

Third Party Evaluation Report 2020
Ministry of Foreign Affairs of Japan

Evaluation of Japan's ODA to Mongolia

March 2021

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Preface

This report is an Evaluation of Mongolia, and was commissioned to Foundation for Advanced Studies on International Development by the Ministry of Foreign Affairs of Japan (MOFA) in fiscal year 2020.

Since its commencement in 1954, Japan's Official Development Assistance (ODA) has contributed to the development of partner countries while tackling global issues. Today, the international community acknowledges the necessity to improve the effectiveness and efficiency of ODA. MOFA regularly conducts ODA evaluations, of which most are conducted at the policy-level with two main objectives: to improve the management of ODA, and to ensure its accountability. These evaluations are commissioned to external third parties to enhance transparency and objectivity.

The objective of this Evaluation was to review Japan's Official Development Assistance (ODA) policies and implementation from FY2010~2019, and to produce recommendations based on the review to improve policy planning for the effective and efficient implementation of future assistance by the Government of Japan. For accountability purposes, the results in their entirety are available to the general public.

The Evaluation Team in charge of this study consisted of a chief evaluator (Prof. Kaoru Hayashi), and an advisor (Prof. Kunio Minato). Professor Hayashi supervised the entire evaluation process and Professor Minato provided advice and input on analytical and evaluation processes. In addition, to complete this study, we have received support from MOFA, the Japan International Cooperation Agency (JICA), and local ODA Task Forces, as well as government agencies, project implementation agencies, other donors, and non-governmental organizations (NGOs) in Mongolia. We would like to take this opportunity to express our sincere gratitude to all those who supported this study.

Finally, the Evaluation Team wishes to note that the opinions expressed in this report do not necessarily reflect the views or positions of the Government of Japan.

March 2021

Foundation for Advanced Studies on International Development

Note: This English version is a translation of the Japanese Evaluation Report of Mongolia.

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Chapter 1 Implementation Policy of Evaluation

Implementation Structure of Evaluation

(1) Evaluation Team

Chief Evaluator: Prof. Kaoru Hayashi, Faculty of International Studies, Bunkyo University

Advisor: Prof. Kunio Minato, Faculty of Regional Collaboration, Kochi University

Consultant: Foundation for Advanced Studies on International Development

(2) Target Period of Evaluation: FY2010- FY2019

(3) Survey Period: August 2020 – March 2021

(4) Survey Country: Mongolia

Background, Objectives and Scope of Evaluation

Mongolia is a geopolitically important country located between two superpowers, China and Russia. Its stable growth and development are important not only in contributing to the stability and prosperity of the region but also in developing the bilateral relationship between Mongolia and Japan.

In this evaluation, Japan's ODA policies for Mongolia for the last ten years (FY2010 – FY 2019) were evaluated. The main objectives of this evaluation were: to make recommendations and learn lessons for future planning and implementation of Japan's ODA policies for Mongolia, and to ensure accountability of the assistance to Mongolia by making the evaluation results available to the public.

1-1. Background and Objectives of Evaluation

As ODA is one of the main pillars of Japan's international contribution, Japan needs to provide high-quality ODA assistance effectively and efficiently in this changing world. ODA evaluation is an important means of improving Japan's ODA. Country assistance evaluation is implemented as part of the ODA evaluation. Its main purposes are to evaluate the ODA implementation status in the partner country, provide feedback on the evaluation results to Japan's ODA policies for the partner country, and promote understanding among the Japanese public regarding Japan's ODA.

Mongolia is a geopolitically important country located between two superpowers, China and Russia. Its stable growth and development are important not only in contributing to the stability and prosperity of the region but also in developing the bilateral relationship between Mongolia and Japan. Mongolia is an important strategic partner of Japan because it has maintained a

friendly relationship with Japan and supported Japan's stance in resolving many important issues within the international community. The Governments of Mongolia and Japan agreed to expand their bilateral relationship through the establishment of a "strategic partnership" in 2010 and concluded the Agreement between Japan and Mongolia for an Economic Partnership (EPA) in February 2015 (which came into force in June 2016). In addition, the two governments concluded the "Japan-Mongolia Mid-term Action Plan for a Strategic Partnership (2017-2021)" in 2017 and have cooperated in the areas of: (1) politics and security, (2) economy, and (3) cultural and people to people exchanges based on this plan for the establishment of a stronger, mutually beneficial relationship.

Japan began providing ODA to Mongolia in 1977 with the coming into force of the Japan-Mongolia Economic Cooperation Agreement. Japan increased ODA to Mongolia in the early 1990s when the socialist system was replaced by a democratic system and a market economy was introduced in Mongolia. Since then, Japan has actively supported Mongolia as the country's leading donor. As the economy of Mongolia is heavily dependent on the mining industry, it is likely to be affected by changes in the international price of mineral resources. Therefore, Mongolia needs measures for stable economic growth. It has other serious problems, including wealth disparity, high unemployment rate, lack of youth employment opportunities, and urban problems, such as lack of basic infrastructure and environmental pollution in the overpopulated capital, Ulaanbaatar. The Government of Japan assists Mongolia in three priority areas: (1) strengthening governance for creating healthy macro economy, (2) creating eco-friendly and balanced economic growth, and (3) inclusive social development. These areas are stipulated in the Country Development Cooperation Policy for Mongolia (2017) under the basic policy of "Creating sustainable economic growth and social development."

The main purposes of this evaluation of Japan's ODA to Mongolia in the ten years from FY2010 to FY2019 were: to make recommendations and learn lessons for future formulation and implementation of ODA policies for Mongolia, and to ensure accountability of assistance to Mongolia by making the evaluation results available to the public.

1-2. Scope of Evaluation

The scope of this evaluation covers the projects implemented in Mongolia between FY2010 and FY2019 under Japan's assistance policies for Mongolia, namely 1) the Country Assistance Program for Mongolia (2004), 2) the Country Assistance Policy for Mongolia (2012), and 3) the Country Development

Cooperation Policy for Mongolia (2017) (66 projects worth a total of 153.1 billion JPY)¹. The major achievements of the assistance in each priority area are described in “3-1-2 Effectiveness of Results.”

1-3. Methodology of Evaluation

1-3-1. Framework of Evaluation

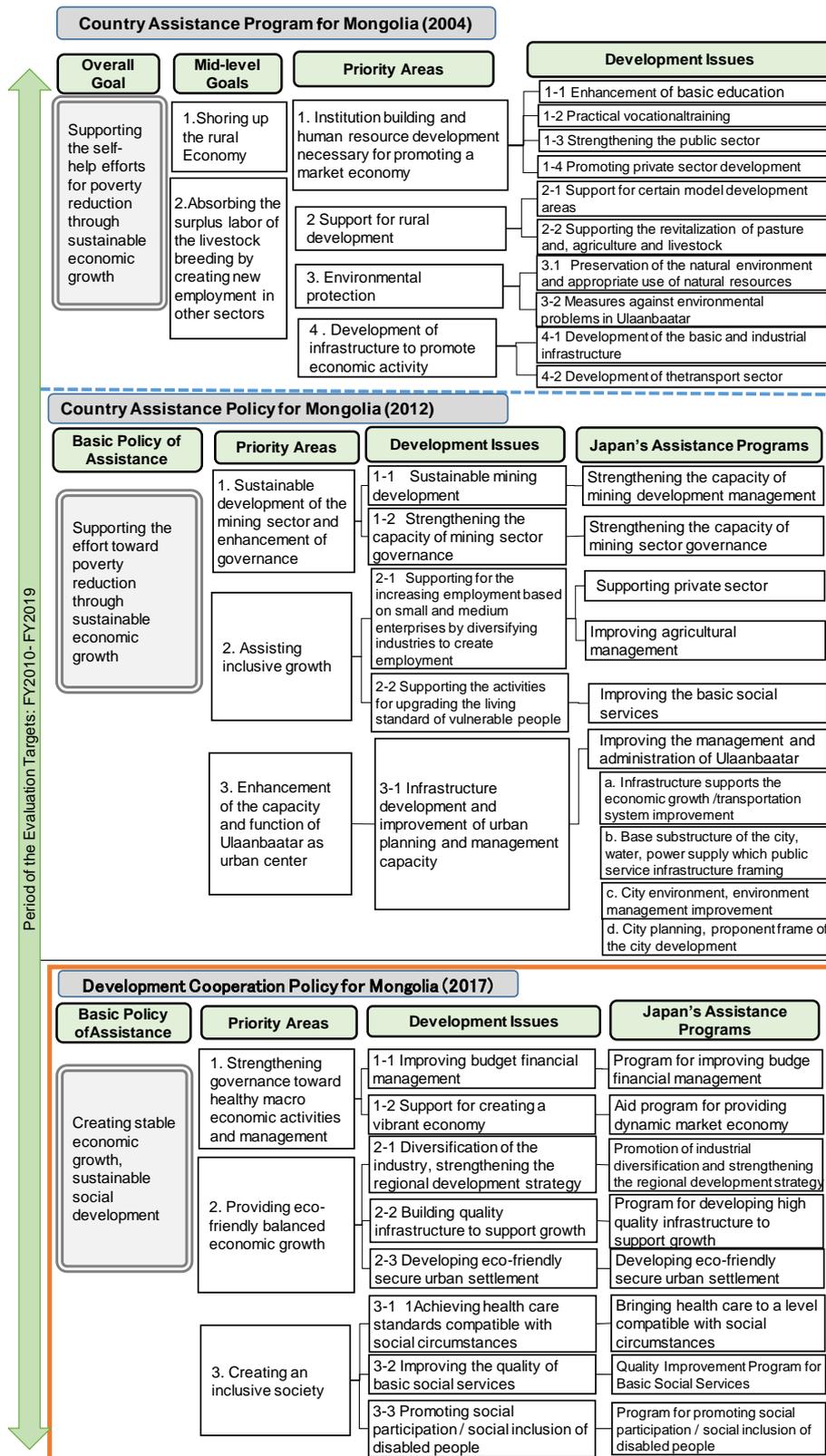
(1) Summarization of Policy Objectives

Fig. 1-1 shows the objective framework of the three policies that were in effect during the evaluation period. The currently effective ODA policy for Mongolia, the Country Development Cooperation Policy for Mongolia (2017), was used as a reference in the evaluation of the effectiveness of the results, in particular because the 2017 policy included all the priority areas and issues included in the two previous policies in different words, and one of the main purposes of this evaluation was to make recommendations for future formulation and implementation of ODA policies for Mongolia. (See Fig. 1-1 “Objective Framework of Japan’s ODA Policies for Mongolia” for the outline of each assistance policy.)

(2) Evaluation Viewpoint

This evaluation was conducted from: (a) development viewpoints (relevance of policies, effectiveness of results, and appropriateness of processes), and (b) diplomatic viewpoints (diplomatic importance and impact) as stipulated in the “ODA Evaluation Guidelines 13th Edition (June 2020).” Each viewpoint is summarized in the following. (See Attachment 1 of the Supplement for the detailed evaluation framework.)

¹ Among the technical cooperation projects, the analysis in this evaluation does not cover Acceptance of Technical Training Participants for which information regarding the project summary is not published on the JICA Knowledge Site.



Source: Country Assistance Program for Mongolia (2004), Country Assistance Policy for Mongolia (2012), and Country Development Cooperation Policy for Mongolia (2017) (The figure was prepared by the evaluation team)

Figure 1-1 Objective Framework of Japan's ODA Policies for Mongolia

(a) Evaluation from Development Viewpoints

a) Relevance of Policies

The relevance of Japan's ODA policies for Mongolia was evaluated by measuring the consistency of the basic policies and priority areas with the development policies and needs of Mongolia and Japan's high-level ODA policies, and the consistency of the projects implemented under these policies with Japan's comparative advantage, the priority issues and trends in assistance in the international community.

b) Effectiveness of Results

The overall effectiveness of the results was analyzed by: 1) verifying the achievements of Japan's ODA to Mongolia in the evaluation period, 2) evaluating the outputs and outcomes in each development issue shown in the objective framework of the Country Development Cooperation Policy for Mongolia (2017) (Fig. 1-1), and 3) evaluating the impact of Japan's ODA in each priority area.

The achievement in each priority area was evaluated based on the study results and quantitative information. The study results used in the evaluation included evaluations of individual Japan International Cooperation Agency (JICA) projects such the results of the terminal and ex-post evaluations and the data collected from the project completion reports and in this evaluation study. In addition to the results of this evaluation, the qualitative information obtained in interviews conducted at the relevant governmental organizations in Mongolia, other donor organizations, and implementing agencies was used for the overall evaluation of the impact of Japan's ODA in the priority areas.

c) Appropriateness of Processes

The processes of the formulation and implementation of Japan's ODA policies for Mongolia were evaluated as to whether they were appropriate for ensuring the above-mentioned "relevance of policies" and "effectiveness of results."

(b) Evaluation from Diplomatic Viewpoints

Japan's ODA to Mongolia was evaluated from two diplomatic viewpoints: a) diplomatic importance, and b) diplomatic impact. From viewpoint a), Japan's ODA to Mongolia was evaluated as to why it was important for Japan and what contribution it had made to strengthening the bilateral relationship. From viewpoint b), Japan's ODA was evaluated based on the extent of the support and understanding that the Government of Mongolia had shown to Japan's stance in the international community, its contribution to the strengthening of the bilateral

economic relationship, promotion of the market expansion of Japanese private companies in Mongolia, promotion of interaction at grass-roots level, and improvement of understanding among Mongolian nationals regarding Japan.

1-3-2. Implementation Procedures of the Evaluation

The evaluation period was from August 2020 to March 2021. The evaluation team was supervised by the Evaluation Chief and Advisor and the team had three study meetings with officials of relevant divisions of the Ministry of Foreign Affairs of Japan (MOFA) and relevant staff of JICA during this period. The study was implemented as mentioned below.

(1) Formulation of Evaluation Implementation Plan (August – September 2020)

The team explained the evaluation implementation plan (including the purposes, subjects, evaluation framework, and work schedule) at the first study meeting and finalized the plan with the consent of the relevant staff of MOFA and JICA.

(2) Implementation of Evaluation Study (October 2020 – January 2021)

In accordance with the implementation plan, the team collected information from documents and conducted interviews with relevant officials and persons in Japan (MOFA, JICA, consultants involved in the project implementation, etc.) and in Mongolia (Embassy of Japan in Mongolia, JICA Mongolia Office, line ministries and agencies of the Government of Mongolia, etc.). Due to the COVID-19 pandemic, the evaluation team did not visit Mongolia in this fiscal year. The team conducted this survey remotely, as far as possible using a local consultant with ample experience in the evaluation of ODA projects.

(3) Analysis in Japan and Preparation of Report (January – March 2021)

The evaluation team analyzed the information collected in the study. The team explained the main findings of the study, including a report preparation policy (draft report outlines), and a logic to draw evaluation results and recommendations from the study results to the relevant officials at the second study meeting. After the confirmation of and exchange of opinions on the aims of the recommendations, the team compiled the evaluation results in the first draft of the evaluation report. They prepared the second draft by incorporating the comments of the relevant officials on the first draft. The team collected the comments of the relevant officials on the second draft at the third study meeting, made several revisions of the evaluation report in Japanese based on the comments, and finalized the report with the approval of the ODA Evaluation

Division.

1-4. Limitations of the Evaluation

As mentioned above, the evaluation team conducted this evaluation remotely without visiting Mongolia due to the COVID-19 pandemic. In the original plan, the team planned to observe the target projects virtually with footage taken by a local consultant. However, as the Government of Mongolia enforced a national lockdown in November 2020 and prohibited non-essential and non-urgent outings, the team decided not to conduct visual observation. Although the team managed to verify the state of the target projects by movies and photographs taken by project stakeholders, they could not directly verify the state at the time of the evaluation.

1-5. Implementation Structure of the Evaluation

The team composed of the members shown in the table below conducted this evaluation.

	Name	Affiliation
1	Prof. Kaoru Hayashi (Chief Evaluator)	Professor, Faculty of International Studies, Bunkyo University
2	Prof. Kunio Minato (Advisor)	Professor, Faculty of Regional Collaboration, Kochi University
3	Ms. Maki Hamaoka (Team Leader)	Senior Researcher, International Development Research Center, FASID
4	Dr. Ruiko Hino	Researcher, International Development Research Center, FASID
5	Ms. Sayuri Kon	Program Officer, International Development Research Center, FASID
6	Dr. Nobuko Fujita	Executive Director, FASID

Chapter 2 Overview of Mongolia and Trends in ODA for Mongolia

2-1. Political System

2-1-1. Political Trends

Mongolia declared independence as the “Mongolian People’s Republic” in 1921. It essentially abandoned the socialist system and introduced a presidential system and multiparty system in 1990. The new constitution was enacted in 1992 and the term “People’s Republic” was dropped from the official name of the country. Mongolia has a unicameral legislature, the State Great Khural, and its members are elected every four years. The Mongolian People’s Party and the Democratic Party are the major political parties in Mongolia and they won the general elections alternately (the People’s Party in 2008 and 2016 and the Democratic Party in 2012). Discontinuity of policies derived from these changes of government was a challenge in Mongolia. The overwhelming victory of the People’s Party in the elections in 2020 (it gained 62 seats out of the 76 seats in the State Great Khural) and the reappointment of its chairman, Mr. Khürelsükh, as prime minister were expected to bring political stability to the country. However, as Prime Minister Khürelsükh resigned in early 2021 after mishandling the COVID-19 crisis, political turmoil may return after the presidential election scheduled for June this year, depending on the outcome.

2-1-2. Diplomacy

Mongolia is a landlocked country sandwiched between China and Russia. Its basic diplomatic policy is to maintain balanced diplomatic relationships with these two superpowers and to develop diplomatic relationships with “third neighbors.”² In recent years, Mongolia has strengthened its relationship with Russia and promoted Eurasia-oriented economic diplomacy, such as cooperation with the Russia-led Eurasian Economic Union and the Belt and Road Initiative of China. On the other hand, it has also strengthened its relationship with the US and India.³

² Third neighbors mean Japan, India, USA (with strategic partnerships), South Korea, Germany, Turkey (with comprehensive partnerships), Canada and Australia (with extended partnerships). (From the website of the Ministry of Foreign Affairs of Mongolia <http://www.mfa.gov.mn/> (accessed on Jan/4/2021))

³ Minato (2020) “Conflict and Restoration of Order within the People’s Party and Strengthening of the Power of Prime Minister Khürelsükh – Mongolia in 2019” (in Japanese) pp. 77-98, Yearbook of Asian Affairs - 2020, Institute of Developing Economies, Japan External Trade Organization, and “Basic Data, Japan-Mongolia Relations” on the website of the Ministry of Foreign Affairs of Japan, <https://www.mofa.go.jp/mofaj/area/mongolia/data.html#section3>

2-2. Economic Status

2-2-1. Overview

After democratization, the Government of Mongolia promoted structural reforms to realize a market economy, and the economy of Mongolia gradually began to grow steadily. However, negative economic growth (-1.3 %) was reported in 2009 due to the global financial crises of 2008 and a sharp drop in the price of mineral resources and Mongolia received assistance from the International Monetary Fund (IMF). Because of the steady growth of the mining sector, the economy of Mongolia grew by 6.4 % in 2010. The growth rate recovered to 17.3 % in 2011 and the high growth rate was maintained in 2012 and 2013 (Fig. 2-1). However, the economic growth rate dropped to 1.2 % in 2016 because of the slowdown of the mining industry, a major industry in Mongolia, due to the implementation of the resource-nationalism policy of restricting foreign investment in Mongolia, which led to a sharp decline in foreign investment, the slowdown of the Chinese economy, and a global decline in the price of mineral resources.

While the fiscal balance worsened, foreign exchange reserves decreased, and the risk of default increased, the Government of Mongolia received 5.65 billion USD from the IMF Extended Fund Facility (EFF) in February 2017. Later, production in the mining and manufacturing industries increased after the price of mineral resources, including coal, rose and the GDP growth rate recovered to 5.3 % in 2017.

Steady economic growth was observed from 2018 on. However, due to the COVID-19 pandemic, the GDP growth rate in the first quarter of 2020 fell sharply by 10.7 % compared with the same quarter of 2019. However, as Mongolia managed to reduce community-acquired infection of COVID-19 to zero, the rate recovered to -9.1 % and -3.1 % in the second and third quarters, respectively.⁴

⁴ Real GDP (in MNT, standard year: 2010), website of Mongolian Statistical Information Service, <http://1212.mn>, (accessed on Dec/11/2020)

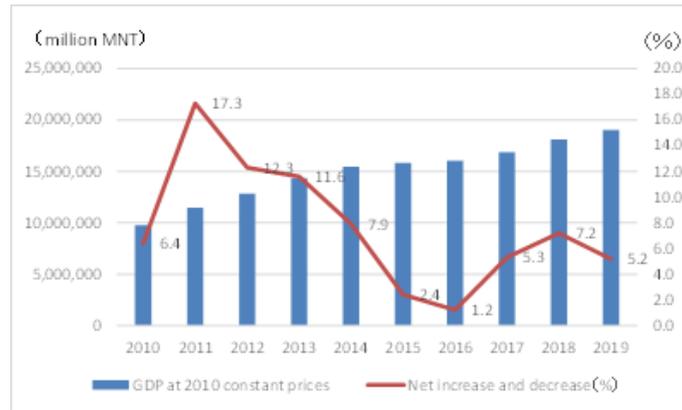


Figure 2-1 Changes in GDP and GDP Growth Rate (Real GDP)

Source: Mongolian Statistical Information Service, <http://1212.mn> (accessed on Dec/11/2020),
(The figure was prepared by the evaluation team)

2-2-2. Population

The population of Mongolia is approx. 3.3 million, and 68.1 % live in urban areas. The population has grown at an annual average rate of 1.95 % in the last ten years. The population density is only 2.1 people per square kilometer.⁵

2-3. Development Policy of Mongolia

2-3-1. MDG-based Comprehensive National Development Strategy of Mongolia (2008 – 2021)⁶

The Government of Mongolia formulated the “Millennium Development Goals (MDGs)-based Comprehensive National Development Strategy” in January 2008. The strategy aimed for the development of Mongolians in a humanitarian democratic society and the economic, social, scientific, technological, and cultural development of the country. It described strategies for the next 14 years, comprehensively relating them closely to global and regional development. The strategy had four objectives: 1) to achieve MDGs by developing human resources with knowledge and skills with a focus on private sector-led economic growth and the development of Mongolians, particularly sustainable development of education, health, science and technology, and the natural environment, 2) to create high technology-based and eco-friendly industries and services, 3) to establish a knowledge-based economy in order to realize economic growth, and 4) to create a democratic nation that protects human rights and freedom and is free of corruption and bribery, and to become a middle-

⁵ All figures are for 2019. ADB Country Table <https://www.adb.org/publications/key-indicators-asia-and-pacific-2020> (accessed on Nov/13/2020)

⁶ The Millennium Development Goals-based Comprehensive National Development Strategy of Mongolia (2008-2021), MOFA (2008) ODA Databook 2008

income country.

2-3-2. Vision 2030 (Mongolia Sustainable Development Plan :2016-2030)

The State Great Khural formulated the “Mongolia Sustainable Development Vision 2030” in 2016. The vision sets out the basic policies, such as ensuring average annual economic growth of not less than 6.6 percent through 2016-2030 and increasing GNI per capita to become an upper middle-income country, and development policies in each sector.

Its macroeconomic policy aims at reducing the fiscal deficit and stabilizing foreign exchange rates, in addition to ensuring the economic growth rate mentioned above. As sector development policies, the vision mentions basic policies, including promoting innovative products and services using advanced technologies for improved productivity and promoting production methods that emit lower levels of greenhouse gases and pollutants by effective use of natural resources. The vision is to be implemented in three phases, Phase I (2016-2020), Phase II (2021-2025), and Phase III (2026-2030), and the vision provides the practical outcomes of each policy in each phase.

2-3-3. Vision 2050

The Government of Mongolia formulated a new long-term development plan, Vision 2050, in 2020 in recognition of the need to summarize the development of the past 30 years and formulate a development policy for the next 30 years. Vision 2050 was adopted by the State Great Khural in May 2020. Vision 2050 has nine basic goals and 47 objectives. Action plans are to be implemented in three phases, 2020-2030, 2031-2040, and 2041-2050.

Although many of its objectives are the same as those of Vision 2030, Vision 2050 is characterized by aiming at creating and sharing awareness of the value of Mongolia as a country, developing the economy to increase GDP per capita to 15,000 USD, which is the level of developed countries, and enhancing the well-being of the people so as to be ranked among the top ten in the better life index.

2-4. Trends in ODA for Mongolia

2-4-1. Overview

In the classification system of the World Bank, Mongolia is ranked near the threshold between lower and upper middle-income countries (Table 2-1). ODA per capita in Mongolia is higher than the average of low-income countries and, by region, it is much higher than the average of Sub-Saharan African countries.

The GNI ratio, an indicator of aid dependency, of Mongolia is much higher than the average of lower middle-income countries.

Table 2-1 Aid Dependency of Mongolia (2018)

Category (GNI per capita (USD))	Net ODA per capita (USD)	Net ODA ratio to GNI
Average of low income countries (-1,025)	85	11.0
Lower middle-income countries (1,026-3,995)	14	0.7
Mongolia (3,580)	105	2.8
Upper middle-income countries(3,996-)	5	0.1
Global average	22	0.2
East Asia & Pacific countries	3	NA
South Asia	7	0.4
Latin America & Caribbean countries	16	0.2
Middle East & North Africa	71	0.9
Sub-Saharan Africa	47	3

Source: World Development Indicators <http://wdi.worldbank.org/tables> (accessed on Jan/19/2021) (The table was compiled by the evaluation team.)

The total amount of ODA to Mongolia was between 240 million USD/year and 450 million USD/year from 2010 to 2018. The total amount in 2018 was approx. 330 million USD, 68.8 % of which was provided by the DAC member countries, 6.9 % by non-DAC member countries, and 24.3 % by multilateral aid organizations⁷. Fig. 2-2 shows the changes in ODA amount to Mongolia by country/organization.

2-4-2. Trends in Bilateral Cooperation

Table 2-2 shows the amount of ODA provided by major bilateral donors in the nine years from 2010 to 2018. Japan was the largest donor in all years, except 2012 and 2018, and accounted for 47.7 % of the bilateral assistance to Mongolia in the nine years. The US, South Korea, and Germany followed Japan in the amount of ODA. ODA from the US has decreased since 2014, while South Korea has ranked first or second in the last three years.

⁷ Net expenditure basis, Database of OECD, <https://stats.oecd.org>, (accessed on Oct/23/2020)

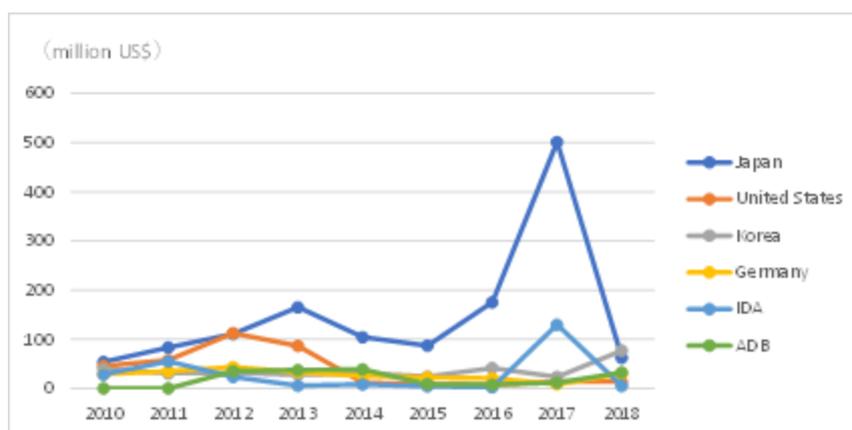


Figure 2-2 Changes in Net Amount of ODA of Major Donors to Mongolia

Source: Database of OECD, <https://stats.oecd.org> (accessed on Jan/5/2021)

Table 2-2 Changes in Amount of ODA to Mongolia from Major Bilateral Donors
(Net expenditure in million USD)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2010-2018, Total	%
Japan	53.9	83.3	110.7	165.2	104.1	87.0	175.3	501.1	62.2	1342.6	47.7
United States	45.5	57.6	112.4	86.5	11.7	9.0	7.0	13.5	13.6	356.9	12.7
Korea	39.2	30.5	31.8	27.7	30.8	24.2	41.4	23.3	76.9	325.7	11.6
Germany	29.1	34.7	43.1	32.9	25.3	22.4	20.3	8.4	29.7	245.9	8.7
Switzerland	11.3	15.2	20.1	20.0	21.9	24.7	21.5	18.8	16.4	169.8	6.0
DAC Countries, Total	224.7	259.1	358.4	362.7	224.7	196.7	289.5	590.6	228.9	2735.1	97.2
Non-DAC Countries, Total	5.9	2.6	13.3	3.6	22.2	2.4	1.2	4.1	23.0	78.2	2.8
Bilateral, Total	230.6	261.7	371.6	366.4	246.9	199.0	290.7	594.6	251.9	2813.4	100.0

Source: Database of OECD, <https://stats.oecd.org> (accessed on Jan/5/2021)

2-4-3. Trends in Multilateral Cooperation

Table 2-3 shows the amount of assistance provided by major international organizations in the nine years from 2010 to 2018. The table shows that the International Development Association (IDA), Asian Development Bank (ADB), and European Union (EU) were the largest multilateral donors, followed by the Global Fund and the Global Environment Facility.⁸

⁸ Net expenditure basis, Database of OECD, <https://stats.oecd.org> (accessed on Jan/5/2021)

Table 2-3 Changes in Amount of ODA to Mongolia
from Major International Organizations

(Net expenditure in million USD)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2010-2018, Total	%
IDA	28.5	55.0	23.4	5.6	8.2	4.2	2.1	129.6	4.7	261.2	39.3
ADB	35.0	37.3	38.7	8.6	7.6	11.8	32.4	171.4	25.8
EU Institutions	13.4	5.0	3.9	4.9	5.8	6.9	13.4	13.8	30.2	97.5	14.7
Global Fund	6.3	4.4	5.4	4.7	4.4	3.8	2.3	4.5	4.2	39.9	6.0
GEF	2.3	3.2	2.7	3.5	4.3	4.3	2.2	1.8	1.0	25.3	3.8
Others	5.6	8.2	4.5	8.1	8.7	9.5	7.4	8.4	8.3	5.6	10.3
Multilateral, Total	56.1	75.8	74.9	64.2	70.0	37.3	35.0	169.9	80.8	663.9	100.0

Source: Database of OECD, <https://stats.oecd.org> (accessed on Jan/5/2021)

2-5. Trends in Japan's ODA for Mongolia

2-5-1. Japan's ODA Policies for Mongolia

Japan's assistance to Mongolia was launched based on the economic cooperation agreement concluded in 1977. Japan provided limited assistance, such as technical cooperation and cultural grant assistance, to Mongolia until FY1989. In the early 1990s when the transition from the socialist system to a market economy took place in Mongolia, Japan's assistance to Mongolia increased sharply and Japan began providing ODA loans and non-project grant aid to Mongolia. Japan's ODA helped Mongolia greatly during this transitional period when the Government of Mongolia was in the worst financial state. This fact contributed significantly to the establishment of the current friendly relationship between Mongolia and Japan.⁹

The Governments of Mongolia and Japan concluded the Japan-Mongolia Mid-term Action Plans for a Strategic Partnership in 2013 and 2017 as practical action plans to revitalize the trade and economic relationship between the two countries.

2-5-2. Achievements of Japan's ODA for Mongolia

The Government of Japan provided a cumulative sum of 87.136 and 27.247 billion JPY in ODA loans and grant aid to Mongolia between FY2010 and FY2017. (Data on technical cooperation were not available.)

⁹ Interview with staff of the Embassy of Japan in Mongolia (Nov/27/2020)

Table 2-4 Number of Japan's ODA Projects Implemented in Mongolia and Amount of ODA Provided

(monetary unit: billion JPY)

Year	ODA loans		Grant aid		Technical Cooperation Projects
	Number	Amount	Number	Amount	Number
2010	1	5.000	10	4.583	N/A
2011	1	1.550	13	4.837	2
2012	0	0	9	3.234	1
2013	2	11.736	9	2.992	4
2014	0	0	10	2.195	6
2015	1	36.850	5	0.803	5
2016	0	0	11	4.665	5
2017	1	32.000	8	3.938	2
Total	6	87.136	75	27.247	25

Note 1) The amount of ODA loans and grant aid is based on Exchange of Notes (E/N).

Note 2) The number of Technical Cooperation Projects by year was counted by the year the project started, and only projects with an implementation period of 2 years or more were included.

Note 3) Grant aid included detailed design studies, Grant Assistance for Japanese NGO Projects, Grant Assistance for the Food Aid Projects and humanitarian support. Grant Assistance for Cultural Grassroots Projects and Grant Assistance for Grassroots Humans Security Projects were excluded.

Source: "ODA Data Book" of Ministry of Foreign Affairs of Japan (The table was compiled by the evaluation team.)

Fig. 2-3 shows Japan's ODA expenditure to Mongolia by sector. The Government of Japan used most of its ODA to Mongolia between 2013 and 2016 in the transport sector for the construction of an airport, roads, viaducts, etc. More recently, Japan has provided ODA assistance in a variety of sectors, including energy, health, and education (Fig. 2-3). The projects implemented between 2010 and 2019 are listed in Attachment 2 of the Supplement. A total of 271 JICA Overseas Cooperation Volunteers (JOCVs) in 63 job types were dispatched to Mongolia during the evaluation period. Fig. 2-4 shows the breakdown of the dispatched volunteers by sector.

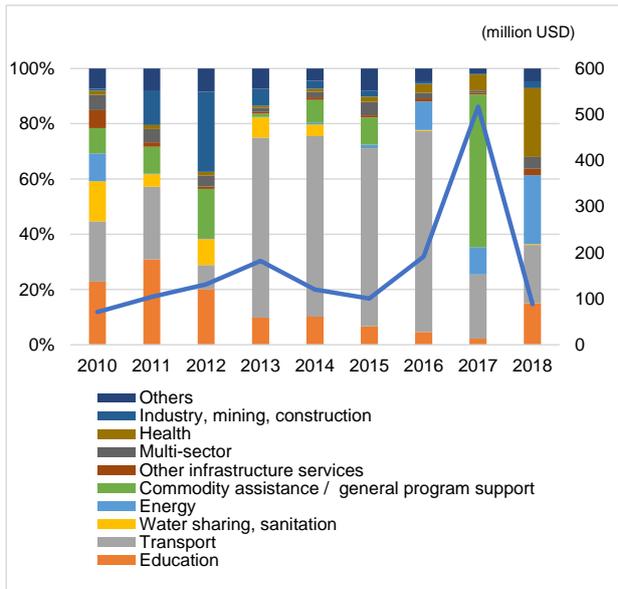


Figure 2-3 Japan's ODA Expenditure to Mongolia by Sector

Source: Statistics Database of OECD (The diagram was prepared by the evaluation team.)

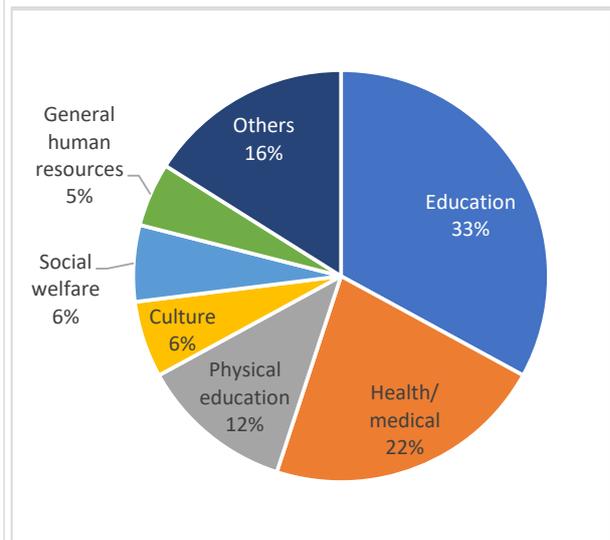


Figure 2-4 Breakdown of JOCVs Dispatched to Mongolia between FY2010 and FY2019 by Sector

Note: JICA's subsector classification was used in creating this figure, except that the number for the "Basic Education" subsector was included in the "Education" subsector and the number for the "Basic Health" subsector was included in the "Health" subsector.

Source: Data provided by JICA (The figure was prepared by the evaluation team.)

Chapter 3 Evaluation Results

3-1. Evaluation from Development Viewpoints

Evaluation Results Summary (Evaluation from Development Viewpoints)

10

(1) Relevance of Policies: Highly Satisfactory A

The evaluation team confirmed that Japan’s ODA policies for Mongolia were consistent with the development policies and needs of Mongolia, Japan’s high-level policies, and the international priority issues and mutually complementary to the assistance policies of other donors. The evaluation team confirmed that, although there was an example of the effective use of the comparative advantage of Japan in the assistance in air pollution control, the alignment with other donors and the development needs and project implementation structures of Mongolia were studied comprehensively for the formulation and implementation of Japan’s assistance to Mongolia. For the reasons mentioned above, the relevance of Japan’s ODA policies for Mongolia was rated “Highly Satisfactory A.”

(2) Effectiveness of Results: Satisfactory B

Japan was the largest donor to Mongolia during the evaluation period, except in 2012 and 2018, in terms of the amount of ODA. Japan’s ODA accounted for 47.7 % of the total bilateral assistance to Mongolia between FY 2010 and FY2018, which was larger by far than the other bilateral donors. Therefore, Japan’s ODA has contributed greatly to the development of Mongolia in terms of the amount.

The outputs, outcomes, and impacts of the policies were evaluated with the analysis of the projects completed during the evaluation period in each priority area/development issue. The evaluation team confirmed the impact of Japan’s ODA in Priority Area 1, “strengthening governance for creating a healthy macro economy.” For example, the implementation of the “Fiscal, Social and

¹⁰ The policies were rated on a scale of A to D (Highly Satisfactory A, Satisfactory B, Partially Unsatisfactory C, and Unsatisfactory D) on the three criteria from the development viewpoints (1) Relevance of Policies, 2) Effectiveness of Results, and 3) Appropriateness of Processes) in accordance with the “Rating scale chart for evaluation from developmental viewpoints” in the ODA Evaluation Guidelines -13th Edition (2020).

Economic Reform Development Policy Loan” contributed to the fiscal adjustment and the assistance in the second tax reform contributed to the improvement of fiscal management, including revenue mobilization. The team also confirmed the contribution in Priority Area 2, “Creating eco-friendly and balanced economic growth.” The investment in small- to medium-scale enterprises contributed to the establishment of the foundation for industrial diversification in Mongolia with the development of private companies and human resources in businesses. The use of Japan’s experience in air pollution control and waste management contributed to the solution of such environmental problems. In Priority Area 3, “Creating an inclusive society,” Japan’s assistance produced outcomes, such as the revision of the post-graduate training curriculum for doctors and the establishment of the first post-graduate training system in a local hospital in Mongolia, in the health sector. Japan’s assistance in promoting social participation/social inclusion of disabled people produced such impacts as the establishment of the foundation for development support and education for children with disabilities and improvement of accessibility of the disabled to public facilities. Although some of the planned objectives in Priority Areas 1 and 2 had not been achieved, Japan’s assistance had a large impact as a whole. Therefore, the effectiveness of the results of Japan’s ODA to Mongolia was rated “Satisfactory B.”

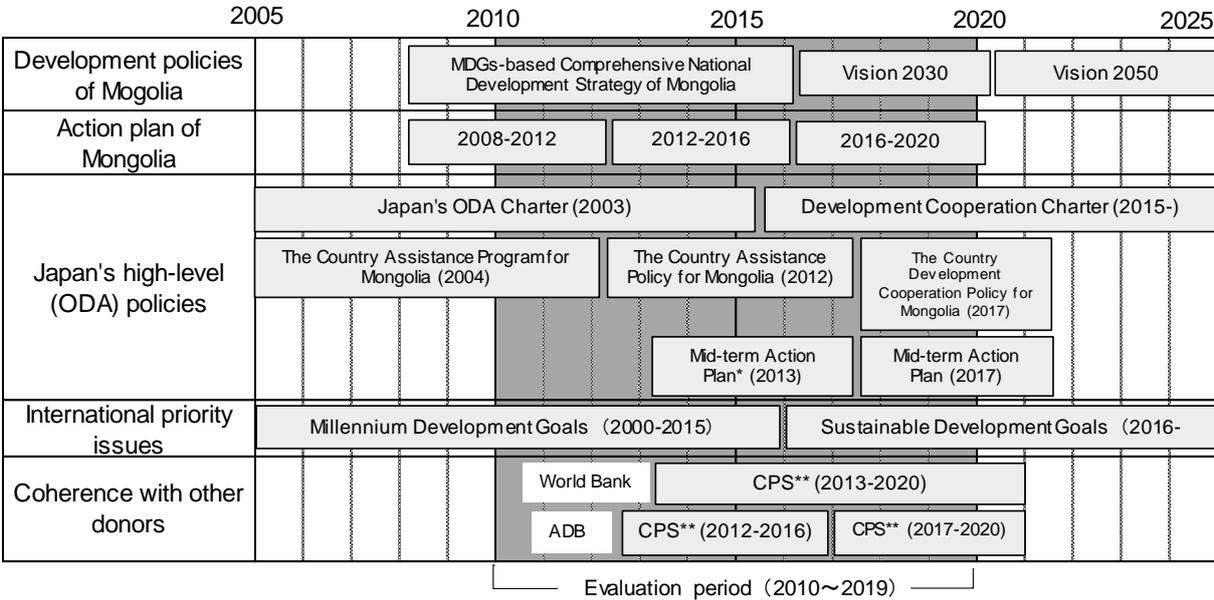
(3) Appropriateness of Processes: Highly Satisfactory A

The Ministry of Foreign Affairs of Japan has designed Japan’s assistance policies appropriate for Mongolia considering the development needs of Mongolia carefully and following the prescribed procedure. The team confirmed that close communication with the government organizations of Mongolia and international organizations were always maintained and approaches that were effective in improving the effectiveness of projects, such as cooperation between Japan’s technical cooperation projects and activities of other donors, cooperation among projects and between schemes during the policy implementation, were used. The Embassy of Japan in Mongolia and the JICA Mongolia Office reacted rapidly and deliberately to problems that arose during the policy implementation. As the above-mentioned observations confirmed that the policies were implemented appropriately on all the evaluation items, the appropriateness of processes of Japan’s assistance to Mongolia was rated “Highly Satisfactory A.”

In this section, Japan’s ODA to Mongolia is evaluated from the development viewpoints, “Relevance of Policies,” “Effectiveness of Results,” and “Appropriateness of Processes.”

3-1-1. Relevance of Policies

Japan’s assistance policies for Mongolia were evaluated on five criteria, (1) consistency with the development policies and needs of Mongolia, (2) consistency with Japan’s high-level ODA policies, (3) consistency with the international priority issues, (4) relevance with assistance policies of other donors, and (5) consistency with comparative advantage of Japan. The development policies of Mongolia and Japan’s high-level policies described in Chapter 2 are shown in the chronological table in Fig. 3-1.



*Japan-Mongolia Mid-term Action Plan for a Strategic Partnership
 **Country Partnership Strategy for Mongolia

Figure 3-1 Chronological Table of Development-related Policies

(1) Verification Criteria 1 : Consistency with the Development Policies /the Development Needs of Mongolia

(a) Consistency with the Development Policies of Mongolia

The “MDGs-based Comprehensive National Development Strategy” formulated in 2008 and the “Mongolia Sustainable Development Vision 2030”

formulated in 2016 were the highest-level development policies of the Government of Mongolia in force during the evaluation period. As development plans to implement these policies, the Government Action Plans were formulated for the periods between 2008 and 2012, between 2012 and 2016, and between 2016 and 2020. The priority areas stipulated in Japan's assistance policies for Mongolia were consistent with the objectives of the relevant "Government Action Plans 2008-2012, 2012-2016, and 2016-2020."

(b) Consistency with the Development Needs of Mongolia

The composition of the priority areas in Japan's assistance policies for Mongolia was revised in 2012 and 2017 in the evaluation period to respond to the changes in situation and development needs of Mongolia from the time of the formulation of the Country Assistance Program for Mongolia in 2009. Therefore, Japan's assistance policies for Mongolia are considered to have been consistent with the development needs of Mongolia.

For the reasons mentioned above, the evaluation team concludes that Japan's assistance policies for Mongolia have been highly consistent with the development policies and needs of Mongolia.

(2) Verification Criteria 2: Consistency with Japan's High-level Development Policies

(a) Consistency of Country Assistance Program (2004) and Country Assistance Policy (2012) with ODA Charter (2003)

The Country Assistance Program for Mongolia (2004) and the Country Assistance Policy for Mongolia (2012) were formulated based on the Basic Policy (1), "supporting self-help efforts of developing countries," of the ODA Charter. The goals in the priority areas of these two policy documents were fully consistent with the priority policies of the charter. Therefore, the Country Assistance Program for Mongolia (2004) and the Country Assistance Policy for Mongolia (2012) were consistent with the ODA Charter (2003).

(b) Consistency of Country Development Cooperation Policy (2017) with Development Cooperation Charter (2015)

The Country Development Cooperation Policy for Mongolia (2017) addresses the priority policies of the Development Cooperation Charter (2015), 1 "poverty eradication", 2 "sustainable growth," and 3 "addressing global challenges."

(c) Consistency of Country Development Cooperation Policy (2017) with Japan-Mongolia Mid-term Action Plan for a Strategic Partnership (2017)

The Japan-Mongolia Mid-term Action Plan for a Strategic Partnership (2017 – 2021) describes an action plan for the economic growth of Mongolia and invigoration of the trade and economic relationships between the two countries in Priority Area 2. At this point, the Country Development Cooperation Policy (2017) is consistent with the action plan because its basic policy is “creating sustainable economic growth.” The above-mentioned finding supports the consistency of Japan’s assistance policies for Mongolia with Japan’s high-level ODA policy.

(3) Verification Criteria 3: Consistency with International Priority Issues

(a) Consistency of Country Assistance Policy (2012) with Millennium Development Goals (MDGs)

The Country Assistance Policy included Priority Area 1 “sustainable development of the mining sector and enhancement of governance”, based on the concept of assisting self-help efforts for poverty reduction with sustainable economic growth. Therefore, this priority area was consistent with MDG 1 “eradicate extreme poverty and hunger.” Priority Area 2 of the policy “assisting inclusive growth” was consistent with MDGs 2, 4, 5, and 6. Priority Area 3 “enhancement of the capacity and function of Ulaanbaatar” was consistent with MDG 7 because the activities in the area included those for the improvement of urban infrastructure (waterworks, power supply, etc.) and those addressing environmental problems, such as waste disposal and air pollution.

(b) Consistency of Country Development Cooperation Policy (2017) with Sustainable Development Goals (SDGs)

Priority Area 1 of the Country Development Cooperation Policy for Mongolia (2017) “strengthening governance for creating a healthy macro economy” is consistent with SDGs 1, 8, and 16. Priority Area 2 “creating eco-friendly and balanced economic growth” is consistent with SDGs 8, 9, and 10. Priority Area 3 “inclusive social development” is consistent with SDGs 3, 4, 6, and 16.

The above-mentioned findings indicating that all the priority areas mentioned in Japan’s assistance policies for Mongolia have been consistent with MDGs and

SDGs suggest the consistency of the policies with international priority issues.

(4) Verification Criteria 4: Coherence with Assistance from Other Donors

Japan's assistance policies for Mongolia have the same objectives (sustainable economic growth, strengthening of governance to achieve it, stabilization of macro economy, and stable provision of basic social services) as the assistance policies of major donors to Mongolia, the World Bank (WB) and Asian Development Bank (ADB). In addition, Japan's assistance and the projects/programs implemented by WB, ADB, and IMF are enhancing each other in a complementary way. Therefore, the assistance to Mongolia of these donors is designed to have a synergic effect.

(5) Verification Criteria 5: Donors/Japan's Comparative Advantages

The evaluation of the use of Japan's comparative advantage in the assistance to Mongolia has revealed that the Government of Japan has not selected areas of assistance based on Japan's comparative advantage over other donors but has selected targets of assistance based on the results of comprehensive consideration of the alignment with other donors, requests from the Government of Mongolia, and the development needs and project implementation structures of Mongolia. A good example of the utilization of Japan's experience and excellent technology was identified in the Capacity Development Project for Air Pollution Control in Ulaanbaatar City. It is one of the characteristics of Japan's assistance to adapt systems and mechanisms developed in Japan to the society of a partner country and use the adapted systems and mechanisms in assistance. The evaluation has revealed that this characteristic has been used effectively in many projects as a means to design systems and develop mechanisms in a preparatory stage.

3-1-2. Effectiveness of Results

The evaluation of the effectiveness of the results of Japan's assistance to Mongolia is described in this section. The evaluation team analyzed mainly the projects that had been completed at the time of the evaluation. The team identified the assistance activities (inputs) in the projects and evaluated the impact of Japan's ODA in each of the priority areas stipulated in the Country Development Cooperation Policy for Mongolia (2017) following the objective framework of the policy shown in Fig. 1-1.

(1) Verification Criteria 1: Achievement and Contribution of Japan's ODA (Input)

As mentioned in 2-4-2, Japan was the largest bilateral donor in all years in the evaluation period, except FY 2012 and FY 2018. The amount of Japan's assistance accounted for 47.7 % of the total amount of bilateral assistance to Mongolia between FY2010 and FY2018. There were large gaps in the amounts of assistance between Japan and other donors, as the second and third largest donors (the US and South Korea, respectively) accounted for 12.7 % and 11.6 %, respectively, of the total amount. These facts indicate that Japan has made a large contribution to the development of Mongolia in terms of the amount of assistance. Major inputs in each sector are described in the paragraphs of each development issue.

(2) Verification Criteria 2: Outputs, Outcomes and Impacts of Japan's ODA for Each Priority Area/Development Issue

In this evaluation, outputs, outcomes, and impacts on each priority area/development issue of ODA loan, grant aid, and technical cooperation projects larger than certain set scales that had been completed during the evaluation period were analyzed with the procedure described below.

- First, each project was given a sub-rating score of the effectiveness, one of the five DAC evaluation criteria, for this evaluation based on the ratings results of the effectiveness in the terminal evaluation report, project completion report, final report, and ex-post evaluation report of JICA.¹¹
- Then, the impact of Japan's ODA for each development issue was analyzed comprehensively based on the results of individual projects and rated in accordance with the rating scale in the ODA Evaluation Guidelines 13th Edition (2020).¹²

¹¹ Projects rated "High," "Generally High," or "Relatively High," "Fair," and "Relatively Low" or "Low" on the effectiveness in project completion reports were given effectiveness sub-ratings of 3, 2, and 1, respectively. Projects rated "High," "Fair," and "Low" on the effectiveness/impact in ex-post evaluation reports (In the ex-post evaluation, the effectiveness and impact are rated as a single evaluation criterion.) were given sub-ratings of 3, 2, and 1, respectively. If a JICA report of a completed project did not include results of the DAC five-criteria evaluation (such as a report of a grant aid assistance), an effectiveness sub-rating of the project was given based on the information collected by the evaluation team.

¹² If outcomes of an evaluated project had been confirmed and its impact on the issue concerned was large, the project was given an effectiveness rating of "Highly Satisfactory A." If outcomes had been confirmed but the impact was limited, the project was given a rating of "Satisfactory B." Even if the outcomes of an evaluated project and its impact on the issue

- Finally, the results of the evaluation of the projects for each development issue were analyzed comprehensively to rate the impact of Japan’s ODA for each priority area based on the rating scale in the ODA Evaluation Guidelines – 13th Edition (2020).”¹³

The results of the evaluation for each priority area are described in the following.

(A) Priority Area 1: Strengthening Governance for Creating Healthy Macro Economy

Japan and other donors assist Mongolia in achieving the strategic objectives established under “1. Sustainable Economic Development, 1.6. Macroeconomic policies” and “4. Governance for Sustainable Development, 4.1 Establish and strengthen a governance structure to formulate, implement, monitor, and evaluate development policies” of the Vision 2030.

Vision 2030			
1. Sustainable Economic Development 1.1 Agriculture 1.2 Tourism 1.3 Industry 1.4 Mining 1.5 Energy and infrastructure 1.6 Macroeconomic policies 1.7 Favorable business environment	2. Sustainable Social Development 2.1 Ensuring social equality through inclusive growth 2.2 An effective, high quality and accessible health care system 2.3 Knowledge-based society and a skillful Mongolia	3. Environmental Sustainability 3.1 Integrated water resource management 3.2 Coping with climate change 3.3 Ecosystem balance	4. Governance for Sustainable Development 4.1 Strengthening governance structure to formulate, implement monitor and evaluate sectoral and local development policies 4.2 Improving the leadership of civil service organizations and developing transparent and accountable 4.3 Enforcing laws and procedures on ethics for politicians and civil servants, and eliminating all forms of corruption

Figure 3-2 Policy Areas Concerned with the Strengthening of Governance for Creating Healthy Macro Economy

The Country Development Cooperation Policy for Mongolia (2017) defines

concerned had been confirmed, the project was given an effectiveness rating of “Partially Unsatisfactory C,” if it had been given an overall evaluation rating of “C” in the ex-post evaluation report. An evaluated project with no confirmed effect was given an effectiveness rating of “Unsatisfactory D.”

¹³ The impact of ODA was rated “Highly Satisfactory A,” “Satisfactory B,” “Partially Unsatisfactory C” or “Unsatisfactory D.”

“Strengthening governance for creating healthy macro economy” as Priority Area 1. To assist the Government of Mongolia to overcome economic and budgetary complications and develop and stabilize the economy in the medium- and long-term, the Government of Japan provides support for Development issue 1-1, “improving budget financial management” and Development issue 1-2, “Support for creating a vibrant economy” in the policy: The former is to improve public financial management capacities of the Government of Mongolia for strengthening Government’s fiscal discipline (budget revenue and expenditure management), while the latter is to develop a vibrant market economy by promoting foreign direct investment (FDI) with adjustment of the legal and judicial systems, strengthening of the functions of the financial market, and creation of a good investment and business environment.

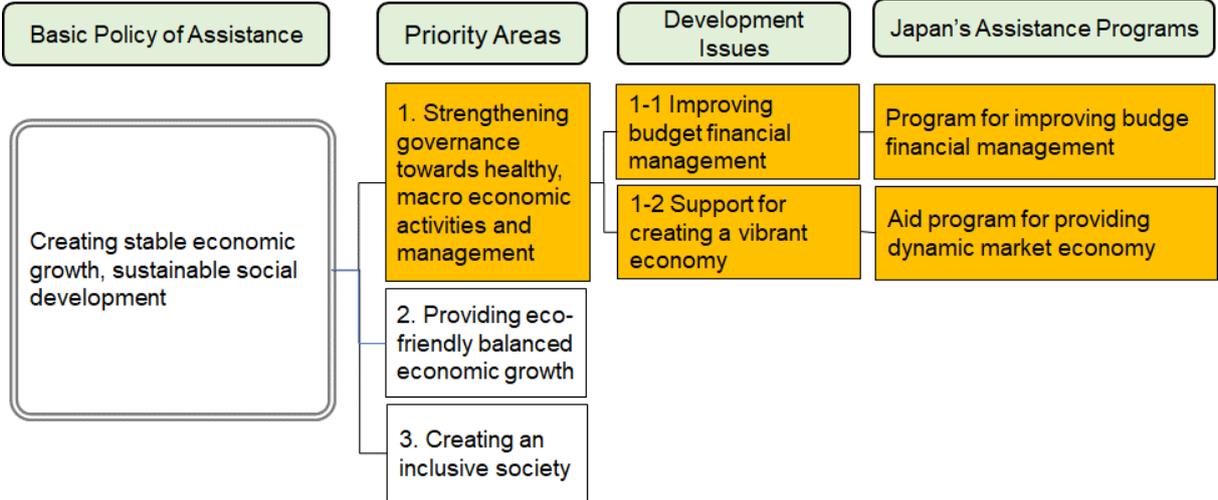


Figure 3-3 Objective Framework of Priority Area 1“ Strengthening Governance for Creating Healthy Macro Economy”

(a) Development Issue 1-1: Improving Budget Financial Management

1) Japan’s Assistance (Inputs)

One ODA loan project (with a budget of 32 billion JPY) and six technical cooperation projects (a total budget of 833 million JPY) were implemented during the evaluation period. Among them, two projects are ongoing. The major inputs included the Fiscal, Social, and Economic Reform Development Policy Loan and assistance in capacity building in internal audit and achievement monitoring and taxation.

2) Results of Assistance (Outputs, Outcomes, and Impacts)

The impact on the fiscal adjustment of the provision of 32 billion JPY in the Fiscal, Social, and Economic Reform Development Policy Loan was the greatest outcome of Japan's ODA to Mongolia for Development Issue 1-1 (improving budget financial management). The loan was provided within the international assistance framework of the Extended Fund Facility (EFF) of IMF approved in 2016. The experience in revenue management in Japan was utilized in the second taxation reform, in which the General Law on Taxation, Personal Income Tax Law, and Corporate Income Tax Law were revised. The revised laws were adopted by the State Great Khural in March 2019 and came into force as the Revised General Law on Taxation in January 2020. It was confirmed that the enforcement of this revised law contributed to revenue mobilization with the introduction of self-enforcement. Although objectives in the Capacity Development Project for Internal Audit (adoption by the State Great Khural of the Internal Audit Law and the finalization of the training framework and operational manual for internal auditors of governmental organizations required for the enforcement of the law) were not achieved in the implementation period as planned, the impact of the outcome on "improving budget financial management" mentioned above in this paragraph was so large that the effectiveness of the results for this development issue is rated "Satisfactory B."

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(b) Development Issue 1-2: Support for Creating a Vibrant Economy

1) Japan's Assistance (Inputs)

Nine technical cooperation projects (with a total budget of 1,055 million JPY) were implemented for this issue during the evaluation period. Among them, two projects are ongoing. Under this development issue, Japan provided support for strengthening of the mediation system, capacity building of capital market, capacity building of public-private partnership (PPP), enhancement of the fair competition environment, capacity building of banks, etc.

2) Results of Assistance (Outputs, Outcomes, and Impacts)

¹⁴ The effectiveness of results for each development issue was rated on a scale of A to D, "Highly Satisfactory A," "Satisfactory B," "Partially Unsatisfactory C," or "Unsatisfactory D," in accordance with the "Rating scale chart for the evaluation from development viewpoints" provided in the ODA Evaluation Guidelines – 13th Edition."

Some of the projects for Development Issue 1-2, such as the Project for Capacity Building of PPP and Program for Capacity Building of Banks, produced not as much effect as planned. Meanwhile, the Project for Strengthening Mediation System had a large impact of judicial system reform and nation-wide extension of the mediation system in Mongolia, which had not had such a system. Some other projects produced effects that contributed to the promotion of the market economy to a certain extent with approaches that were innovative in Mongolia, including the enactment of the Fair Competition Law, and the designing of systems required in the preparatory stage. Therefore, the overall effectiveness of the results for this development issue is rated “Satisfactory B.”

(B) Priority Area 2: Providing Eco-friendly and Balanced Economic Growth

Japan and other donors assist Mongolia in the achievement of the strategic goals of the Vision 2030 set for “1. Sustainable Economic Development: 1.1 Agriculture sector, 1.3 Industrial sector, 1.4 Mining sector, and 1.5 Energy and infrastructure sector” and “2. Sustainable Social Development: 2.3 Knowledge-based society and a skillful Mongolian workforce, and 3. Environmental Sustainability: 3-1 Integrated water resource management, 3-2 Coping with climate change, and 3-3 Ecosystem balance.”

Vision 2030			
<p>1. Sustainable Economic Development</p> <p>1.1 Agriculture</p> <p>1.2 Tourism</p> <p>1.3 Industry</p> <p>1.4 Mining</p> <p>1.5 Energy and infrastructure</p> <p>1.6 Macroeconomic policies</p> <p>1.7 Favorable business environment</p>	<p>2. Sustainable Social Development</p> <p>2.1 Ensuring social equality through inclusive growth</p> <p>2.2 An effective, high quality and accessible health care system</p> <p>2.3 Knowledge-based society and a skillful Mongolia</p>	<p>3. Environmental Sustainability</p> <p>3.1 Integrated water resource management</p> <p>3.2 Coping with climate change</p> <p>3.3 Ecosystem balance</p>	<p>4. Governance for Sustainable Development</p> <p>4.1 Strengthening governance structure to formulate, implement monitor and evaluate sectoral and local development policies</p> <p>4.2 Improving the leadership of civil service organizations and developing transparent and accountable</p> <p>4.3 Enforcing laws and procedures on ethics for politicians and civil servants, and eliminating all forms of corruption</p>

Figure 3-4 Providing Eco-friendly Balanced Economic Growth (relevance to the Vision 2030)

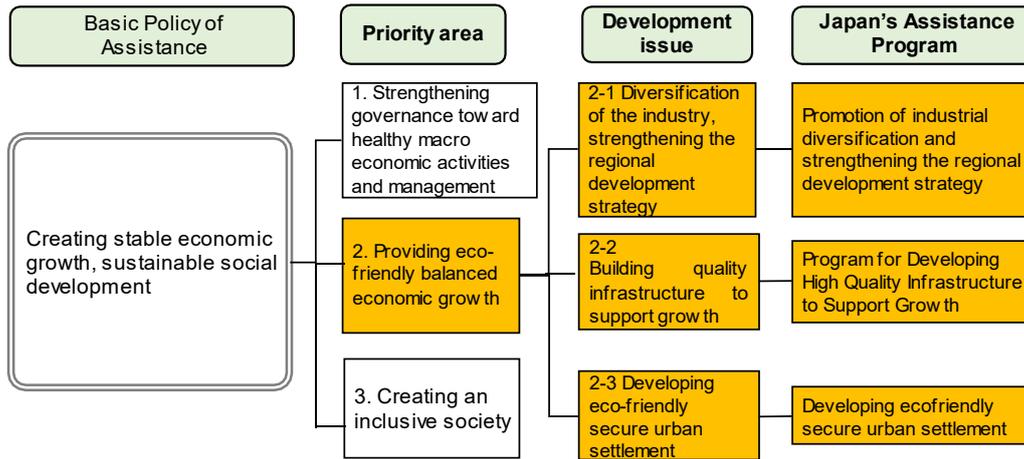


Figure 3-5 Objective Framework of Priority Area 2
 “Providing Eco-friendly Balanced Economic Growth”

The Country Development Cooperation Policy for Mongolia (2017) mentions, “As the process of diversification of the economy is in a state of standstill and disparity between levels of income and regions is continuing to increase, support shall be rendered, basing on initiatives by the Mongolian side, to training human resources with a goal of providing sustainable development of the mining sector, diversified development of such industries as agriculture and animal husbandry and training relevant human resources, strengthening the rural development strategy, providing eco-friendly and disaster resistant secure urban development, and strengthening interconnection through building development-supportive and high quality infrastructure.” To achieve this goal, various programs are implemented for the three development issues, 2-1, “Diversification of the industry, strengthening the regional development strategy,” 2-2, “Building quality infrastructure to support growth,” and 2-3 “Developing eco-friendly secure urban settlement,” stipulated in the Rolling Plan (2017).

(a) Development Issue 2-1: Diversification of the Industry, Strengthening the Regional Development Strategy

1) Japan’s Assistance (Inputs)

Three ODA loan projects (with a total budget of 7,535 million JPY), one Grant Aid project (with a budget of 719 million JPY), and eight technical cooperation projects (including one technical cooperation for development planning, with a total budget of 2,244 million JPY) were implemented for this development issue

during the evaluation period. Among them, one ODA loan project and the technical cooperation for development planning are being implemented.

Japan provided assistance focused on private sector development for the promotion of the diversification of the industry. The practical targets of the assistance included financing of small and medium-scale enterprises, promotion of agriculture and livestock industry, industrial human resource development and business networking, and facilitation of foreign direct investment. “The Project for Formulation of National Comprehensive Development Plan” is being implemented for strengthening regional development strategies. The “National Comprehensive Development Plan,” including long-term comprehensive development policies and spatial designs, is planned to be formulated in the project.

2) Results of Assistance (Outputs, Outcomes, and Impacts)

The synergic effect between the long-term assistance to the Japan-Mongolia Center for Human Resources Development (MOJC) and another project (the Two-Step-Loan Project for Small and Medium-Scaled Enterprises Development and Environmental Protection Phases I and II¹⁵) was identified.¹⁶ People who had completed training courses of MOJC established the Mongolian Kaizen Association to disseminate the kaizen initiatives. They organized and held business seminars to extend the use of the initiatives.

A total of 861 loans were provided from Phases I and II and a revolving fund of the Two-Step-Loan Project. The synergic effect was also identified between this project and another project (technical cooperation project for air pollution

¹⁵ Loan for development provided within the framework of the ODA loan scheme: Fund required for implementing certain policies for the promotion of specific sectors, such as small and medium-scale manufacturing industry and agriculture, is provided to beneficiaries through financial institutions of a partner country under the financing system of the country. As two or more financial institutions are involved in the process of transfer of money to final beneficiaries, this loan scheme is also called “Two-Step-Loan.”

¹⁶ Many Two-Step-Loan (TSL) promotion seminars were held at MOJC and the participants of the business course of MOJC participated in the seminars. Many business owners have implemented business projects successfully using the TSL while taking the business course and short-term seminars at MOJC.

control¹⁷).¹⁸

The effectiveness of the results of the eight projects implemented for Development Issue 2-1 was evaluated with the ex-post evaluation reports, terminal evaluation reports, project completion reports, etc. The evaluation gave the effectiveness sub-grading of 3 to five projects, 2 to three projects, 1 to one project. The expected outcomes of the “The Project for Capacity Development for Promoting Foreign Direct Investment (Technical Cooperation Project)” had not been achieved by the time of the ex-post evaluation because its implementation was significantly delayed by the repeated organizational restructuring of the Government of Mongolia. Therefore, the effectiveness of the results of the project was sub-rated at 1.¹⁹ JICA continued the dialog with the Government of Mongolia on this issue and confirmed that the organization that took over the implementing agency after the restructuring had established and begun operating a One-Stop Service (OSS) and activities for the improvement of investment promotion services had resumed.

For the diversification of industry in this development issue, the Government of Japan assisted the development of non-mining sectors (agriculture and livestock industry, in particular), human resource development in engineering, creation of employment opportunities and entrepreneurship at MOJC, and capacity building of small and medium-scale enterprises in the agriculture and manufacturing sectors and the environmental conservation with financing services. The outcomes expected of the assistance had mostly been achieved. The assistance in the promotion of private enterprises with financial service to small and medium-scale enterprises and the human resource development in private businesses and the agriculture/livestock and mining sectors contributed to the establishment of the foundation for industrial diversification in Mongolia.

A project that is assumed to be the core project for strengthening regional

¹⁷ Capacity Development Project for Air Pollution Control in Ulaanbaatar City, Phase I and Phase II”

¹⁸ The loan guidelines of the environmental conservation TSL was formulated jointly by the experts of the technical cooperation project and the expert in the environmental conservation of the TSL project implementation unit. The experts of the technical cooperation project also contributed to the implementation of the TSL project with assistance in the selection of priority sectors and environmental impact assessment

¹⁹ Source: Internal Ex-post Evaluation results and interview with Exidea Co., LLC (Jan/5/2021)

development strategies, “the Project for Formulation of National Comprehensive Development Plan,” is being implemented. A project to assist the agricultural value chain is also being implemented. While these projects were expected to produce beneficial outcomes, they had not yet produced any outcome at the time of this evaluation. Therefore, the only result concerning the strengthening of regional development strategies confirmed in this evaluation is the impact of human resource development in the agriculture and livestock industry on regional development.

As mentioned above, while almost all the implemented projects achieved most of the expected outcomes, some failed to do so. Therefore, the effectiveness of results for this development issue is rated “Satisfactory B.”

(b) Development Issue 2-2: Building Quality Infrastructure to Support Growth

1) Japan’s Assistance (Inputs)

For this development issue, two ODA loan projects and a technical cooperation project related to the ODA loan project (with a total budget of 70,208 million JPY), a grant aid project (with a budget of 3,658 million JPY), a Private-Sector Investment Finance (PSIF) project, and two technical cooperation projects were implemented mainly in the transport and energy sectors. One of the ODA loan projects, the technical cooperation through JICA’s loan account, and one of the technical cooperation projects are still being implemented.

2) Results of Assistance (Outputs, Outcomes, and Impacts)

The Government of Japan is providing material and non-material assistance²⁰ for construction of the new Ulaanbaatar International Airport in a large-scale ODA loan project and a technical cooperation through JICA’s loan account, respectively. A joint venture of Japanese and Mongolian companies has already been contracted to operate the new airport. It is anticipated that the joint venture will operate the airport smoothly after its opening. However, due to the COVID-19 pandemic, the opening date has not been set. There are other problems concerning airport operation, such as the need to improve the attitude of the Mongolian staff toward providing international-standard services in the new

²⁰ As for non-material support, Technical Cooperation through JICA’s Loan Account related to airport operation and airport control has been planned and is still being implemented.

airport.²¹

Synergy between a Grant Aid project, The Project for Construction of Railway Fly-over in Ulaanbaatar City, and a technical cooperation project, The Project for Capacity Development in Bridge Maintenance and Management, was identified in the assistance in the transport sector in the capital, Ulaanbaatar.

In the energy sector, the Ulaanbaatar Thermal Power Plant No.4 Optimization Project assisted improvement of the efficiency of power transmission and distribution from the power plant, and Tsetsii Wind Farm Project under PSIF contributed to the construction and operation of the second wind farm in Mongolia.

The effectiveness of the results of the projects implemented for this development issue was evaluated from the ex-post evaluation reports, terminal evaluation reports, project completion reports, etc. The evaluation gave an effectiveness sub-rating of 3 to the three projects.²²

For this development issue, the Government of Japan assisted the construction of the new international airport, the gateway of the country, materially and technically. It also assisted the construction of a fly-over, which is expected to mitigate traffic congestion in the capital, Ulaanbaatar, and capacity development in bridge maintenance and management. Through these activities, Japan provided material and non-material assistance in the transport sector to meet the transport demands of Mongolia which is expected to achieve economic growth. In the energy sector, the Government of Japan assisted improvement of the efficiency of power transmission and distribution from a large-scale thermal power plant and contributed to extension of the use of renewable energy through assistance to the construction and operation of a wind farm.

Almost all the projects implemented for this development issue achieved the expected outcomes. These assistance projects are considered to have contributed to development of the foundations of economic growth through

²¹ Interview with NUBIA LLC (Nov/23/2020)

²² Technical Cooperation through JICA's loan account is still being implemented, it was excluded from the scope of sub-rating, however the construction of the airport by ODA loan has been completed, and the project completion report for airport management for the technical cooperation has been published. Taking into consideration of this point, the effectiveness of this development issue is analyzed including these assistances and reflected in the qualitative evaluation results.

development of infrastructure in the air transport sector, which is essential for overseas traffic of people and goods, development of road infrastructure in the urban area where more than half of the population of the country live, and development of infrastructure in the energy sector, an essential element for industrial development. For these reasons, the effectiveness of the results of the assistance for this development issue is rated “Highly Satisfactory A.”

(c) Development Issue 2-3: Developing Eco-friendly Secure Urban Settlement

1) Japan’s Assistance (Inputs)

For this development issue, four grant aid projects (with a total budget of 5,618 million JPY) and Technical Cooperation (nine technical cooperation projects, two technical cooperation projects for development planning, and dispatch of individual experts, with a total budget of 2,726 million JPY) were implemented in the urban planning/development, environment, water supply and sewerage, and disaster risk reduction sectors. Three of the technical cooperation projects are still being implemented. The assistance was mainly provided in Ulaanbaatar City where approximately half the population of Mongolia live in order to address environmental problems that were greatly affecting people’s lives. Assistance was also provided for implementation of urban planning that covered overall urban development.

2) Results of Assistance (Outputs, Outcomes, and Impacts)

In the urban planning/development sector, implementation of the Project on Capacity Development in Urban Development Sector led to the development of organizations and systems and preparation of bills related to urban development. The Project for Improvement of Planning and Implementation Skills of Ulaanbaatar Master Plan, implemented as a follow-up project, contributed to the development of legal and organizational frameworks in the urban planning/development-related sectors with the approval by the cabinet of the Master Plan 2020 prepared in the previous phase and the establishment of rules and standards concerning the Urban Redevelopment Law. The redevelopment of ger districts and dilapidated apartment buildings, which was a core activity of the Master Plan 2020, is also considered a significant achievement of the assistance.

In the environment sector, assistance was provided for solid waste

management and air pollution control. Implementation of the project, Strengthening the Capacity for Solid Waste Management in Ulaanbaatar City, contributed to improvement of the urban environment for citizens by significantly increasing the waste collection rate in Ulaanbaatar. Implementation of the Capacity Development Project for Air Pollution Control in Ulaanbaatar City (Phase I and Phase II) led to identification of the sources of air pollutants and discussion of practical measures to be taken. The measures prepared in the discussion were adopted by the city council. Implementation of the project also led to measurement of air pollutants and dissemination of the measurement results to the public.

In the water supply and sewerage sector, two grant aid projects (The Project for Improvement of Water Supply Facilities in Darkhan City and The Programme for Ulaanbaatar Water Supply Development in Gachuurt) and a technical cooperation project for development planning (Study on the Strategic Planning for Water Supply and Sewerage Sector in Ulaanbaatar City) were implemented.

The implementation of the two grant aid projects led to a stable water supply in the project areas. The project in Darkhan City ensured the safety of piped water by the construction of a water chlorination facility, which enabled chlorination of the piped water. However, partly because the progress of water meter installation (introduction of a meter rate charging system) made people aware of the benefits of water-saving, both projects had failed to achieve the outcomes of the original plans of increasing the water supply in the two cities by developing new water sources at the time of the ex-post evaluation.²³

In the disaster risk reduction sector, the provision of equipment, including fire trucks, and technical assistance in the Project for Improvement of Capacity of Fire Fighting Techniques and Equipment in Ulaanbaatar reduced the time required for fire trucks to reach the sites of fire and is assumed to have reduced the number of deaths and injuries in the fires. In this way, the project contributed to enhancing the sense of safety and comfort of the residents of Ulaanbaatar City. The two projects on earthquake disaster protection and prevention were implemented to strengthen the capacity of Ulaanbaatar City in earthquake

²³ The daily average water supply in Ulaanbaatar City did not change after the project implementation and in Darkhan City it decreased after the project. The water supply per person in ger districts in Ulaanbaatar City also decreased after the project, contrary to expectations at the planning stage.

disaster management. Guidelines, operating rules, and regulations concerning various disaster prevention frameworks were formulated and mechanisms for cooperation between and within government ministries, agencies, and organizations were established in the projects. Education in disaster risks was provided to the public and many people visited the training center. It has become possible to formulate earthquake disaster prevention plans at the level of local government and districts in the capital following the guidelines formulated in the projects.

The effectiveness of the results of the 11 projects implemented for Development Issue 2-3 was evaluated from the ex-post evaluation reports, terminal evaluation reports, project completion reports, etc. The evaluation gave an effectiveness sub-rating of 3 to eight projects and 2 to three projects. As mentioned above, the two projects implemented to improve the water supply failed to achieve some of the planned outcomes. Some of the outcomes²⁴ of the Project on Capacity Development in Urban Development Sector had not been achieved at the conclusion of the project.

For this development issue, the Government of Japan provided assistance that covered overall urban development and assistance in the environment sector for air pollution control and waste management, water supply and sewerage development for the residents of urban areas, and preparation for risks, such as earthquakes and fires. Each assistance project achieved most of the planned outcomes and contributed to improvement of people's living environment.

Because each project implemented for this development issue achieved most of the planned outcomes but challenges were found in some of the projects, as mentioned above, the effectiveness of the results of the assistance for the issue is rated "Satisfactory B."

(C) Priority Area 3: Creating an Inclusive Society

Japan and other donors assist Mongolia in achievement of the strategic goals of Vision 2030 set for "2. Sustainable Social Development: 2.1 Ensuring social equality through inclusive growth, 2.2 An effective, high quality and accessible

²⁴ The outcomes on the capacity development for officers on system operation had not been achieved.

health care system, and 2.3 Knowledge-based society and a skillful Mongolian workforce.”

Vision 2030			
<p>1. Sustainable Economic Development</p> <ul style="list-style-type: none"> 1.1 Agriculture 1.2 Tourism 1.3 Industry 1.4 Mining 1.5 Energy and infrastructure 1.6 Macroeconomic policies 1.7 Favorable business environment 	<p>2. Sustainable Social Development</p> <ul style="list-style-type: none"> 2.1 Ensuring social equality through inclusive growth 2.2 An effective, high quality and accessible health care system 2.3 Knowledge-based society and a skillful Mongolia 	<p>3. Environmental Sustainability</p> <ul style="list-style-type: none"> 3.1 Integrated water resource management 3.2 Coping with climate change 3.3 Ecosystem balance 	<p>4. Governance for Sustainable Development</p> <ul style="list-style-type: none"> 4.1 Strengthening governance structure to formulate, implement monitor and evaluate sectoral and local development policies 4.2 Improving the leadership of civil service organizations and developing transparent and accountable 4.3 Enforcing laws and procedures on ethics for politicians and civil servants, and eliminating all forms of corruption

Figure 3-6 Creating an Inclusive Society (Relevance to Vision 2030)

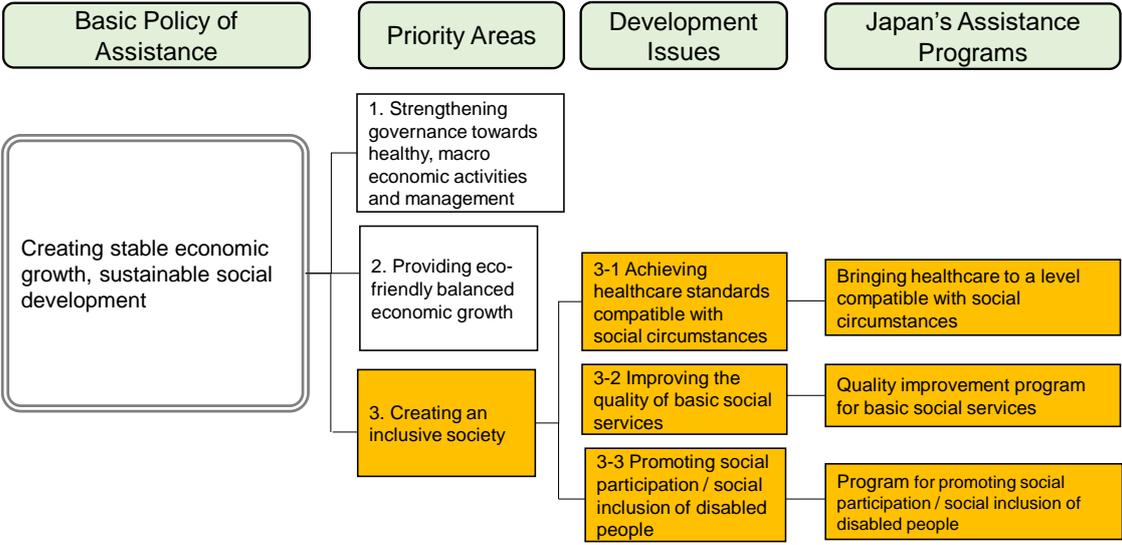


Figure 3-7 Objective Framework of Priority Area 3
“Creating an Inclusive Society”

Concerning this priority area, the Country Development Cooperation Policy for Mongolia (2017) states, “In order to provide opportunities for the whole population to benefit from economic growth, support shall be provided for improving the level of healthcare services in compliance with social needs, promoting the quality of basic social services, increasing the social involvement

of the disabled and providing inclusive social development.” To achieve this goal, the Rolling Plan for Mongolia (2017) focuses on three development issues, “3-1 Achieving healthcare standards compatible with social circumstances,” “3-2 Improving the quality of basic social services,” and “3-3 Promoting social participation / social inclusion of disabled people.”

(a) Development Issue 3-1: Achieving Healthcare Standards Compatible with Social Circumstances

1) Japan’s Assistance (Inputs)

For this development issue, eight grant aid projects (of which seven were Non-Project Grant Aid, with a total budget of 10,735 million JPY) and two technical cooperation projects were implemented in the health sector. The largest project was the grant aid project for the construction of the Mongolia-Japan Teaching Hospital (MJTH). A technical cooperation project to support the operation and management of the hospital is being implemented.

2) Results of Assistance (Outputs, Outcomes, and Impacts)

MJTH opened in October 2019. It operates outpatient departments, ²⁵ operating theaters, an internal medicine inpatient ward, and intensive care unit (ICU), as of December 2020. The hospital examines 400 to 500 outpatients, mostly referred patients, per day.²⁶ Local residents have a favorable view of the hospital. ²⁷ It fulfills the functions of a secondary and tertiary referral hospital for the local community.



Photo 1 Simulation of ICU operation before the opening of ICU in MJTH (Source: Tokushima University)

²⁵ The hospital operates a total of 27 outpatient departments, including otolaryngology, traditional medicine, cardiology, neurology, internal medicine, obstetrics and gynecology, gastroenterology, ophthalmology, pediatrics, endocrinology, urology, rheumatology, pulmonology, surgery, rehabilitation, and dermatology, in descending order of number of outpatients. (Source: “Annual Report 2020: Mongolia-Japan Teaching Hospital” (in Mongolian), Ministry of Education and Science)

²⁶ Interview with Tokushima University (Nov/25/2020)

²⁷ According to the “Annual Report 2020: Mongolia-Japan Teaching Hospital” (in Mongolian), Ministry of Education and Science, a survey conducted in 2020 revealed that 93.6 % of

However, to achieve the purpose of the Project for the Establishment of Hospital Management and Medical Services at the Mongolia-Japan Teaching Hospital to provide advanced medical care, MJTH needs to function as a “teaching hospital” that provides advanced medical care and education. However, the legal status of teaching hospitals has not been established in Mongolia because there were no such hospitals in the country. Therefore, ministry officials have difficulty understanding the status of a teaching hospital. The Ministry of Education and Science and the Ministry of Health are involved in the operation of MJTH. The two ministries have failed to agree on the issuance of a minister’s order regarding the hospital. It is necessary to hold new discussions to create a consensus on understanding of the project purposes among the officials concerned and to decide the activities to be implemented by each ministry to achieve the project outcomes by the scheduled date of project completion in 2022.

Implementation of the Project for Strengthening Post-graduate Training for Health Professionals in Primary and Secondary Level Health Facilities contributed to revision of the post-graduate training curriculum for medical doctors and the establishment of the first post-graduate training system in a local hospital in Mongolia. As mentioned above, while the outcomes and impacts of the assistance for post-graduate training were confirmed, a consensus must be created on the operating policy of MJTH among the parties concerned. Therefore, the effectiveness of the results of the assistance for this development issue is rated “Satisfactory B.”

(b) Development Issue 3-2: Improving the Quality of Basic Social Services

1) Japan’s Assistance (Inputs)

For this development issue, two grant aid projects (with a total budget of 5,242 million JPY) and two technical cooperation projects were implemented in the primary and secondary education sector, and one grant aid project (with a budget of 1,550 million JPY) and one technical cooperation project (with a budget of 309 million JPY) were implemented in the social security sector.

outpatients of MJTH were satisfied with the services of the hospital.

2) Results of Assistance (Outputs, Outcomes, and Impacts)

The extension and construction of primary and secondary education facilities were conducted in the Project for Improvement of Primary Education Facilities (Phase 4) and Project for the Improvement of Facilities for Primary and Secondary Education in Ulaanbaatar City as assistance for primary and secondary education. The extension and construction of the facilities contributed to improvement of the learning conditions for students by eliminating overcrowding in the classrooms. A school constructed in the latter project is highly regarded by Mongolians as a model for future school construction because of the use of specifications that have improved accessibility for children with disabilities and a design for disaster prevention.²⁸ Guidelines on the Curriculum Management Cycle (CMC), a process for the management of curricula by educational institutions, were prepared in the Project for Child-Centered Education Supports. Preparation of the guidelines contributed to development of the foundations of education, *i.e.*, a mechanism for preparing and revising curricula and human resource development. Implementation of the Project on Strengthening the Capacity for Social Insurance Operation improved the services at social insurance offices. As the reputation of the good services provided at the offices spread, they began to receive requests for training in customer relations from other administrative offices. The assistance in the social insurance sector led to the creation of such an impact.

Because Japan's assistance in the education sector contributed to improvement of the educational facilities and quality of education and the assistance in the social insurance sector was highly effective in improving the quality of the services, as mentioned above, the effectiveness of the results of Japan's assistance for this development issue is rated "Highly Satisfactory A."

(c) Development Issue 3-3: Promoting Social Participation / Social Inclusion of Disabled People

1) Japan's Assistance (Inputs)

For this development issue, two technical cooperation projects were implemented to improve development support and education for children with disabilities and facilitate the social participation of persons with disabilities

²⁸ Interview with Embassy of Japan in Mongolia (Nov/17/2020)

(PWDs).

2) Results of Assistance (Outputs, Outcomes, and Impacts)

Implementation of the Project for Strengthening Teachers' Ability and Reasonable Treatments for Children with Disabilities led to the development of a system for development support and education for children with disabilities. The Ministries of Education, Health, and Social Insurance issued a joint ministers' order for the implementation of development support. The project assisted the development of guidelines for and implementation of health examinations for 18-month-old children. The health examination was included and systematized in the National Program for Promotion of Human Rights and Participation of Persons with Disabilities 2018-2022, which was approved in December 2017, and an action plan was formulated. The Guideline to Develop

Individualized Education Plan for children with disabilities was prepared in this project and approved by the Education Minister's Order No. A/155 on March 29, 2018. As mentioned above, a system for development support and education for children with disabilities was established in this project and many components of the system have been put into use by ministers' orders and included in the national program. This fact proves the contribution of the project to development of the foundations for development support and education for children with disabilities.

Provision of disability equality training (DET) in the Project for Promoting Social Participation of Persons with Disabilities in Ulaanbaatar City contributed to the improvement of people's understanding of disabilities for the facilitation of social participation by PWDs. The provision of DET to private service providers and other private companies was confirmed to have contributed to the improvement of accessibility to hotels and restaurants for PWDs. By training



Photo 2 Improvement of physical accessibility
(source: JICA Expert)

“accessibility inspectors” who evaluate public facilities on “accessibility for

PWDs,” it has become officially possible to evaluate facilities on accessibility by PWDs. As of December 2020, the Ministries of Construction and Urban Development, Road and Transport Development, and Labor and Social Protection were preparing a bill on physical accessibility to be tabled in the State Great Khural in the fall of 2021. This development is considered an impact of the project.

As all the projects for Development Issue 3-3 have been confirmed to be highly effective, as mentioned above, the effectiveness of the results of the assistance for this development issue is rated “Highly Satisfactory A.”

(D) Conclusion of Evaluation of Overall Effectiveness of Results

Table 3-1 shows the results of comprehensive analysis of the effectiveness of the results for each priority area/development issue.

Priority Area 1 “strengthening governance toward healthy macroeconomic activities and management”: Some of the original outcomes of capacity development in internal auditing, PPP, and the banking sector were not achieved. However, other assistance projects contributed significantly to the creation of a healthy macro economy. For example, the Fiscal, Social and Economic Reform Development Policy Loan contributed to fiscal adjustment and assistance for the second tax reform contributed to the improvement of fiscal management, including revenue mobilization. Therefore, the effectiveness of the results of the assistance for this priority area is rated “Satisfactory B.”

Priority Area 2 “providing eco-friendly balanced economic growth”: Although some of the planned outcomes of the projects to promote foreign direct investment and develop water resources were not achieved, other assistance projects contributed to the development of industrial human resources and infrastructure, which will support the foundations for economic growth, and addressed environmental problems. Therefore, the effectiveness of the results of the assistance for this priority area is rated “Satisfactory B.”

Priority Area 3 “creating an inclusive society”: Although challenges were found in the operation of MJTH toward “achieving healthcare standards that meet society’s needs,” the assistance for post-graduate training for medical professionals, the basic education sector, and the support for PWDs sector was highly effective as the participants in the technical cooperation projects disseminated the outcomes of the assistance to areas outside the project areas

and the systems and models introduced in the assistance were applied to assistance by other donors. Therefore, the effectiveness of the results of the assistance for this priority area is rated “Highly Satisfactory A.”

As high effectiveness of the results of the assistance was generally confirmed for all priority areas, as mentioned above, the effectiveness of the results of Japan’s ODA to Mongolia is rated “Satisfactory B.”

Table 3-1 Effectiveness of Results of Japan’s Assistance to Mongolia for Each Priority Area/Development Issue

	Priority Area 1: Strengthening governance toward healthy macro economic activities and		Priority Area 2: Providing eco-friendly balanced economic growth			Priority Area 3: Creating an inclusive society		
	Development Issues							
	1-1 Improving budget financial management	1-2 Support for creating a vibrant economy	2-1 Diversification of the industry, strengthening the regional development strategy	2-2 Building quality infrastructure to support growth	2-3 Developing eco-friendly secure urban settlement	3-1 Achieving health care standards compatible with social circumstances	3-2 Improving the quality of basic social services	3-3 Promoting social participation / social inclusion of disabled
Number of references	5	6	9	3	11	2	5	2
Evaluation result by project								
3: High	4	4	5	3	8	1	5	2
2: Fair	1	2	3	0	3	1	0	0
1: Low	0	0	1	0	0	0	0	0
Rating by Development Issue	B	B	B	A	B	B	A	A
Rating by Priority Area	B		B			A		

Source: Terminal evaluation reports, project completion reports, ex-post evaluation reports, etc. of the projects (The table was prepared by the evaluation team.)

3-1-3. Appropriateness of Processes

This section describes evaluation of the appropriateness of the processes in Japan’s ODA to Mongolia. In practice, the evaluation team evaluated the process of formulating the Country Assistance Policy for Mongolia (2012) and the Country Development Cooperation Policy for Mongolia (2017) and the process of implementing assistance based on these policies.

(1) Verification Criteria 1: Appropriateness of the Formulation Process of Japan’s Country Development Cooperation Policy for Mongolia

In the process of formulating the assistance policy for Mongolia, the ODA Task Force prepared a draft that reflected the needs of the Government of Mongolia in accordance with the formulation manual of the Ministry of Foreign Affairs of

Japan (MOFA). Then, MOFA held discussions with the Government of Mongolia and relevant ministries and offices of the Government of Japan after receiving comments on the draft from JICA. MOFA further invited the public to send comments on the draft policy and finalized the policy by incorporating appropriate comments. This observation indicates that Japan's assistance policies for Mongolia were formulated appropriately. The recommendations in the Country Assistance Evaluation for Mongolia in 2007 were reflected in the selection of the priority areas and activities in the areas for the Country Assistance Policy for Mongolia formulated in 2012.

(2) Verification Criteria 2: Appropriateness of the Approach to Priority Areas

MOFA and JICA formulate, select, and adopt a project from various viewpoints, including the significance of implementing it as Japan's ODA and the appropriateness of the implementation structure, making reference to requests from the Government of Mongolia and based on the policies for each priority area. The evaluation team confirmed that most of the assistance projects implemented in Mongolia under various schemes were, in general, highly effective as mentioned in 3-1-2. The team also confirmed the synergic effects created by cooperation between technical cooperation projects and local governments and/or citizens' organizations, cooperation between projects, and cooperation between projects under different schemes, as mentioned in verification criteria 3 and 6 below. These observations indicate that an effective approach has been taken in Japan's assistance to Mongolia.

(3) Verification Criteria 3: Implementation Structures in Japan and Mongolia

The roles of MOFA and JICA in the planning and implementation of ODA projects are clearly demarcated and function appropriately. The evaluation team confirmed effective cooperation among stakeholders in the implementation of the projects. For example, Asahikawa City, Hokkaido, cooperated with the technical cooperation project for urban development in Ulaanbaatar City, the Aichi Bar Association assisted the strengthening of the mediation system, and the Japan Portage Association, an authorized non-profit organization, and Nagoya University cooperated with the project for education for children with disabilities. The team also confirmed assistance from local governments and civil societies in the agriculture and environment sectors in which knowledge and

experience accumulated in Japan were utilized. Based on these observations, the team recognized the existence of an all-Japan effort to realize project impacts.

(4) Verification Criteria 4 : Regular Monitoring of the State of Implementation

Both MOFA and JICA monitor the progress of ODA regularly by studying progress reports, evaluation reports, and project completion reports, conducting field inspections, and participating in Joint Coordination Committee meetings. When reorganization of the Government of Mongolia necessitated changes in the plans of ongoing technical cooperation projects, JICA Mongolia Office coordinated with the relevant government offices on the changes and revised the planning documents timely. When a delay in disbursement of the budget affected the commencement of operation of MJTH, the Embassy of Japan in Mongolia directly requested disbursement to the Ministry of Finance. These cases indicate that MOFA and JICA responded to challenges that emerged in the assistance appropriately and in a timely fashion.

(5) Verification Criteria 5 : Coordination and Collaboration with Other Donors, International Organizations

The Embassy of Japan in Mongolia and JICA routinely exchange information with other donors and international organizations. They also regularly participate in donor meetings to exchange information. Japan leads assistance to Mongolia in the education sector as the Embassy of Japan in Mongolia chairs the Local Education Group organized in Mongolia for the achievement of the SDGs in the education sector. In the area of education for children with disabilities, the specifications of the development support center, a venue for after-school supplementary lessons for children with disabilities, were developed in a technical cooperation project of Japan. The World Bank plans to extend the specifications to 21 development support centers nationwide. In the environment sector. Japan assists the development of a system and human resources for air pollution control and ADB provides a policy-based loan for the same purpose. They collaborate at the level of implementation with the dispatch of Japanese experts to ADB-assisted programs. In addition, ADB and Japan also collaborate in the taxation and health sectors.

(6) Verification Criteria 6: Cooperation and Collaboration between Japan's Assistance Schemes

The New Ulaanbaatar International Airport Construction Project, an ODA loan project, and a technical cooperation through JICA's loan account were among the evaluated projects. The technical cooperation was implemented to realize and maintain the impacts of material assistance (assistance for infrastructure development) in the loan project. The technical cooperation commenced in 2015 and is still in progress. In the cooperation between the Project for Construction of Railway Fly-over in Ulaanbaatar City (a grant aid project) and the Project for Capacity Development of Bridge Maintenance and Management (a technical cooperation project) implemented in Ulaanbaatar City, the technical cooperation project provided technical assistance for capacity development in bridge maintenance and management for sustainable use of the fly-over constructed in the grant aid project. A case of cooperation was also found in a MOJC-related project. Experts from the Capacity Development Project for Air Pollution Control in Ulaanbaatar City participated in the Environmental Conservation Financing Promotion Seminar co-organized by MOJC and a Mongolian financial intermediary.

(7) Verification Criteria 7: Consideration for Promotion of Mutually Beneficial Relationship between Mongolia and Japan

Consideration for a mutually beneficial relationship is required when designing an assistance that brings benefits to both Mongolia and Japanese companies.²⁹ Cases in which Japanese companies directly benefited from ODA projects are limited. However, the construction of New Ulaanbaatar International Airport (NUBIA) with Japan's ODA loan brings benefits to both Japanese companies and Mongolia. The Japanese companies that established NUBIA LLC with the Government of Mongolia will make a profit from operation of the airport by NUBIA LLC and the Mongolian side will benefit from human resource development and transfer of expertise in airport operation.³⁰

²⁹ Interview with Country Assistance Planning Division I, International Cooperation Bureau, MOFA (Oct/22/2020).

³⁰ Ditto

(8) Verification Criteria 8: Implementation of Publicity

Both the Embassy of Japan in Mongolia and JICA frequently disseminate information on Japan’s ODA through press releases, websites, and social networking services (SNS). They use Facebook to communicate information to Mongolians and the JICA website to communicate information to the Japanese.

3-2. Evaluation from Diplomatic Viewpoints

<p>Overview of Evaluation Results (Evaluation from Diplomatic Viewpoints)</p> <p>(1) Diplomatic Importance</p> <p>Japan’s ODA to Mongolia can contribute to improvement of the security in the Asia/Pacific Region, strengthening of the international order based on universal values and rules, improvement of global security, and consequently construction of a peaceful, stable, and prosperous international community. Mongolia is important for Japan’s resource security. On these points, Japan’s ODA to Mongolia is considered beneficial to Japan.</p> <p>The Government of Mongolia almost always expresses its appreciation for Japan’s ODA at summit meetings and meetings of foreign ministers between the two countries. Therefore, Japan’s ODA to Mongolia is an important tool to strengthen the bilateral relationship between the two countries.</p> <p>(2) Diplomatic Impact</p> <p>Japan’s ODA to Mongolia is considered to have had certain diplomatic impacts, including support of the Government of Mongolia for Japan’s stance in the international community, strengthening of Japan’s presence in Mongolia and the bilateral economic relationship, market expansion in Mongolia by Japanese private companies, promotion of a friendly relationship, and a better understanding of Japan by Mongolians.</p>
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In this section, Japan’s ODA to Mongolia is evaluated on two criteria from two diplomatic viewpoints (diplomatic importance and diplomatic impact).

3-2-1. Diplomatic Importance

(1) Meaning and Importance of Assistance to Mongolia

The evaluation team evaluated the importance of Japan’s assistance to

Mongolia mainly based on the National Security Strategy, the Free and Open Indo-Pacific strategy advocated by the Government of Japan, the Japan-Mongolia Economic Cooperation Agreement, and the Priority Policy for Development Cooperation, which is presented by MOFA every year.

Mongolia is a country with high geo-political importance to Japan; it is located in the Asia-Pacific Region, shares borders with two superpowers, China and Russia, and has a diplomatic relationship with North Korea. Therefore, Japan's ODA to Mongolia is expected to create and enhance the relationship of trust and cooperation and contribute to improvement of security in the Asia-Pacific Region. In this respect, ODA has diplomatic importance. ODA to Mongolia is also significant because it can contribute to strengthening of the international order based on universal values and rules, improvement of the global security environment, and, eventually, establishment of a peaceful, stable, and prosperous international community. Mongolia is an important country for Japan's resource security because Mongolia can contribute to a stable supply of energy and mineral resources to Japan, and the economic development of Mongolia can contribute indirectly to the economic development of Japan.

(2) Importance of Japan's ODA to Mongolia in Strengthening the Bilateral Relationship

The evaluation team assessed the importance of Japan's ODA to Mongolia in strengthening the bilateral relationship based on the comments made in, and records of, the summit meetings and foreign ministers' meetings that were held when the Prime Ministers and Foreign Ministers of Japan visited Mongolia during the evaluation period and in the fiscal year of the evaluation.³¹ The evaluation revealed that Mongolian ministers expressed their appreciation of Japan's ODA in most of these meetings. Japanese ministers mentioned large-scale ODA projects (the construction of NUBIA, in particular) in the meetings, and the Japanese Foreign Minister attended the opening ceremony of MJTH during the visit to Mongolia. Many of the relevant government officials interviewed in this evaluation also appreciated Japan's assistance. These findings prove that Japan's ODA has become an important tool to strengthen the bilateral

³¹ Foreign Minister Motegi visited Mongolia in October 2020. Although the visit was not in the evaluation period, it was included in the evaluation because he referred to Japan's ODA, including the New Ulaanbaatar International Airport Construction Project, during the visit.

relationship between Mongolia and Japan.

(3) Promotion of Evolution of Diplomacy

During the evaluation period (FY2010–FY2019), Mongolia and Japan held 19 summit meetings and 13 foreign ministers’ meetings. The Presidents and Prime Ministers of Mongolia visited Japan a total of ten times and the Prime Ministers and Foreign Ministers of Japan visited Mongolia three times and twice, respectively. The number of meetings in the second half of the evaluation period (FY2015-FY2019) was higher than in the first half (FY2010–FY2014). These observations suggest a deepening of the diplomatic relationship between the two countries.

3-2-2. Diplomatic Impact

The diplomatic impact of Japan’s ODA to Mongolia was evaluated on the following five points.

(1) Contribution to Support for and Understanding of Japan’s Stance in the International Community by the Government of Mongolia

The Government of Mongolia has supported Japan’s stance in the international community on various occasions.³² Japanese Prime Ministers and Foreign Ministers have repeatedly expressed their appreciation for the support of Mongolia for Japan’s stance in the international community when they visited Mongolia. In addition, the Japan-Mongolia Mid-term Action Plan for a Strategic Partnership (2017–2021) mentions that “the two countries, as regional partner countries, have deepened their cooperation in the region and in the international community,” and that the Government of Mongolia has consistently supported Japan’s permanent membership of the UN Security Council and the Government of Japan has consistently supported approval of the status of Mongolia as a non-nuclear-weapon state in the international community.

It is difficult to evaluate how much ODA has contributed to the support of the Government of Mongolia for Japan’s stance in the international community. It is even more difficult to evaluate the extent of the contribution of ODA in a fixed period. The scale of Japan’s ODA to Mongolia and repeated appreciation for Japan’s ODA by the Government of Mongolia suggest the existence of a

³² Responses of the Embassy of Japan in Mongolia to a questionnaire

contribution.

(2) Contribution to Strengthening of Presence of Japan in Mongolia

Table 3-2 summarizes the answers of Mongolians to the questions, “Which of the following countries do you consider an important partner to Mongolia currently?” and “Which of the following countries would you consider an important partner to Mongolia in the future?” in the Opinion Poll on Japan in Mongolia conducted in 2019.

To the question on the important partner at the present time, 30 % of respondents selected Japan. This figure was the third largest, following Russia and China. To the question on the important partner in the future, 39 % of respondents selected Japan. Japan and the US are the only countries that ranked higher in the latter question than the former. Japan ranked second as an important partner in the future, following Russia. These results indicate that Mongolians consider Japan the most important partner of Mongolia among the “third neighbors,” following neighboring Russia and China, suggesting that the presence of Japan in Mongolia has been strengthened. The Embassy of Japan in Mongolia states that this strengthening of the presence of Japan in Mongolia is an outcome of Japan’s comprehensive diplomacy centered on ODA.³³

As seen in the results of the poll, the presence of Japan as a partner of Mongolia is considered to have been strengthened. The strengthening of Japan’s presence can be deemed to be an outcome of Japan’s consistent and comprehensive diplomacy toward Mongolia centered on ODA.

Table 3-2 Results of the Opinion Poll on Japan (on important partners)

Rank	Important Partner at the Present Time	Important Partner in the Future
1	Russia (76%)	Russia (48%)
2	China (44%)	Japan (39%)
3	Japan (30%)	USA (26%)

³³ Responses to the questionnaire and interviews with the Embassy of Japan in Mongolia (Nov/17/2020)

4	USA (17%)	China (23%)
5	Republic of Korea (15%)	Republic of Korea (12%)
6	EU (3%)	EU (6%)

Source: Opinion Poll on Japan in Mongolia (MOFA, 2019) (The data were compiled by the evaluation team.) The numbers in parentheses indicate the percentage of respondents who selected a specific country as “an important partner” or “an important partner in the future.”

(3) Contribution to Promotion of Economic Relationship and Market Expansion of Japanese Private Companies

In the economic relationship between Mongolia and Japan in recent years, while the amount of exports from Japan to Mongolia is on the increase, the amount of exports from Mongolia to Japan is not. The number of Japanese companies registered in Mongolia, which used to be on the decline, has increased recently. The amount of direct investment to Mongolia is deemed to have increased since 2016/17. The number of local offices of Japanese companies in Mongolia, which decreased for a short period in the past, has increased recently. Although the number of cases in which ODA projects directly facilitated market expansion of Japanese companies in Mongolia is limited, the evaluation team identified some cases. MOJC functions as the de facto local office of the Japan External Trade Organization (JETRO). The evaluation team assumes that the students and trainees who were dispatched to Japan through ODA projects mediate between Mongolian and Japanese companies. These findings indicate that Japan’s ODA to Mongolia has supported the strengthening of the economic relationship between the two countries.

(4) Promotion of Friendly Relationship

The evaluation team studied and assessed closeness between Mongolia and Japan based mainly on the flow of people. Although the volume of travelers does not necessarily represent the depth or breadth of a friendly relationship, it is believed to have an indirect association to bilateral relationship.

The volume of travelers between the two countries (the number of people from Mongolia visiting Japan and from Japan visiting Mongolia) increased during the evaluation period (Fig. 3-8). The number of registered Japanese in Mongolia has increased gradually in recent years. The number of Mongolians studying

Japanese is on the increase: 2,873 in 1998, 9,914 in 2015, and 11,755 in 2018. The number of Mongolians studying in Japan per Mongolia’s population is the third largest (6.5 students per 10,000 population), following Nepalese (9.1) and Vietnamese (7.8) (FY2019).

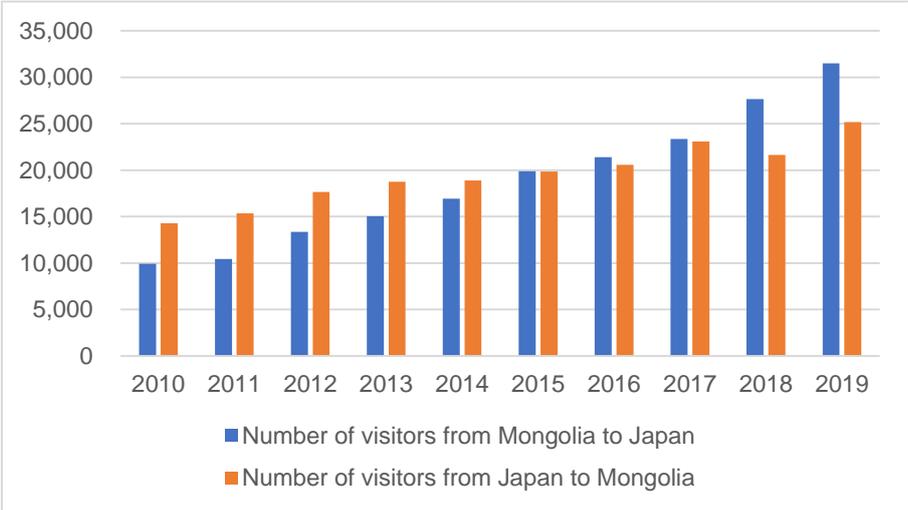


Figure 3-8 Changes in Number of Visitors from Mongolia to Japan and visitors from Japan to Mongolia

Source: Diagram drawn from data of the National Statistics Office of Mongolia and Japan National Tourism Organization (accessed on Dec/17/2020) by the evaluation team

A certain number of Mongolians visit Japan for training through ODA projects³⁴ and study in Japan through scholarship project.³⁵ A certain number of Japanese (including Japan Overseas Cooperation Volunteers³⁶) visit Mongolia.

Judging from the increased flow of people, the friendly relationship between Mongolia and Japan has deepened. The flow of people associated with ODA is assumed to have influenced this change in flow. In this respect, Japan’s ODA to Mongolia has had a certain impact on promoting the friendly relationship.

³⁴ More than 4,200 trainees visited Japan between 2000 and 2019. More than 3,300 trainees have visited Japan since 2010.

³⁵ Under the Project for Human Resource Development Scholarship, a total of 346 Mongolian students have studied in Japan and completed master’s courses since 2002. Six have completed doctorate courses.

³⁶ 271 volunteers were dispatched between 2010 and 2019.

(5) Better Understanding of Japan by Mongolians

To evaluate the understanding of Japan by Mongolians, the evaluation team used data from the Image of Japan Study in Mongolia (2004) and the Opinion Poll on Japan (2019). The question “To what extent do you feel a sense of affinity toward Japan?” in the study in 2004 was replaced by the question, “What do you think about the current state of the relationship between Mongolia and Japan?” in the poll in 2019. Therefore, it is not possible to compare the results of the two surveys directly. Nevertheless, more than 70 % of respondents in 2004 showed a sense of affinity to Japan, while slightly less than 80 % of respondents in 2019 thought the two countries had a friendly relationship. To the question on impression of Japan, 5.1 % of respondents selected “A country which one should be watchful of” in 2004, while 4.0% of the respondents selected the same in 2019. These data, although limited, can be deemed to suggest that understanding of Japan by Mongolians has deepened. As mentioned in 3-1-2 Effectiveness of Results, assistance to MOJC, exchange of people through training programs, activities of volunteers, and support for Mongolians studying in Japan under the scholarship project are assumed to have partly contributed to deepening of understanding.

Chapter 4 Recommendations

Recommendations Based on Evaluation Results/Findings

- (1) Formulation of clearer regional development strategies and a rolling plan for sustainable economic growth and stable social development in Mongolia
- (2) Strengthening of measures to reduce risks caused by frequent personnel reassignment
- (3) Strengthening measures for countries with frequent government reorganization
- (4) Clear demarcation of scope of work of relevant government offices in projects involving multiple government offices

The following are the recommendations based on the evaluation results/findings.

Recommendation 1: Formulation of clearer regional development strategies and a rolling plan for sustainable economic growth and stable social development in Mongolia

Priority Area 2 “Support toward inclusive growth” in the Country Assistance Policy (2012) was replaced by Priority Area 2 “Providing eco-friendly balanced economic growth” in the Country Development Cooperation Policy (2017). This priority area sets out Development issue 2-1 “Diversification of the industry, strengthening of the regional development strategy,” 2-2 “Building quality infrastructure to support growth,” and 2-3 “Developing eco-friendly secure urban settlement”. The following concept underlies the priority areas and developmental issues: Mongolia needs comprehensive “diversification of industry” to achieve sustainable and stable economic growth from an economic structure totally dependent on mineral resources. Therefore, the need to mainstream the “diversification of industry” in the new strategy for assistance to Mongolia is high. The main targets of diversification in Mongolia are the agriculture/livestock industries and food processing industry. As the development of local resources is key to diversification, plans for industrial promotion have to be prepared in connection with a regional development strategy.³⁷ It was considered appropriate for Mongolia to promote the

³⁷ Information provided by MOFA

environment (a unique and unmatched asset of Mongolia) as a “national brand,” a concept of national development that distinguishes the country from others.³⁸

As mentioned in 3-1-2 (2) (B) (a) 2), Japan’s assistance contributed to the “diversification of industry” through assistance in non-mining sectors, human resource development in engineering, and creation of employment opportunities and entrepreneurship at MOJC. Japan had implemented projects to support regional development in the agriculture and livestock industries regarding “strengthening regional development strategies”. At the time of evaluation, only limited outcomes for these projects were identified partially because many of them are ongoing, and more results are expected to be appeared. The Rolling Plan (2017) did not seem to be very clear about plans for “strengthening regional development strategies,” including the outcomes to be achieved and to what extent they were to be achieved in five years. Although multiple studies and projects for promotion of the environment began in FY2020, a clear strategy to achieve the purpose was not found in the original plans of the studies and projects.

Based on the above-mentioned observations, the evaluation team recommends that the outcomes of ongoing projects achieved in the five years of the current Country Development Cooperation Policy for Mongolia be analyzed and the analysis results used for the formulation of more explicit regional development strategies and a rolling plan in the next revision of the policy.

Recommendation 2: Strengthening of measures to reduce risks caused by frequent personnel reassignment

The evaluation team identified cases in projects in which personnel reassignment occurred frequently and/or staff in the implementing agencies involved in the projects left for the private sector. In some cases, such personnel changes had an adverse effect on the efficiency of project implementation and/or institutionalization of the project outcomes by delaying the project activities, necessitating new human resource development, and leading to loss of the transferred skills and knowledge. In Mongolia, personnel changes occur frequently because Japanese-style lifetime employment is not common and

³⁸ Information provided by MOFA

many people move from one job to another at intervals.

Under such circumstances, the evaluation team recommends the establishment of a mechanism for information sharing in the implementing agencies before implementing ODA projects in Mongolia. The introduction of good practices in information sharing to the implementing agencies in Mongolia by JICA may be a way to establish the mechanism. The team considers that the establishment of such a mechanism can improve the efficiency of the implementation and sustainability of the impacts of ODA projects.

The evaluation team identified the following cases as good practices of measures concerning personnel reassignment.

- Institutionalize new structures and systems developed in assistance projects by inclusion into national policies and ministers' orders

The evaluation team identified good practices in reducing the risks caused by personnel reassignment in some projects. In these practices, new structures and systems developed in the projects were approved as part of national policies or included in ministers' orders. The approval or issuance of such orders contributed to the achievement of the project outcomes. The approval and issuance of orders will give the officials concerned a common understanding of the structures and systems, which will enable their continued use of structures or systems even after the officials concerned have been reassigned. It is considered useful to include institutionalization of the structures and systems to be developed in assistance projects in the project plans at the preparatory stage.

- Systematize important processes

The evaluation team identified one case in which the risks that might have been caused by personnel reassignment were effectively reduced. In this case, the person in charge of a work process prepared a handover report and performed the process repeatedly with the person who would replace her/him using the report, manuals, and checklists before leaving the position. The person used innovative methods such as preparing an operating schedule to teach his/her successor the work process and preparing an easy-to-understand manual.

- Use existing organizational structures for information sharing

A sub-working group was established in each department of the counterpart organization and was used for information sharing in the department. The sub-

working groups were formed under the working group that implemented the project. The establishment of sub-working groups facilitated information sharing between the members of the working group and other staff members.

Recommendation 3: Strengthening measures to be taken in countries with frequent government reorganization

The government reorganization that occurred after every general election harmed the sustainability of the project outcomes because some of the functions of the counterpart organizations were lost after the reorganization.

Therefore, ODA projects in Mongolia shall be planned with acknowledgement of possibility of frequent government reorganization. If general elections are scheduled during the implementation period of a project, it is recommended to research possible effect of the election results to the counterpart organization in advance, and multiple measures shall be prepared. It will be useful to have an opportunity to obtain information and advice from experts who have experienced post-election government reorganizations in the past when preparing the measures.

Recommendation 4: Clear demarcation of scope of work of relevant government offices in projects involving multiple government offices

During the evaluation target period, grant aid projects were implemented to construct facilities, and technical cooperation projects in capacity development were implemented to support operation of the constructed facilities. In some cases, responsibility for the operation of the constructed facilities was shared among multiple government offices, and this responsibility-sharing had a negative effect on achieving ideal facility operation.

Therefore, the evaluation team recommends that JICA understand the roles to be fulfilled by the relevant government offices in projects that are clearly related to multiple ministries/agencies and confirm a way to secure the personnel and budget required for operating the constructed facilities in advance. The team also recommends that JICA organize meetings of all relevant parties involved in a project (including the relevant government offices) to exchange views and information. It will also be useful to demarcate the areas of responsibility of each office in a project taking into account the conventions of Mongolia and the responsibilities of each office when deciding the roles of the offices in the project.

A successful example of the involvement of multiple government offices was seen in the approval of the Guidelines for Inclusive Development Support for Children with Disabilities in the Project for Strengthening Teachers' Ability and Reasonable Treatments of Children with Disability by joint ministers' order of the Ministers of Labor and Social Protection, Education and Science, and Health. The counterparts of this project were the Ministry of Labor and Social Protection and the Ministry of Education and Science. The contractor of the project considered that development support and improvement of education for children with disabilities was a multi-sectoral issue and tried hard to have relevant officials from the three ministries involved in the project from the beginning of implementation. The contractor also clearly demarcated the scope of the work of the counterparts by assigning Output 1 defined in the PDM to the Ministry of Labor and Social Protection and Output 2 to the Ministry of Education and Science.

Table 4-1 shows the organizations expected to be responsible for the recommendations mentioned above, the supporting organizations, and the level of importance of the recommendations.

Table 4-1 Recommendations from the Evaluation Results/Findings, Response and Support Organizations, Response Period and Degree of Importance

Recommendations	Response and Support Organizations*1				Response Period*2	Importance*3
	Headquarter Level		On-site Level			
	MOFA	JICA Headquarters	Embassy of Japan	JICA Office		
Concerning Future Policies and Strategy Planning						
1. Formulation of clearer regional development strategies and a rolling plan for sustainable economic growth and stable social development in Mongolia	◎	○	◎	○	Short to medium term	◎
Concerning Project Implementation Process						
2. Strengthening of measures to reduce risks caused by frequent personnel reassignment	○	◎	○	◎	Short to medium term	○
3. Strengthening measures to be taken in countries with frequent government reorganization	○	○	○	◎	Short term	○
4. Clear demarcation of scope of work of relevant government offices in projects involving multiple government offices	○	◎	○	◎	Short to medium term	◎

Source: The table was prepared by the evaluation team.

*1 . Response and support organizations; ◎ Response organizations, ○ ... Support organizations

*2. Response period; Short term...1-2 years, Medium term...3-5 years, Long term...5 years or longer

*3. Degree of importance; ◎...High, ○...Fair