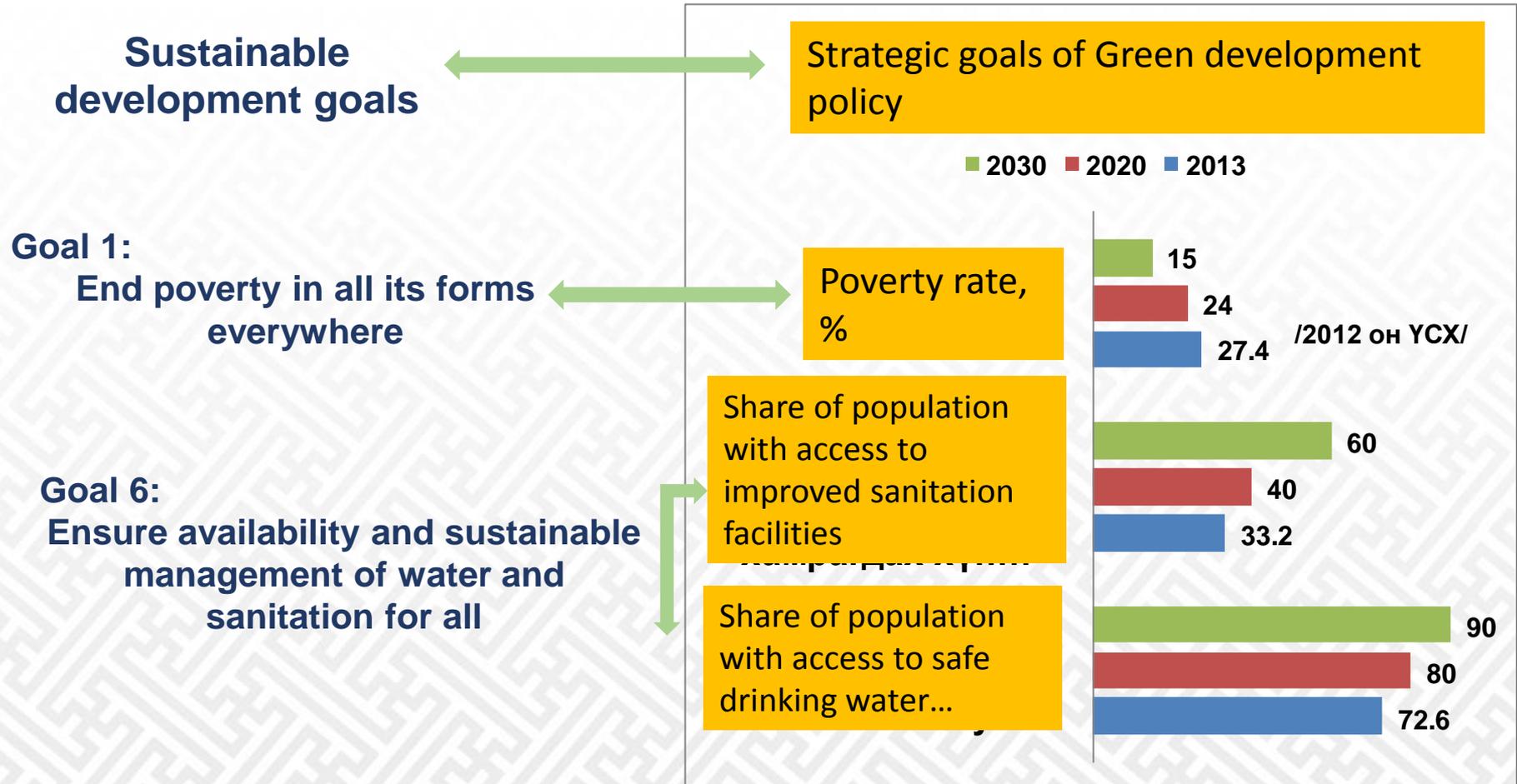
**Sustainable development goals**  
To be adopted at the 790<sup>th</sup> session of UN  
General Assembly



**Climate change agreement /Paris  
December 2015/**



# Harmony and integration of green development policy



## Significance of harmony and integration between policies

### Common policy framework



### Outputs and results

Green development policy –  
key policy of the long term  
national development  
program/policy

- Common understanding, perspective and framework for sectoral development at national level
- Clear inter-ministerial coordination, commitment, and accountability
- Financing and investment sources, optimal allocation and use of fund

Inter-sectoral  
environmental, economic  
and social benefits

- Co-benefit

## Implementation of green development policy

### In the framework of improving legal environment

- Government resolution No 303 pursues a policy grant exemption from income taxes for 41 types of equipment that is resource efficient use, low environmental pollution and waste and environmentally friendly equipment totaling to 41/solar and wind energy/. In total 22 entities received tax exemption totaling to 2,4 bln MNT.
- Government resolutions 326, 327. Increased price of water for production purpose, and provided incentive for water savings. In 2014 73 mln tonnes of water was re-used.
- Support for wood import: Wood import was exempt from customs tax and VAT. As a result 1645 hectares or 170,000 sq. meters of forest areas were protected.
- Transfer tax for environmental use to local government. Up to 50% of the tax can be allocated to environmental protection activities.

# Implementation of green development policy

## International cooperation

- Partnership for action on green economy-PAGE
  - Signed MoU in 2014.
- Low carbon development partnership of Governments of Japan and Mongolia
  - In 2013-2014 more than 10 studies and 2 pilot projects were implemented. As an example, new stoves were installed and the old stoves were renewed in schools No 81 of UB and Bornuur soum of Tuv province, Working to install 160 kms electricity transmission line without loss between OT and Tsagaan suvarga.

## Implementation of green development policy

### Public private partnership

- Signed MoU between Mongolian Banking Association, MEGDT, Bank of Mongolia and Mayor of the Capital City to implement Sustainable Financing program.



## Challenges

Legal and regulatory framework for supporting and driving green development

Sectoral policies and planning and their harmony and integration with green development policy

Public and private partnership

Lack of human resources and capacities

Investment in innovation and technology and opportunities for application

Awareness, knowledge, understanding and behavior of citizens and public

# A Way Forward

## Policy and institutional strengthening

- Incorporate Green development policy in the post 2015 SDGs of Mongolia,
- Strengthen institutional capacities and ensure harmony and integration between green development policy and other sectoral policies and planning and financial sustainability
- Improve inter-ministerial coordination
- Implement fast track result based measures and actions in order to increase green production of key economic sectors including construction and urban development, agriculture, infrastructure and create the number of green jobs

# A Way Forward

## Strengthen legal environment

- Improve legal environment and mechanism to create economic incentives for green development /taxation, incentive, subsidy, standard, green tags/

# A Way Forward

## International cooperation

- Expand international cooperation at all levels and develop and implement projects and programs by mobilizing various financial resources including Green Climate Fund, ADB and other international development agencies
- Strengthen public and private partnership
- Support and provide incentives for activities and initiatives in support of green development including Corporate social responsibility, green business management, green marketing , technology transfer and application and creation of green jobs,
- Develop community relations and outreach households and citizens to facilitate right consumption and behavior.

Thank you for your  
attention

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