

## GOVERNANCE AND DECENTRALISATION PROGRAMME

### FACTS

**Project name:**

Governance and Decentralisation Programme

**Duration:**

2012 – 2018

**Budget:**

CHF 8.3 million

**Target group:**

The Cabinet Secretariat of the Government of Mongolia,  
The Office of the President,  
The Ministry of Finance,  
Line ministries,  
Municipal governments,  
Civil society organisations,  
Citizens

**Target area:**

Nationwide

Recognising that decentralisation is important in achieving more equitable and inclusive development, in 2011 the Government of Mongolia placed renewed emphasis on decentralisation reform and requested Switzerland to provide support for this process. As a result, starting from 2012, the Swiss Agency for Development and Cooperation (SDC) has been implementing the Governance and Decentralisation Programme (GDP) in close partnership with the Government of Mongolia. Advancements in decentralisation reform have since been realised through increased citizen participation in decision-making processes throughout the country.



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*A meeting in the town hall in Khovd aimag. Citizens are increasingly taking part in local meetings focused on development issues.*

### BACKGROUND

The government established a Local Development Fund (LDF) under the 2011 Integrated Budget Law, which came into effect in 2013. The LDF is a block grant transfer to local governments aimed at promoting local development. In addition to giving more power to local authorities on public investment issues, decisions on LDF allocations have to be made in consultation with communities. The creation of the LDF was a substantial step towards fiscal decentralisation and improved civic

participation in decision-making. There were also significant gains made in citizen participation with the introduction of a series of new laws and provisions. The government has expressed its commitment to continue democratisation and decentralisation reform, and the GDP was designed to support Mongolia in this endeavour. In 2015, this support was renewed, building on the progress thus far made and the results achieved.

**SDC's Strategic Goal:**

To contribute to equitable and sustainable social and economic development in Mongolia.

### GOAL

The GDP seeks to foster local governments that are empowered, democratic and accountable to citizens, and provide sustainable services that respond to citizens' needs.

## GDP PHASE II EXPECTED RESULTS

To reach this goal, the GDP will focus on three key areas and is expected to achieve the following outcomes:

- **Decentralisation policy support:** The government will elaborate policies, laws, rules and processes which assign to local governments, in an equitable manner, clear functions, responsibilities, administrative authority, and resources.
- **Civic engagement:** The Office of the President will create an enabling legal framework for citizen participation

## UP-TO-DATE RESULTS FROM GDP PHASE I

- The GDP has provided support for the elaboration of important policies and guidelines to strengthen decentralisation and direct democracy in Mongolia and contributed to the adoption of the Law on Legislation. The Law on Legislation aims to improve the law-making and implementation process in Mongolia through citizen participation.



More than 150 One-Stop Shops nationwide are providing public services for citizens

- The Government of Mongolia has institutionalised One-Stop Shops (OSS) - public service delivery centres designed to bring public services closer to citizens. In addition to the 45 OSSs nationwide that were established with support from SDC, local governments set up more

at the local level. The Swiss bottom-up referendum will serve as a model in accordance with the government's request.

- **Urban governance:** Local governments in Ulaanbaatar will have improved capabilities to plan and deliver public services and investments in ger areas in a way that is responsive to citizens' priorities. The project aims to be inclusive, ensuring that poor people participate and benefit from its interventions.

than 150 additional OSSs in their soums and khoroos using their own funds. The customer satisfaction rate with OSS services is about 80 percent, which highlights the value of OSSs in saving people time and money when accessing government services.

- Public procurement practices in 39 soums have become more competitive, accountable and transparent as a result of reform efforts in the public procurement sector supported by the GDP. The successes include improved local capacity to organise tenders, local governments' maintenance of websites with information on procurement schedules and rules, and support for civil society monitoring of procurement processes.
- Citizens' knowledge of local government roles and responsibilities and key legislation related to citizen participation has improved. The GDP's support for more participatory and transparent local government practices saw residents in 17 soums and khoroos take part in public meetings and a 14 percent increase in citizen attendance, including during LDF discussions.



Residents in Jargalant soum in Khovd aimag have prioritised LDF funds for the building of roads, particularly for pedestrians and bikers in ger communities

## Implementation partners:

- The Office of the President advised by the Centre for Democracy Studies, Switzerland
- The Cabinet Secretariat of the Government of Mongolia and the Ministry of Finance advised by the Lucerne University of Applied Sciences, Switzerland
- The Ulaanbaatar City Governor's Office supported by the Asia Foundation, United States

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