Green development policy of Mongolia and its implementation

T. Bulgan, Director of the Department of Green Policy and Strategic Planning, MEGDT

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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 21st century”.

2012 - РИО+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Outdated technology and inefficient and wasteful consumption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

- Well preserved nature
- Wealth in natural resources
- Rapid economic growth
- 6.2% of the total employment in Mongolia is considered green jobs
- 47.2% of the population are aged 15-40 years old
- Geographical location
- Adaptability to nature and the environment
- Cultural traditions and heritages
- Open and democratic governance
- Government’s motivation and commitment to sustainable developments
Need and justification for Green development policy - Progress

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

World Environmental Day
Mongolia was a host country

Green development policy was adopted.

2012 2013 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

- Efficient, effective and rational use of resources
- Harmony between sectoral policies and planning are consistent with green development concepts
- Transparency, accountability and liability
- Support for clean advanced technologies
- Environmentally friendly attitudes, habits and competencies
- Citizens’ participation and inclusiveness in green growth
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 natural resources carrying capacity
Harmony of Green development policy

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

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

- To limit global warming to less than 2 degrees Celsius
- Green Climate fund
  - By 2020 mobilise $100 bln financing
- Create a legal framework applicable to all countries
- By 2050 introduce clean technology to reduce greenhouse gas emissions from fuel
Harmony and integration of green development policy

Sustainable development goals

Goal 1: End poverty in all its forms everywhere

Goal 6: Ensure availability and sustainable management of water and sanitation for all

Poverty rate, %
- 2013: 15
- 2020: 24
- 2030: 27.4

Share of population with access to improved sanitation facilities
- 2013: 33.2
- 2020: 40
- 2030: 60

Share of population with access to safe drinking water...
- 2013: 72.6
- 2020: 80
- 2030: 90

Strategic goals of Green development policy
Significance of harmony and integration between policies

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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