



# Project Information Document/ Identification/Concept Stage (PID)

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Concept Stage | Date Prepared/Updated: 22-Jan-2019 | Report No: PIDC151930



**BASIC INFORMATION**

**A. Basic Project Data**

Project ID	Parent Project ID (if any)	Environmental and Social Risk Classification	Project Name
P167114		Low	Mongolia Social Accountability RE Activity for Aimag Subprojects
Region	Country	Date PID Prepared	Estimated Date of Approval
EAST ASIA AND PACIFIC	Mongolia	22-Jan-2019	
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing	Ministry of Finance	Save the Children Japan	

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**PROJECT FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	0.46
<b>Total Financing</b>	0.46
<b>Financing Gap</b>	0.00

**DETAILS**

**Non-World Bank Group Financing**

Trust Funds	0.46
Governance Partnership Facility 2	0.46

**B. Introduction and Context**

Country Context

Mongolia is a young democracy and has been pursuing a market-based free economy since 1990. Since the late 2000s, Mongolia has been benefitting from the exploitation of its vast mineral resources. In general, the impact of the mining sector development positively influenced the country’s economic development as well as improvement of the livelihoods of the people. However, due to an unfavorable investment policy environment created by the government in 2014-16, the economic conditions were deteriorated, and the poverty rate rose again to 29.6 percent in 2016 (The poverty rate reached its lowest level at 21,6% in 2014).



Coupled with these economic challenges, Mongolia faced “resource curse risks”, whereby resource wealth is not used for broad-based welfare improvements but results in lower development outcomes due to the deterioration in governance of public resources and services. Consequently, the poor and marginalized people are being negatively affected as they receive sub-standard health and education services. Moreover, at the national level, corruption remains a significant problem. Mongolia’s Corruption perception index declined from 87th out of 175 in 2016 to 103rd out of 180 in 2017[1]. Equally important, the lack of government transparency and openness, policy instability, government stability and weak human resource capacity pose challenges for country to manage its public resources effectively. At the local level, local governments lack human resource capacity, resources and decision making power to deliver public services effectively. Civil society and citizens have played a limited role in providing feedback and holding public officials accountable, reducing corruption and improving public service delivery.

[1] Transparency International Report 2017.

#### Sectoral and Institutional Context

The Government of Mongolia (GoM) has led many policy reforms that invite greater social accountability in the form of transparency and citizen participation in public resource management. Key pieces of legislation adopted in the past few years demonstrate effort to improve government accountability and performance. The legislation related to transparency and citizen engagement include the Integrated Budget Law (2011), amendments to the Public Procurement Law of Mongolia (2011), the Freedom of Information Act (2011), Glass Account Law (2014) – considered an enabling legal reform for transparency, Public Hearing Law (2015) Development Policy Planning Law (2015), the recent Government Regulation #89 (2017), General Monitoring and Evaluation Guideline, and its follow-up Government Regulation #241 (2017) specifies citizens’ satisfaction survey to be part of the assessment of government performance. Moreover, the Government Action Program for 2016-2020 reflects the policy measures related with social accountability.

Implementation of these regulations, however, have varying degrees of success throughout the country. In some areas there are lack of implementation mechanisms, insufficient financial and human resources, poor political leadership and commitment as well as lack of space where citizens and civil society organization (CSOs) can demand accountability. In these circumstances, Mainstreaming Social Accountability in Mongolia (MASAM) Project seeks to support government efforts to increase transparency and accountability, and give impoverished communities a greater voice on issues affecting them. The MASAM project facilitates engagement between government and its stakeholders toward improved service delivery in 10 aimags by working directly with local aimag/district administration, service providers and citizens. National non-government organizations (NGOs) with experience and capacity to conduct social play an important role in



the project as an intermediary and in raising awareness among citizens. The participating aimags and districts were selected according to poverty rates, health-related risks and access to education, as well as the commitment by local governments to implementation. The aimags are: Dornod, Gobi-Altai, Govisumber, Khentii, Khovd, Khuvsgul, Selenge, Suhbataar, Uvs and Uvurkhangai.

The project's aim is not only to strengthen capacities of CSOs and other key stakeholders, and institutionalize social accountability by improving the effectiveness, formalization and sustainability of disclosure and participation mechanisms and processes. As demonstrated by the MASAM project, the approach taken on benefits poor and marginalized groups by (1) involving them in social accountability processes to improve the quality, access and delivery of high quality public services that matter most to them for their development, and (2) by strengthening capacity of government to formulate and implement the policies to improve the services and mainstream social accountability. After implementing the 10 aimag sub-projects in 2016-2018, the three main social accountability areas – service improvement, citizens' empowerment and governance capacity – were improved. Key results from the social accountability interventions during this period include: (i) approximately 7,000 temporary residents who had difficulty with registration received basic health service at family hospitals in one aimag; and (ii) two main health services (tuberculosis and oral health services) were improved in two aimags. In addition, 10 aimags have developed service improvement action plans together with the local CSOs, citizens and service providers and implemented thoroughly. After two years, 70% of the aimags have continued the social accountability interventions that were funded by the local resources.

An independent assessment highlighted the importance of continuing efforts to ensure the initiatives translate to actual understanding of and appreciation for citizen participation across all critical decision-makers. With these recent government reforms and MASAM efforts, understanding, appreciation and application of social accountability mechanisms by government and citizens have been advanced policy recommendations distilled from sub-projects have converted into sectoral policies. To that end, the project seeks to engage a local implementing partner (recipient) who can insure sustainability, localization and better implementation oversight on the ground and follow-up work with local stakeholders after the end of MASAM.

#### Relationship to CPF

The proposed project is aligned with the World Bank's 2018-2020 Mongolia Systematic Country Diagnostics (SCD) and the government's regulations on the citizen's role in monitoring and evaluation. The project is expected to contribute to addressing the need to enhance inclusive and equitable access to quality health and education services to ensure investments made help to fulfill Mongolia's development needs in building human and social capital for the poor and vulnerable population. Scaling up stronger participation in the delivery of services in the health and education sectors will improve both the accountability of local aimags and districts and increase the ability and willingness of citizens to pay for such services, thus increasing the



resources of local governments. A new Country Partnership Framework (CPF) for Mongolia will be developed, which will guide the WBG's engagement in Mongolia over the coming four to six years and determine priority areas for WBG support. Upon development of the new CPF, the project will review its relationship with the CPF and make adjustments to improve its alignment, as needed.

### **C. Project Development Objective(s)**

#### Proposed Development Objective(s)

The objective of the Project is to empower citizens and civil society organizations (CSOs) to improve the access and quality of education and health services through social accountability initiatives in targeted ten aimags and three districts of Ulaanbaatar city. It also aims to support the institutionalization process of social accountability in an effective, formalized and sustainable way at national and local levels.

#### Key Results

The achievement of the PDO will be measured by the following PDO-level indicators:

1. Increased number of CSOs in targeted aimags and districts with enhanced capacity of in engaging and evaluating social accountability tools.
2. Increased number of targeted aimags and districts with institutionalized social accountability initiatives.
3. Increased number of issues in access and quality of health and education services addressed by government based on feedback and adoption of social accountability mechanisms.

### **D. Preliminary Description**

#### Activities/Components

#### **Key Results**



The achievement of the PDO will be measured by the following PDO-level indicators:

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<b>PROJECT DESCRIPTION</b>
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### Project Components

**Component 1: Improving the effectiveness of health and education services** . The objective of this component is to contribute to the increase of effective health and education service delivery by refining the tools employed to gather and respond to citizen feedback on these services through a collaborative stakeholder process in ten aimags and three districts of Ulaanbaatar city. Activities under this component include:

1. Enhance and formalize community assessment tools to gather feedback on access and quality of health and education service provision through multi-stakeholder collaboration and coordination.
2. Conduct capacity building sessions for local health and education service providers and civil society from targeted aimags and districts on social accountability tools to assess and improve accessibility issues, feedback, and response.
3. Develop a monitoring and evaluation system for the implementation of social accountability tools in targeted areas.
4. Hold workshops with stakeholders in aimags and districts to discuss the results, common issues and gaps and to further refine/revise the accountability tool.



**Component 2: Strengthening the capacity of targeted stakeholders from government, local community groups and civil society partners.** The objective of this component is to develop targeted aimags and districts’ ability to implement and evaluate local service delivery in health and education. Activities under this component include:

1. Develop tools and guidelines for assessing, planning, implementing and monitoring purposes (including data, feedback collection and analysis) to local health and education provision through a participatory process.
2. Conduct trainings and workshops on evaluation methodologies for local service delivery, transparency, participation and social accountability.
3. Train civil society partners in project monitoring and reporting, action planning, budgeting, financial management, audit, administrative function, and advocacy.

**Component 3: Sharing created knowledge and lessons learned and project management.** The objective of this component is to institutionalize the Project lessons into sector and decentralization of social accountability mechanisms. The main activities of this component include:

1. Knowledge Sharing and Learning: (i) developing mechanisms to capture and facilitate knowledge sharing, exchange and uptake among project stakeholders, including through multiple channels and existing platforms on social media and website for ongoing, informal sharing among implementers and across sub-projects ; (ii) disseminating knowledge and learning products tailored to target audiences; (iii) delivering tailored capacity development activities on Governance and Decentralization for members of Parliament and other key stakeholders; and (iv) Organizing or attending national and international sharing and exchange events.
2. Project Management: support to carry out day-to-day Project implementation and monitoring, through the provision of consultant services (including audit), Operating Costs, and Training.

**Environmental and Social Standards Relevance**

**E. Relevant Standards**

ESS Standards		Relevance
ESS 1	Assessment and Management of Environmental and Social Risks and Impacts	Relevant
ESS 10	Stakeholder Engagement and Information Disclosure	Relevant
ESS 2	Labor and Working Conditions	Not Currently Relevant
ESS 3	Resource Efficiency and Pollution Prevention and	Not Currently Relevant



Management

ESS 4	Community Health and Safety	Not Currently Relevant
ESS 5	Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
ESS 6	Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
ESS 7	Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
ESS 8	Cultural Heritage	Not Currently Relevant
ESS 9	Financial Intermediaries	Not Currently Relevant

**Legal Operational Policies**

**Safeguard Policies**

**Triggered**

**Explanation (Optional)**

Projects on International Waterways OP 7.50	No	Project do not have any activity related to international waterways.
Projects in Disputed Areas OP 7.60	No	No dispute areas in the project.

Summary of Screening of Environmental and Social Risks and Impacts

To successfully mainstream the social accountability in local health and education services delivery the project focus on three main aspects: good governance, capacity building and knowledge management. These will be achieved through developing SA tools, guidelines and training, workshops for civil servants, CSOs and service providers. In addition, policy advocacy and evidence base policy discussions among civil servants, citizens and service provides as well as experience sharing of the project lessons and best practices will be carried out as part of the knowledge management intervention. Given the nature and type (improved access to services through local CSO capacity building and citizen engagement), scale (subprojects) it is expected that the potential adverse risks to and impacts on human populations and/or the environment are likely to be minimal or negligible.

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