

## RESOLUTION OF THE STATE GREAT KHURAL OF MONGOLIA

28 August 2020

Government Palace, Ulaanbaatar

# 24

### **Approval of the Action Plan of the Government of Mongolia for 2020-2024**

In accordance with the Clause 1.7 of the Article 25 of the Constitution of Mongolia, Clause 7 of the Article 26 of the Law on Government of Mongolia and Article 9.2 of the Law on National Development Policy, Planning and Management, the State Great Khural is hereby RESOLVED TO:

1. Approve the Action Plan of the Government of Mongolia as in Annex
2. Charge the Government of Mongolia /U. Khurelsukh/ to take following measures in connection with the approval of the Action Plan of Government of Mongolia for 2020-2024:
  - 1/ Approve the Implementation Plan of the Action Plan of the Government of Mongolia for 2020-2024 with a set of criteria, indicators and targets for monitoring and evaluation and present it to the State Great Khural within the first quarter of each year;
  - 2/ Achieve the targets specified in the Action Plan of the Government of Mongolia by reflecting these in the annual Fiscal Framework Statement and State Budget;
  - 3/ Carry out an assessment of financing sources required for the implementation of the Action Plan of the Government of Mongolia and debt sustainability analysis;
  - 4/ Ensure the funding of 10 major projects with high economic impacts specified in the Action Plan of the Government of Mongolia for 2020-2024 to increase exports, employment opportunities and incomes of citizens using all possible financing modalities and instruments;
3. Charge the Government of Mongolia /U. Khurelsukh/ to develop an Annual National Development Guideline in accordance with requirements specified in the Article 6.10 of the Law on National Development Policy, Planning and Management and submit it to the State Great Khural.
4. Oblige the Governor of the Bank of Mongolia and heads of other relevant agencies directly accountable to the State Great Khural to coordinate their activities with the Government for the implementation of the Action Plan of the Government of Mongolia for 2020-2024.
5. This Resolution enters into force on 28 August 2020.

SPEAKER OF THE STATE GREAT KHURAL SH. ZANDANSHATAR

## **ACTION PLAN OF THE GOVERNMENT OF MONGOLIA FOR 2020-2024**

Following the 8<sup>th</sup> regular State Great Khural (Parliament) elections, the newly formed Government of Mongolia has outlined its Action Plan for 2020-2024 in conformity with the National Security Concept of Mongolia, “Vision-2050” long-term development policy, reflecting Election Platform of the Mongolian People’s Party and based on the proposals from other political parties, civil society, citizens and communities.

The Government of Mongolia has formulated its objectives and targets within the framework of the following six set of issues by paying particular attention to successful overcoming of the economic and social challenges caused by the pandemic, ensuring human, economic and social development, improving environmental balance and governance, ensuring regional and local development and preserving continuity of the previous government policy.

### **ONE. POLICY TO OVERCOME ECONOMIC AND SOCIAL CHALLENGES CAUSED BY THE “COVID-19” PANDEMIC**

#### **1.1 The Government will take policy measures to overcome economic and social challenges caused by the “Covid-19” pandemic.**

1.1.1 The following measures in support of citizens and enterprises during “Covid-19” pandemic will be continued:

1.1.1.1. Continue the entitlement of the increased child allowance during the pandemic till the end of 2020.

1.1.1.2. Continue the partial exemption from social insurance contributions after October 2020.

1.1.1.3. Continue the measures on exemption from corporate income tax for companies with less than 1.5 billion MNT annual sales till the end of 2020.

1.1.1.4. Continue providing tax credit to the rental incomes earned by companies that reduced their rents till the end of 2020.

1.1.1.5. Create an enabling environment for enterprises and self-employed to sustain jobs and having earnings through information dissemination, advocacy and trainings required to ensure labor safety, meeting hygiene requirements and pursue disinfection procedures.

1.1.2. Will increase the budget allocation for prevention of “Covid-19” pandemic risks and ensure preparedness:

1.1.2.1. Increase the financing from the Government reserve fund for prevention of the pandemic risks and make disbursement from this fund as necessary.

1.1.2.2. Increase the financing for prevention of the pandemic risks and response measures to the extent possible.

- 1.1.2.3. Ensure that children at kindergartens and schools vaccinated against seasonal influenza.
- 1.1.2.4. Increase the salary, bonuses and support for medical doctors and staff of the National Center of Communicable Diseases and National Center of Zoonotic Diseases.
- 1.1.3. Ensure the preparedness for prevention of new and re-emerging infections and response measures of the healthcare services:
  - 1.1.3.1. Build up the resource preparedness of response measures.
  - 1.1.3.2. Establish Zoonotic centers in relevant aimags and surveillance units in border checkpoints.
  - 1.1.3.3. Organize information dissemination, advocacy and trainings on prevention of new and re-emerging infectious diseases.
  - 1.1.3.4. Reconstruct and commission public health emergency storage facilities.
  - 1.1.3.5. Establish diseases control and prevention centers.
  - 1.1.3.6. Develop, test and introduce in-house diagnostics of new coronavirus.
  - 1.1.3.7. Provide aimag general hospitals and regional diagnostic and treatment centers with RT-PCR equipment.
- 1.1.4. Apply exemption from import duties and value added tax for imports of test kits, medicine, medical devices, equipment, and substances for sterilization and disinfection for “Covid-19” diagnosis and treatment until the end of 2020.
- 1.1.5. Develop financing solutions for export promotion and increase export of goods.
- 1.1.6. Implement “Green gateway” temporary procedure within the framework of acceleration of exports of coal and other mining products. Increase exports by intensifying economic cooperation with trading partner countries.
- 1.1.7. Pro-actively cooperate with development partner countries and international organizations to increase support and assistance in overcoming economic and social challenges caused by the pandemic.
- 1.1.8. Intensify the process of evacuation of citizens stranded in foreign countries.
- 1.1.9. Take steps to minimize the needs and costs of government funds through appropriate cash management of state-or- locally-owned legal entities and enterprises partially owned by the state or local administration.
- 1.1.10. Increase government financing sources through early repayment of government loans granted on repayable basis, buy-back loans at the discount, transferring receivables of government agencies from bank receivers of bankrupted banks to the Bank of Mongolia.

1.1.11. Provide up to 100% scholarship to students majoring in nursing at the state-owned universities based on their academic performance.

1.1.12. Develop e-learning platform and develop and prepare e-content. Explore and prepare appropriate forms and options of training to enable those households and population with no access to TV or internet to participate in e-learning.

1.1.13. Create a legal environment for e-learning system.

1.1.14. Reserve funds for education in advance, spend local budget revenues for education and resolve shortfalls for education.

1.1.15. Identify health risks of teachers, students and school staff and estimate the risks of school dropouts.

## **TWO. HUMAN DEVELOPMENT POLICY**

### **Health**

**2.1. The Government will strengthen the diseases prevention, early detection, expand the use of state-of-the-art technologies of diagnosis and treatment and improve the quality and access of healthcare assistance and services.**

2.1.1. Increase citizens' education on health, improve the provision for inclusion of every citizen in medical examination and diagnosis of prevention and early detection in accordance with international standards and take the following measures to promote healthy and active lifestyle:

2.1.1.1. "Healthy and Active life" program;

2.1.1.2. "Fight against Communicable Diseases and Prevention" program;

2.1.1.3. "Mother, Child and Reproductive health" program;

2.1.1.4. "Anti-cancer" program;

2.1.1.5. "Healthy Liver" national program;

2.1.1.6. "Prevention of Allergy" program;

2.1.1.7. "Healthy Men" program.

2.1.2. Increase the efficiency, benefits and access of the "Healthy Liver" national program measures, involve more than 50% of citizens with hepatitis D in treatment and bring up the level of early cancer detection to the international average.

2.1.3. Improve the quality and access of healthcare assistance and services, increase opportunities of citizens for in-house medical diagnosis and treatment and establish the following new national modern diagnostic and treatment centers:

- 2.1.3.1. National Center of Organ Transplant;
- 2.1.3.2. National Cardiovascular Center;
- 2.1.3.3. Tuberculosis Hospital;
- 2.1.3.4. National Gerontology Center;
- 2.1.3.5. Burn Treatment Center;
- 2.1.3.6. Branch II, National Centre of Communicable Diseases;
- 2.1.3.7. Branch Hospital –II, National Cancer Center;
- 2.1.4. Advance medical emergency services in line with international standards:
  - 2.1.4.1. Establish medical emergency units in local areas in need.
  - 2.1.4.2. Increase the capacity of medical emergency services in healthcare organizations and provide them with medical devices and equipment.
  - 2.1.4.3. Introduce air services /airplane/ in medical emergency services.
  - 2.1.4.4. Fully upgrade transportation used in medical emergency services.
- 2.1.5. Strengthen public health system and create a legal environment.
- 2.1.6. Establish an integrated public health information database within the framework of the “E-Mongolia” program and use remote technologies for diagnosis and treatment in local areas and create e-early detection and recall system.
- 2.1.7. Introduce appropriate methods and forms of performance-based financing, increase types of health insurance services and create risk fund.
- 2.1.8. Ensure the quality and safety of medicine and medical devices, increase their availability and create e-registration and e-monitoring system.
- 2.1.9. Undertake legal reform dedicated for health employees, increase human capacity and provide social welfare services.
- 2.1.10. Create a legal environment for protection of health rights of clients and patients.
- 2.1.11. Establish regional hospitals and diagnostic centers in phases.
- 2.1.12. Improve facilities and infrastructure of aimag and soum level healthcare service providers and hospitals and create an environment for ensuring equitable, accessible and quality services that meets standard and quality requirements.
- 2.1.13. Clarify the status of family clinics and use the optimal financing solutions for family clinics.
- 2.1.14. Equip hospitals with modern sanitation facilities which currently use pit latrines.

## **Physical Education and Sports**

### **2.2. The Government will make public physical education an integral part of healthy and active lifestyle, promote professional sports, and increase the competitiveness and success of athletes at Regional and World championships and Olympic Games.**

2.2.1. Establish an open, flexible and nationwide system that is based on public-private partnerships to provide accessible physical education and sport services for prevention of physical inactivity and practicing lifelong healthy lifestyle.

2.2.2. Provide policy support for promotion of Mongolian national traditional sports in the world, establish a national sports' center and develop a system of engaging foreign athlete teams in competitions and naadams.

2.2.3. Increase the access of standard sports' field for citizens and construct sport facilities in line with international standards.

## **Education**

### **2.3. The Government will strengthen the system for creation of equitable, inclusive and quality education for all.**

2.3.1. Restore the national system of nursing for 1-2 age toddlers, enable 2-3 age toddlers' enrolment in childcare services and thereby promote women's employment and social engagement.

2.3.2. Make the entitled age of children for enrolment in pre-school education 3-5 years old and ensure that every 5 years -old child is prepared for school education.

2.3.3. Strengthen the national education quality assessment by involving the general education in international PISA assessment to bring the quality of general education up to the world standards.

2.3.4. Regardless of the form of ownership, implement the personality, education and training programs that is suited to characteristics of Mongolian people, enriched with Mongolian history, language, culture, customs, patriotism, national tradition, justice and fairness and internationally recognized content in pre-school education and schools.

2.3.5. Establish a research results-based competitive financing system for professional education in conformity with employment opportunities of graduates in their field and develop research-based universities.

2.3.6. Implement "Prime Minister Scholarship" program that provides up to 100% scholarships for outstanding students leading in research and education and those majoring in priority development areas.

2.3.7. Gradually transform local universities into campus system in line with regional development concept.

2.3.8. Implement a "Competent Teacher" program, introduce professional standards and transform rating system based on productivity and performance results.

2.3.9. Build the following facilities to create a student- friendly-learning environment, increase access and education opportunities for children with special needs in ordinary schools and kindergartens:

2.3.9.1. Commission 273 kindergartens;

2.3.9.2. Commission 200 new schools;

2.3.9.3. Reconstruct and expand the facilities for schools and kindergartens specifically designed for children with special needs.

2.3.9.4. Ensure that not less than 100 kindergartens, schools and dormitories with pit latrines have new sanitation facilities each year.

2.3.10. Increase the spending for children’s meal at kindergartens, dormitories and schools of general education at least twice to tie it up with inflation and price increase and transform the “Afternoon tea” program into “Lunch” program. Provide students of schools of general education with filtered drinking water.

2.3.11. Improve the content and training programs of art and physical education at pre-school education providers and schools of general education and provide them with all required tools and equipment.

2.3.12. Create opportunities to support lifelong learning for citizens of all ages by developing e-learning platform, e-training programs, e-content and e-lessons.

2.3.13. Undertake restructuring of the Education institute and increase its capacity.

2.3.14. Provide some research and other support for state owned universities.

2.3.15. Provide support for local vocational training institutions, polytechnic colleges and universities, provide local allowance to professors and teachers and discounted tuition fees to students.

2.3.16. Undertake legal reform for developing internationally competitive education programs and ensure its step-by-step implementation.

## **Science, Technology and Innovation**

**2.4. The Government will ensure the increase of economic, social and scientific efficiency and benefits of research through centralization of resources and increasing funding for scientific research by establishing national joint research centers of research institutes and universities.**

2.4.1. Streamline the research areas and studies in science, technology and innovation sector, enhance the capacity of researchers and increase budget expenditures for research and development by 4 times.

2.4.2. Commence the construction of Science Park and research institutes’ complex and facilities for traditional medicine and technology institute and ensure its conformity with international standards.

2.4.3. Introduce a competitive financing system in research and development that is based on its benefits for economic and social development as a criteria, set up unified, open and specialized laboratories, and increase the sector competitiveness.

## **Labor and Social Welfare**

**2.5. The Government will increase the quality of life of the Mongolian people by reforming the social insurance system, streamlining social welfare, increasing employment, ensuring human development and expanding middle class.**

2.5.1. Undertake social insurance reform and move into the multi-pillar pension system which can allow every citizen to receive basic pension, and also participate in private insurance schemes.

2.5.2. Create an environment for partial inheritance of the outstanding balance of the notional defined contributions of the social insurance holder to family members.

2.5.3. Gradually move into a comprehensive system of services in education, health, pension, housing and social insurance through integrated aggregate fund.

2.5.4. Increase employment through reforming labor markets in conformity with current needs and requirements, introducing wage and work evaluation system based on productivity and performance, and create flexible working arrangements incorporating distance and part-time employment schemes.

2.5.5. Gradually increase the salary, pension and allowances corresponding to the inflation and productivity factors.

2.5.6. Digitize the entire labor and social welfare sector within the framework of “E-Mongolia” program and make public services more transparent, responsive and accessible to citizens.

2.5.7. Improve the methodology of estimating household living standards, make social welfare services targeted, promote employment and consistently reduce poverty.

2.5.8. Implement a comprehensive human development policy that upholds the rights of families, children, youth, elderly and people with special needs and ensures the participation of all demographic groups.

2.5.9. Engage adults of low income households in vocational and skill advancement trainings, and provide support for their employment.

2.5.10. Diversify vocational education and trainings, make it consistent with demand and supply in the labor markets in line with major development projects, national and local development goals.

2.5.11. Establish new vocational education and training camps and practice facilities, and ensure its financial independence.

2.5.12. Implement the “Child with Savings” program, and create a system of spending Child money for their food and nutritional needs, physical education, personal development, leisure and for savings of children.



2.5.13. Create a legal environment for the state to pay the social insurance premiums on behalf of parents /mother or father/ who are unemployed due to the need of taking care for their children with special needs aged 0-16.

2.5.14. Create 150 thousand new jobs within the framework of the major development projects, through support for private sector, SMEs and employment promotion.

2.5.15. Set up a labor exchange to encourage local employment for Mongolian citizens studying and working abroad.

### **National Pride and Cultural Heritage**

#### **2.6. Uphold the national values and traditional cultural heritage, enlighten citizens, promote creative cultural industry, and become a global center for nomadic civilization.**

2.6.1. Promote the legacy of national pride and Mongolian cultural heritage, build and commission following facilities that meets international standards and requirements:

2.6.1.1. New building for “Chinggis Khaan” museum of Khans and aristocrats and other complexes in historical places;

2.6.1.2. New building for Natural History museum;

2.6.1.3. New building for National Library;

2.6.1.4. New building for National Arts Theater;

2.6.1.5. National Archeology, Paleontology and Ethnography museum and Laboratory;

2.6.1.6.”Khuvsgul Lake Museum and Cultural Information Center” in the Khuvsgul lake area;

2.6.1.7. Children’s Library and Puppet Theater;

2.6.1.8. Increase the capacity of local culture and art agencies to increase the access to cultural services.

2.6.1.9. Establish “Central Asian History and Culture Hearth” research, advocacy and preservation complex based on the Orkhon-Tamir, Hanui-Huhui monuments and recollection.

2.6.2. Ensure central management and coordinated implementation for targeted national activities aimed at enhancing sustainable development of culture and art:

2.6.2.1. “E-Culture” program;

2.6.2.2. “Cultural Education for All” program;

2.6.2.3. “Classical Art-III” program;

2.6.2.4. “Creative Cultural Industry-II” program;

2.6.2.5. “Mongolian Heritage and the World” international program.

2.6.3. Increase the economic and social benefits of art and culture by boosting enlightenment activities, developing a creative cultural industry –innovative production with national content and creation of Mongolian brands;

2.6.3.1. Establish “Mongolian Cultural Center” on the auspices of universities and research institutes to disseminate the Mongolian language and culture in the world.

2.6.3.2. Restore the system of training and employment of internationally competitive artists.

2.6.3.3. Support innovative creative culture with national content, increase the range of products and services of cultural tourism, cinema art and classical art for commercialization.

2.6.3.4. Accelerate enlightenment activities by developing professional arts based on the foundation of nomadic civilization and creation of regionally and internationally competitive Mongol brands.

2.6.3.5. Improve the integrated system of culture management, create accessible and efficient mechanisms with multi-funding sources and provide promptly the quality cultural services to citizens.

2.6.3.6. Create an efficient and sustainable mechanism for preservation of cultural heritage based on participation of citizens, private sector and civil society, enhance the sustaining capacity of tangible and intangible cultural heritage and create e-culture fund.

2.6.3.7. Improve the legal environment for combatting crimes and violations against cultural heritage.

2.6.4. Develop the media sector in the field of dissemination of factual information and enlightenment.

### **THREE. ECONOMIC POLICY**

#### **Finance and Budget Regulation**

**3.1. The Government will pursue policies aimed at overcoming within a short span of time the financial and economic difficulties and ensuring sustainable and inclusive economic growth.**

3.1.1. Implement macroeconomic policies that ensure keeping the inflation rate at the target level and maintain the economic stability, and increase the sufficiency of foreign exchange reserves.

3.1.2. Implement counter-cyclical fiscal policy to prevent economic risks that ensures fiscal stabilization during growth period and expansion during crisis.

3.1.3. Undertake banking sector reform in a short period of time by raising the assets of financial institutions, supporting the economy through low cost financing, making the monthly bank interest rates below 1% and ensuring that the financial sector is risk resilient.

3.1.4. Sustain economic growth by expanding access to financial services and reduce loan interest rates.

3.1.5. Increase access to financial leasing services.

3.1.6. Put an end to loansharking through creation of new legal environment needed for protection of interests of financial sector clients and to prevent citizens from being exposed to financial risks and pressures.

3.1.7. Create opportunities for individuals and legal entities to directly participate in the stock exchange trading through e-trading platform based on the advanced technology.

3.1.8. Undertake legal reform in order to promptly and cost-effectively resolve non-performing loans in the banking and financial sectors.

3.1.9. Resolve overdue foreign debts and borrowings without compromising macroeconomic stability, reduce government debt burden and build up its fiscal reserves.

3.1.10. Continue the customs reform aimed at simplifying customs procedures to support foreign trade, preventing citizens from illegal and counterfeit goods, and ensuring complete collection of natural resource fees.

3.1.11. Make tax services less complicated for individuals and tax payers and increase tax base by digitizing tax reporting and collection activities and increase its transparency.

3.1.12. Introduce an integrated e-fiscal system, make public services responsive and efficient, and create an environment for transparent and efficient spending of foreign assistance, loans, current and investment funds.

3.1.13. Implement reform policies to ensure fair business competition and protection of consumer rights.

3.1.14. Refine policies and legal environment to support economic priorities.

3.1.15. Create an environment for developing domestic double insurance and increasing access to long-term insurance schemes, and ensure sustainable growth of the insurance sector by improving its risk management system.

3.1.16. Promote domestic procurement through public purchasing and decrease direct human involvement in a bid selection process through application of artificial intelligence and state-of-the-art technology.

3.1.17. Create an environment for the development of trade, services and light industry for export and domestic markets by gradually developing infrastructure in free economic zones and provide support for foreign and domestic investors.

3.1.18. Upgrade the entry capacity of border checkpoints to a level equal to that of the neighboring countries. Renovate and improve the buildings and facilities of border posts.

3.1.19. Establish cross-border economic cooperation zones in the regions close to markets and natural resources with sufficient manpower and favorable environment for industrial development.

3.1.20. Establish and operationalize "Export Guarantee fund" to support export-oriented enterprises.

3.1.21. Continue providing tax relief which is 10 times lower or impose 1% tax for those enterprises operating in areas more than 1000 km away from the capital city and offer financial and tax policy support to major companies to set up branches in rural areas and provide regional allowance.

3.1.22. Provide tax relief which is dependent on the number of children to families with 3 or more children within the framework of population growth policy.

### **Mining and Heavy Industry**

**3.2. The Government will create a sustainable and multi-pillar economic structure and implement the principle of fair distribution of wealth by developing transparent and responsible mining and value-added industry and ensuring the growth of mineral revenues. Will commence the construction of heavy industries, including oil, coal-chemical, copper concentrate and metallurgy and implement related infrastructure projects.**

3.2.1. Increase the economic benefits of the following strategically important mines:

3.2.1.1. Ensure that Oyu-tolgoi project complies with laws of Mongolia and commission the underground mine.

3.2.1.2. Resolve the issues related to ownership of the “Erdenet mining corporation” SOE, renovate and expand the open pit mine, concentration plant and repair and maintenance factory and increase its production capacity and returns.

3.2.1.3. Commission the Tsagaan suvarga copper and molybdenum mine.

3.2.1.4. Expand the Baganaur and Shivee Ovoo coal mines, increase their mining capacity and reduce costs.

3.2.1.5. Carry out testing and research required for operationalization of the Asgat silver deposit and resolve issues related to the investment needed.

3.2.1.6. Build required infrastructure for the Tavan tolgoi group mines and commission a coal enrichment plant within the framework of establishing an Industry and Technology Park.

3.2.2. Commission the following major mines to increase exports:

3.2.2.1. Operationalize the Salkhit silver mine up to its projected capacity.

3.2.2.2. Commission the Zuun Tsagaan Del fluorspar underground mine.

3.2.3. Enhance geology and research works funded by the state budget and increase mineral revenues.

3.2.4. Develop an integrated National Geo-database, introduce e-system and provide responsive public services.

3.2.5. Increase mineral revenues through boosting investment in exploration of raw materials for high-tech industry such as rare earth elements, precious, non-ferrous, ferrous and mixed metals, non-metallic minerals and oil.

3.2.6. Strengthen mining sector institutions, develop responsible mining, make licensing open to the public and revoke illegal permits.

3.2.7. Develop heavy industry, increase the level of mineral processing and produce value-added products:

3.2.7.1. Develop ferrous metallurgy (coke, cast iron, direct reduced iron) in Darkhan-Uul, Orkhon and Dornogovi aimags.

3.2.7.2. Set up an Industry and Technology Park based on the Erdenet Corporation. The Park will include a copper concentrate processing plant and a cathode copper plant with heap leaching technology of oxidized ore.

3.2.7.3. Build a precious metal refinery plant.

3.2.7.4. Establish a branch laboratory for precious metal sampling, expand activities of sampling of precious stones and identify gemstones and increase the quality and accessibility of services provided to citizens.

3.2.7.5. Commence the construction of copper concentrate processing plant based on the Oyu Tolgoi mine.

3.2.8. Develop an oil refinery plant based on local raw materials.

3.2.8.1. Accelerate the exploration and use of oil and non-conventional oil and increase reserves.

3.2.8.2. Resolve the issue of financing sources required for supplying raw materials to the oil refinery and construction of pipelines, and carry out construction work.

3.2.8.3. Construct an oil refinery plant based on local raw materials in Altanshiree soum of Dornogovi aimag.

3.2.9. Implement the amendments made to the Constitution of Mongolia and create a system of equitable and fair distribution of benefits of mining to every citizen through the Wealth fund.

### **Food, Agriculture and Light Industry**

**3.3. The Government will develop the production and sales network of agricultural products, fully meet the domestic demand for key food products, and promote the production of import-substituting and export-oriented products**

3.3.1. Implement the crop cultivation "Atar IV" campaign, ensure the development of sustainable crop production, enhance the sector productivity and competitiveness by increasing export and processing capacity, crop rotation and fodder production.

3.3.2. Initiate the establishment of the agro-technical repair and maintenance centers in the Darkhan and Selenge, which are key crop and agriculture regions.

3.3.3. Ensure that demand for key food products is fully met by domestic production and meat exports are increased.

3.3.4. Continue irrigation and construction of wells, increase, protect, rehabilitate and sustain pastures, improve livestock quality and productivity, protect livestock gene pool, introduce biotechnological breakthroughs, promote intensive livestock sector and implement “Mongolian Livestock -II” program.

3.3.5. Reduce pasture deterioration and desertification through creation of the legal environment for pasture usage, protection and improvement.

3.3.6. Organize the first herder support campaign and increase the herders and citizens’ income by protecting livestock from criminal encroachment, establishing regional processing plants for agricultural raw materials and producing and exporting value-added agricultural products.

3.3.7. Protect livestock from natural and climatic risks, ensure preparedness, create fodder reserves in soums, and establish a fodder storage network for herders.

3.3.8. Increase export opportunities for livestock raw materials and products by streamlining the reform of the veterinary system, fighting infectious and highly contagious diseases, and declaring and certifying disease-free zones.

3.3.9. Increase the productivity of meat, wool, cashmere and leather processing industry by supporting the processing of livestock products.

3.3.10. Set up an environmentally friendly complex for processing of livestock raw materials and increase export of agricultural goods and products.

3.3.11. Increase agricultural production and provide incentives for those herders and farmers who supply their products to national industries.

3.3.12. Establish logistics network for agricultural transportation and sales, and create an optimal system for quality control and certification of agricultural products.

3.3.13. Introduce modern forms of financing for SMEs, and implement a policy to nurture and expand SMEs through business incubation services.

3.3.14. Increase opportunities for national SMEs to carry out contractual work for major enterprises such as Oyu-Tolgoi and Erdenet.

3.3.15. Increase financing for environmentally friendly and low emission green projects based on public-private partnerships

## **Tourism**

### **3.4. The Government will develop sustainable tourism based on nature, history and cultural heritage.**

3.4.1. Implement “Sustainable Tourism Development-I” project in Khuvsgul and Khentii aimags and “Sustainable Tourism Development-II” project in Arkhangai, Bayan-Ulgii, Uvurkhangai, Uvs and Khovd aimags within the framework of state policy of tourism development and increase incomes of local community and enterprises.

3.4.2. Complete the construction of “Millennium Genius Chinggis Khaan Complex” within the framework of historical tourism development and carry out step-by-step activities to preserve historical sites included in the Mongolian Secret History, promote it internationally and ensure that sites are connected through infrastructure.

3.4.3. Commence the construction of an international complex of culture, religion and tourism based on the Manzshir historical site.

3.4.4. Increase the number of citizens and tourists to one million by improving tourism products, services, quality and standards, and increasing its competitiveness.

3.4.5. Promote tourism through production of innovative, masterpiece and branded products tailored to the specifics of Mongolian nomadic culture.

3.4.6. Develop tourism infrastructure in Bayan-Ulgii, Uvs, Khovd, Uvurkhangai, Arkhangai, Bayankhongor, Umnugovi, Dornod and Zavkhan aimags and set up service areas and complexes along the auto roads. Develop tourism in the Gobi region.

3.4.7. Increase the number of tourists by promoting cross-border tourism.

3.4.8. Introduce technological advances in tourism sector within the framework of “E-Mongolia” program and expand foreign advertising.

3.4.9. Set up a tourism training center to develop competent human resources.

## **Energy**

### **3.5. The Government will fully ensure reliability, safety and sustainability of the energy sector.**

3.5.1. Create an environment to fully meet the growing demand for energy domestically by increasing the capacity of electricity and heat generation:

3.5.1.1. Renovate and expand the installed capacity of CHP IV by 46 MW and CHP in Erdenet by 35 MW respectively.

3.5.1.2. Commence the construction of the Erdeneburen hydropower plant with 90 MW installed capacity and build Erdeneburen-Myangad-Uliastai electricity transmission line of 220 kW and transmission sub-station.

3.5.1.3. Expand the installed capacity of Choibalsan CHP by 50 MW.

3.5.1.4. Commence the construction of Tavan Tolgoi thermal power plant with 450 MW installed capacity and related infrastructure.

3.5.1.5. Commence the construction of the thermal power plant with 300-400 MW installed capacity based on coal mines in the central, eastern and Gobi regions.

3.5.1.6. Build a battery storage station with 160 Mw/h capacity.

3.5.1.7. Increase the installed capacity of Amgalan thermal power plant by a combined 50 MW.

3.5.1.8. In order to meet the growing demand for electricity and heat consumption of Ulaanbaatar and ensure the reliability of the energy sector, commence the construction of the gas power generation plant based on the infrastructure of Thermal Power Plant II in Ulaanbaatar using PPP modality.

3.5.1.9. Renovate and expand thermal power plants in Baganaur and Nalaikh districts of Ulaanbaatar, explore new energy sources and construct new sub-stations.

3.5.2. Complete the feasibility study for the construction of a natural gas pipeline from the Russian Federation to the People's Republic of China through the Mongolian territory and ensure the preparedness to commence the construction.

3.5.3. Increase the quality and access of heat supply and improve the comfortable living environment for citizens by ensuring the step-by-step construction and expansion works of new thermal sources in cities, soums and other urban areas /Construct thermal power plants in Zavkhan, Gobi-Altai, Bayankhongor, Uvurkhangai, Arkhangai, Dundgovi, Govisumber, Tuv, Sukhbaatar and Khentii aimags/.

3.5.4. Introduce innovations and new techniques and technologies to save energy, increase efficiency and reduce losses, and gradually transfer the energy pricing and tariffs into a rational market system.

3.5.5. Connect the regional power grid to high-voltage overhead transmission lines, gradually resolve the issue of electricity supply to mega projects of heavy industries and create a smart grid system /Construct 230 km long, 220kV voltage overhead transmission lines and substation in Choir - Sainshand/

3.5.6. Develop a renewable energy production within an appropriate proportion and implement green production projects to reduce greenhouse gas emission. /Implement two projects of wind power generation with 15 MW installed capacity and four projects of solar power plants with 35 MW installed capacity respectively/

3.5.7. Carry out a feasibility study and develop a design for energy sources, transmission lines and relevant infrastructure for large-scale civil and industrial construction projects in rural areas based on the regional development concept/Explore heat and electricity sources related to the construction of facilities in Khushigtiin khundii and ensure its step-by-step implementation/.

## **Transportation and Logistics**

### **3.6. The Government will establish a national transportation and logistics network based on the smart transportation system that can ensure economic growth.**

3.6.1. Expand road and transportation networks to enable economic growth and increase exports:

3.6.1.1. Complete the construction of Tavan Tolgoi-Gashuunsukhait and Tavan Tolgoi-Zuunbayan bound railroad and commence the Saikhshand-Baruun Urt-Khuut; Khuut-Bichigt, Khuut-Choibalsan and Zuunbayan-Khangai bound railroad construction projects.

3.6.1.2. Commence the technical and park renovations of Ulaanbaatar railway and carry out overhauling of 200 km of major roads.

3.6.1.3. Complete the feasibility study of Bogdkhan railway and the western vertical railway.



3.6.1.4. Complete the construction of making AN3 of the Asian Highway Network or Ulaanbaatar-Darkhan, Darkhan-Altanbulag and Nalaikh-Bayan roads with 4 lines, complete the construction of AN4 paved roads of the Asian Highway Network or Tsagaan Nuur-Ulaan Baishint roads and roads surrounding Ulgii city and continue the construction of vertical and horizontal axis auto roads of Millennium road network.

3.6.1.5. Continue the construction of vertical and horizontal axis auto roads originating from Orkhon-Dashinchilen auto roads.

3.6.1.6. Implement paved road projects to link major urban settlements to border checkpoints.

3.6.1.7. Commence the construction of 124.5 km of paved roads from Choibalsan to Khavirga border checkpoint and Norovlin-Bayan-uul-Ulikhan border checkpoint paved roads in order to develop cross-border tourism.

3.6.1.8. Construct 2022 km auto roads to some soums and urban areas that are of economic and social importance or critical for developing tourism.

3.6.1.9. Implement “Local Roads” project that supports economically efficient agricultural transportation.

3.6.1.10. Construct 99.7 km auto roads as an extension of the paved roads between Orkhon-Khishigundur-Gurvanbulag soums of Bulgan aimag.

3.6.1.11. Construct 163.3 km auto roads between Khovd and Ulaangom.

3.6.2. Ensure the auto road fund self-sufficiency by increasing investments from the auto road fund through creation of the road fee collection and monitoring mechanisms based on the smart transport system:

3.6.2.1. Carry out overhaul, regular maintenance and upkeep works for 14,918.7 km of national and international road network in compliance with the norms and standards.

3.6.2.2. Carry out overhaul for 1306.8 meters long reinforced concrete bridges built over the Ongi, Turgen, Baidrag, Kherlen, Eruu, Orkhon, Gichgene and Chigestei rivers.

3.6.2.3. Increase the number of toll collection and monitoring points of auto roads utilization preparedness and fully digitize their operations.

3.6.3. Develop environmentally friendly, accessible, sustainable and safe transportation services that meet the demand:

3.6.3.1. Fully transfer the capital city public transportation services to electric and natural gas-powered vehicles, and create a network of charging stations with electricity and natural gas.

3.6.3.2. Establish transport terminals for cargo and passenger transportation in the capital city and local areas within the framework of PPP.

3.6.3.3. Commence the project to create international transportation and logistics hub at the Denizen port of Tianjin city of the Republic of China.

3.6.3.4. Establish a dry port that meets the international standards and based on the railway network. Establish freight and logistics center in Nalaikh district of Ulaanbaatar based on Ulaanbaatar railway using PPP modality.

3.6.4. Continue to liberalize air transportation, promote competition, increase the number and routes of flights and improve the utilization of local airports:

3.6.4.1. Increase the frequency and routes of flights by expanding international flights and code sharing.

3.6.4.2. Commence the project to develop airports in Khovd, Dornod and Khuvsgul aimags of 4C category.

3.6.4.3. Improve the utilization of airports in rural areas using PPP modality.

### **Construction and Urban Development**

#### **3.7. The Government will strengthen the integrated management system of land relations, construction and urban development and increase the provision of housing for citizens.**

3.7.1. Improve the legal environment for land management and urban development and classify city rankings.

3.7.2. Create a universal addressing system and nationwide geodetic metrology infrastructure consisting of permanent stations connected to international geodetic system and gradually create their digital dissemination system within the framework of “E-Mongolia” program.

3.7.3. Develop and launch a system of integrated registration, evaluation, payment, tax and trading for land and immovable property based on artificial intelligence, block chain and the technology that ensures information safety and privacy.

3.7.4. Identify potential settlement areas for development with optimal regional structure based on the appropriate mix of locals and settlers and connect them to air, road and railway transport networks.

3.7.5. Explore the location for new urban settlement in Orkhon valley and carry out a feasibility study.

3.7.6. Build satellite cities of Ulaanbaatar as a necessary infrastructure for supporting e-economy and service sector.

3.7.7. Prepare the development planning for the new cities of “New Zuunmod” and “Maidar” and commence the construction in stages.

3.7.8. Set up a National Unified Housing Corporation and implement with a new management an expanded housing program in conformity with the regional development concept.

3.7.9. Establish a common savings fund and provide support, using the PPP modality, for 150,000 households to obtain housing and commence the construction of residential districts in stages based on the regional development concept.

3.7.10. Enable those low and median-income citizens who are paying social insurance premiums to be eligible for soft mortgage loans with 4-6% annual interest rates with no down payment if they are buying apartment for the first time.

3.7.11. Gradually increase the capacity of water supply and sewage networks in cities and urban settlements and introduce advanced technologies in their operations.

3.7.12. Carry out maintenance works of flood ditches, storm water and groundwater drainage systems in stages.

3.7.13. Implement import substitution policy by domestically producing basic building materials, including cement, reinforcing and flat glasses using locally available minerals and raw materials.

3.7.14. Make amendments to the General Plan for Development of Free Economic Zones and ensure that “Zamiin uud” free economic zone is permanently operational.

#### **FOUR. GOVERNANCE POLICY**

##### **“E-Mongolia”- Responsive Public Service**

**4.1. The Government will provide an integrated e-development policy, planning and management to ensure that public services are responsive, accountable and accessible to save time and costs for citizens.**

4.1.1. Eliminate the requirement for requesting information by government agencies from individuals and enterprises, fully implement the objective of enabling the prompt receipt of public services after one-time registration by citizens, continue the “One citizen-one registration” program and introduce unified standards for e-public services.

4.1.2. Create a legal environment that respects human rights, promotes e-governance, and regulates technological safety, and take PPPs into a new level of development.

4.1.3. Streamline the e-governance system and develop technological infrastructure and public e-services through integrated policy and planning.

4.1.4. Increase productivity and efficiency of public services through introduction of information and communication technology advancements and innovation.

4.1.5. Build the required infrastructure to meet the growing demand for public information and communication services and expand the coverage and increase the capacity.

4.1.6. Strengthen the information safety and security system that ensures the protection of national interests, the completeness, confidentiality and accessibility of public, individual and private sector information and increase its capacity.

4.1.7. Upgrade the basic knowledge and skills of using communication and information technology for all.

4.1.8. Increase the information transparency of the public sector operations and ensure the participation of citizens and communities.

4.1.9. Support the information technology entrepreneurs and start-up businesses and develop national digital contents for commercialization.

4.1.10. Connect the database system of the human resources management of the civil service to the integrated salary system and improve the planning, implementation and monitoring of staffing and salary costs.

### **Professional and Accountable Civil Service**

#### **4.2. The Government will streamline the structure and organizational arrangements of the civil service by eliminating duplication of activities of the government entities and ensuring the coherence of their functions.**

4.2.1. Implement a program designed to put an end to and prevent corruption at all levels of government, increase the statute of limitations for corruption crimes and improve the information exchange system between the government and citizens.

4.2.2. Carry out a comprehensive analysis of functions of the public administrative entities and initiate a policy reform to streamline the functions and eliminate duplication.

4.2.3. Establish an integrated system of e-registration of permits and monitoring within the framework of "E-Mongolia" program, reduce the number of government permits and multiple layers, create business-friendly legal framework and streamline the monitoring procedure.

4.2.4. Put an end to devaluation of state property through promotion of the efficient and appropriate utilization and use of state and public property and creation of the system of management and coordination.

4.2.5. Undertake civil servants' work evaluation on the basis of performance results, clients' feedback, ethics, discipline and accountability criteria and tighten up the responsibility of civil servants for ethics violation.

4.2.6. Strengthen the capacity of human resources and upgrade the facilities of training institutions for civil servants and create an up-to-date learning environment and infrastructure.

4.2.7. Develop the national system of human rights and gender education for all and pursue the policy of ensuring gender equality.

4.2.8. Increase women's representation in the decision-making and provide equal opportunity for a meaningful participation and leading role of women in all spheres of political, economic and social life.

4.2.9. Update national standards in line with international norms.

4.2.10. Establish an optimal system of ensuring participation of government entities, civil society organizations, professional associations and private sector in holding consultations, putting proposals and monitoring the implementation of decisions at all levels within the framework of partnerships based on social consensus building.

4.2.11. Create a favorable environment for citizens working and living abroad to return to their home country to work as well as to make contribution to the economic and social development of the country from overseas.

## **Safe and Secure Society**

### **4.3. The Government will ensure the safety and security of citizens.**

4.3.1. Renew the border barrier to ensure the inviolability of the frontiers of the country and security of the border area, and introduce advanced techniques and technologies in the operation of the border protection service. Improve the social welfare services for border guards and strengthen the human resources of the border protection service. Gradually upgrade the vehicles of border units and branches.

4.3.2. Ensure public order and safety and reduce crime and violations rate by introducing a hi-tech integrated surveillance system and implementing comprehensive measures to prevent, detect and stop crimes and violations.

4.3.3. Build temporary protection facility to defend the rights of women, children, elderly and individuals with special needs and provide information in accordance with the laws.

4.3.4. Scale up efforts to prevent, control, and combat trafficking in narcotic drugs and psychotropic substances.

4.3.5. Using public-private partnerships expand preventive and impact measures designed to prevent children and women from being exposed to sexual exploitation and human trafficking.

4.3.6. Increase the compensation of damages caused by crimes by aligning sentencing policy with social development trends and creating work conditions for offenders.

4.3.7. Introduce technological and research advances in forensic analysis and ensure the impartiality and independence of the forensic agency.

4.3.8. Ensure the return of documents related to Mongolian history and culture from overseas, improve the storage and safety conditions of the archived documents as a national memory and commercialize archived documents.

4.3.9. Improve the registration, information and monitoring system of foreign citizens and stateless persons.

4.3.10. Ensure the road safety and security and reduce traffic accidents and resulting damages by setting standards for cargo and public transportation vehicles to have a vehicle camera, gradual restriction of imports of right-hand drive vehicles and implementing effective policies to prevent traffic accidents and violations.

4.3.11. Increase the standards and supply of techniques and equipment of the National Emergency Management Agency, improve communication system during emergencies in order to ensure prompt delivery of disaster protection services to citizens and entities and enhance their accessibility. Establish local two-way communication complex in high-risk regions to generate evidence-based local early warning during weather emergencies and natural disasters and deliver it from aimag and soum centers to herders to ensure preparedness.

4.3.12. Streamline the system for combating money laundering and terrorism financing and develop a financial system connected to international financial markets.

4.3.13. Specify with high accuracy food safety indicators and strictly enforce compliance with laws and standards through risk-based monitoring to create an enabling environment for citizens to consume healthy products.

4.3.14. Increase the range and quantity of strategic reserve goods, improve inventory storage and safety of goods and build a complex storage facility with automated meat cellar with refrigeration, fully mounted warehouse for food storage and storage for oil products to ensure national security.

4.3.15. Establish a multi-sector “Air Rescue Force”.

4.3.16. Develop metrological standards necessary for ensuring the quality of goods and services and the health and safety of the environment.

4.3.17. Improve the safety and monitoring of the storage, security and transportation of oil products, explosives and explosive devices.

4.3.18. Scale up efforts to combat alcoholism and strengthen national capacity to provide treatment and other services to the addicted. Take measures to increase the effectiveness of the Anti-alcoholism fund.

#### **Independent, Impartial Judiciary and Legal Reform that Upholds Human Rights**

**4.4. The Government will ensure the independence of the judiciary and impartiality of judges, undertake legal reforms aimed at promoting human rights, economic and business environment and strengthen justice and rule of law.**

4.4.1. Strengthen the independence of the judiciary and impartiality of judges by establishing Judicial General Council and Judicial Disciplinary Committee consisting of staff members and take comprehensive legal and organizational measures to improve the enforcement of civil and administrative court decisions.

4.4.2. Ensure the independence, impartiality and transparency of the Constitutional Court of Mongolia, improve the legal framework for dispute resolution at the Constitutional Court and reinforce the system that upholds constitutionalism, rule of law, and human rights.

4.4.3. Strengthen the self-governing body of professional lawyers responsible for organizing professional examination for lawyers, continuous training and accreditation for higher educational institutions in the field of law and train lawyers specialized in economics and business.

4.4.4. Develop and implement a long-term “Legal Reform II” program that is based on the continental or civil law system and philosophy, coherent with the vital national interests of Mongolia, and that respects human rights and promotes economic growth.

4.4.5. Create a legal environment that ensures provision of child allowance for those children who have been victims of crime and enables those indigent citizens whose land ownership rights have been affected to receive legal assistance.

4.4.6. Create a favorable business environment by improving the protection of private property, investment and intellectual property rights, enhance the legal environment for e-contracts and transactions, consider e-contracts and transactions as evidence in courts, digitize some of the court

activities and improve the legal environment to provide support for the private sector as wealth producers.

4.4.7. Deepen the legal reform concerning criminal legislation and improve the system, policy and practice to prevent and combat crimes and violations.

4.4.8. Improve the legal framework for prevention of and fight against livestock theft and thereby reduce livestock theft.

4.4.9. Define the scope and limitations for initiating draft legislation, increase the quality and effectiveness of draft laws, create a permanent mechanism to assess the implementation of laws, carry out advocacy and provide legal news and information, and improve legal education of citizens.

4.4.10. Improve the registration, utilization and protection of state and local property, align governance of state-owned and partially state-owned enterprises with international standards and improve the legislation on land in conformity with the principles of state unity and property laws.

4.4.11. Improve the legal framework for citizens to exercise their constitutional right to worship or not, the right to association and access to information.

4.4.12. Enhance human rights-based approach in the activities of the law enforcement agencies, and streamline the legal framework to stop human rights violations and take effective measures to prevent torture.

### **Sustainable and Integrated Foreign Policy**

#### **4.5. Mongolia will sustainably implement its long-established foreign policy, relations and cooperation and further strengthen the favorable external environment for development.**

4.5.1. Consistently uphold the legitimate rights of Mongolian citizens and entities abroad, improve the quality and accessibility of public services to citizens and increase the number and types of e-services.

4.5.2. Prioritize external economic relations and continue implementing policies to increase and diversify exports based on public-private partnerships, and to reduce barriers in foreign trade and promote trade facilitation.

4.5.3. Consistently protect the interests of foreign investors, attract foreign investment in priority economic sectors, including infrastructure, mining, energy, food, agriculture, tourism and in mega projects and provide support in receiving concessional loans and grant assistance.

4.5.4. Deepen further the cooperation with the Russian Federation and the Republic of China in all areas, including political, economic, defense, trade, cultural and humanitarian fields within the framework of the Comprehensive Strategic Partnership relations.

4.5.5. Expand further the partnership relations and strengthen economic cooperation with the countries and union in the East and West, including USA, Japan, European Union, India, Republic of Korea and Turkey within the framework of the “Third Neighbors” policy and actively pursue mutually beneficial cooperation with other countries.

4.5.6. Actively continue the cooperation with the United Nations and its system organizations at international and regional levels and provide support for achieving sustainable development goals.

4.5.7. Improve the legal environment to ensure the pursuit of the integrated foreign policy and relations of Mongolia, maintain its continuity and coordination of external relations of state and government organizations in a cohesive manner.

4.5.8. Optimize the location, structure and staffing of diplomatic missions abroad taking into account the level and importance of political and economic relations, number of Mongolian citizens residing in a particular country and the number of in-and-out travelers and other factors.

4.5.9. Significantly enhance the discipline and accountability in the diplomatic service and put an end to drugs trafficking or any other illegal action.

4.5.10. Plan, develop and implement “Value of the Mongolian Nation” program to promote history, culture, heritage and values of Mongols internationally and “Mongols of the World II” program to enable citizens abroad to preserve the Mongolian language, culture, heritage and values.

## **Defense**

### **4.6. The Government will strengthen the defense system of Mongolia and develop professional and competent armed forces based on the vital national interests.**

4.6.1. Develop a legal arrangement to provide citizens who completed fixed-term military service with privileges to enter the civil service, to have a career advancement, education and employment opportunities and social welfare services.

4.6.2. Approve and implement the Action Plan on enhancing the armed forces until 2024 and building more competent armed forces based on professional servicemen.

4.6.3. Establish a local protection system and update military mobilization planning.

4.6.4. Establish civil-engineering, cyber-security and special service units within the existing structure of the armed forces.

4.6.5. Gradually implement policies to provide the armed forces with modern weapons and military equipment.

4.6.6. Expand external cooperation of the defense sector and increase participation of the armed forces in international peace keeping missions.

4.6.7. Advance the military science and defense industry and produce certain types of products for military purposes.

4.6.8. Implement “Development of patriotism in children and youth” program and increase the number of students involved in “Student-soldier” program.

4.6.9. Improve the living and working environment for military personnel, including those in fixed-term military service and contractual military staff.

## **FIVE. GREEN DEVELOPMENT POLICY**

### **Green Development**



**5.1. The Government will ensure a healthy living environment for citizens through environmental protection, appropriate use of natural resources, introduction of advanced techniques and technologies, and reduction of environmental pollution and degradation.**

5.1.1. Reduce air pollution in Ulaanbaatar by up to 80% and address air pollution in other major cities and urban settlements in phases.

5.1.2. Carry out a risk assessment of the pollution of Khuvsgul lake ecosystem and pullout vehicles and machineries submerged in the lake with the support of international organizations.

5.1.3. Exercise integrated management practices to prevent pollution and depletion of water sources, fully resolve the issue of drinking water supply in the capital city and use treated and gray water for industrial purposes.

5.1.4. Reduce soil pollution in ger districts and tourism regions through implementation of “Eco Toilet” program.

5.1.5. Increase the landscape area covered by forests to 8.6% and create a legal environment for providing monetary incentives to individuals and legal entities who contributed to green development by planting trees.

5.1.6. Include 55% of the freshwater resources and waterhead of river streams in the special protection areas.

5.1.7. Develop captive breeding of endangered species of animals and plants and create their reserves for use.

5.1.8. Rehabilitate 8 thousand hectares of abandoned for many years and degraded land due to mining activities.

5.1.9. Promote environmentally friendly and efficient consumption and production and establish recycling plants for solid waste, energy generation and recycling of hazardous waste.

5.1.10. Suspend the extraction of common minerals in Tuul river basin, rehabilitate the area and increase the water level of the river.

5.1.11. Carry out a feasibility study and develop a design for Orkhon-Ongi and Kherlen-Toonot projects to create a surface water reservoir and thereby increase water supply within the framework of “Blue Horse” project and commence construction of the project facilities.

5.1.12. Reduce greenhouse gas emission by 12.3% by implementing climate change mitigation, adaptation, efficient and inclusive green development policy.

**SIX. CAPITAL CITY, REGIONAL AND LOCAL DEVELOPMENT POLICY**

**Ulaanbaatar City**

**6.1. The Government will develop the Ulaanbaatar city and its satellite cities into a green city with rational spatial planning, smart solutions and favorable living environment.**

6.1.1. The Ulaanbaatar city development plan will have a term of 20 years based on the “Vision-2050” long-term policy document.

6.1.2. Intensify the implementation of Ulaanbaatar ger area redevelopment projects and establish Bayankhoshuu, Selbe, Dambadarjaa, Denjiin 1000, Tolgoit, Sharkhad and Dari-Ekh sub-centers with facilities of cultural, educational, trade, services, housing, social and engineering infrastructure.

6.1.3. Increase the housing supply within the framework of city redevelopment program, reorganize ger areas and accelerate construction of eco-buildings and new residential areas.

6.1.4. Build the second new plant for production of improved fuels within the framework of the policy to reduce air pollution in Ulaanbaatar city.

6.1.5. Gradually introduce smart, eco, electric single and double-decker buses, electromagnetic and cable vehicles in public transportation system to ensure a comfortable ride for passengers.

6.1.6. Reduce traffic congestion in Ulaanbaatar by creation of auto road network that disperses traffic density, balances the load and meets the transportation demand.

6.1.7. Reduce the dust by 50% by building sidewalk, bicycle paths, children’s playground and green areas in accordance with international standards.

6.1.8. Increase the green space in Ulaanbaatar city by building a park in each district. Adjust the streams of Tuul, Selbe and Dund rivers and create comfortable public culture and recreational areas along these rivers.

6.1.9. Upgrade solid waste management, provide households in ger districts with bins designed for ash storage and establish recycling plants for all types of waste.

6.1.10. Explore new sources of drinking water in Ulaanbaatar, construct and commission the new “Central Wastewater Treatment Plant” and use its treated water for technological use at CHP III and CHP IV. Ensure that processing factories evicted from Ulaanbaatar, except cashmere factories with independent wastewater treatment facility that meets the national standards, demolish the Khargia wastewater treatment plant under the Ulaanbaatar Water Authority.

6.1.11. Increase jobs by establishing Industry and Technology Parks with advanced technologies in satellite cities.

6.1.12. Carry out a feasibility study for “Golden Circle of Development” based upon the Bogdkhan railway project.

6.1.13. Continue the implementation of the “School Bus” project that can ensure safe and reliable ride for students of secondary education schools.

## **Regional, Local and Rural Development**

### **6.2. The Government will support regional, local and rural development and ensure the increase of the quality of life of citizens in local or rural areas through infrastructure development.**

6.2.1. Implement a nationwide decentralization policy jointly with the Ulaanbaatar city administration in a comprehensive manner.

6.2.2. Update the regional development concept and create a foundation for developing green production with economic diversification, specialization and combination and joining the regional economic integration.

6.2.3. Specify the status of aimag centers as per the amendments made to the Constitution of Mongolia.

6.2.4. Create a legal environment for establishment of state-level cities such as Darkhan and Erdenet and transform aimag centers into cities.

6.2.5. Develop a progressive tax system coherent with the regional development policy and render policy support for establishment of branches of major companies in rural areas.

6.2.6. Increase financing sources for the Local Development Funds, improve Funds' activities, performance evaluation and transparency and introduce advanced forms of promoting public participation and information dissemination.

6.2.7. Take step-by-step actions to upgrade the first main trunk line of engineering network or build new engineering networks in aimags and increase their capacity and implement "Soum Development" program.

6.2.8. Increase the supply of apartments or private houses with basic utilities and enhance the quality of life of citizens.

6.2.9. Establish a plant for production of improved fuel using local coal mines. Reduce air pollution by providing households in ger areas of aimag centers with smart electricity meters and using reduced or night tariffs.

6.2.10. Resolve the solid waste issues at aimag and soum centers and establish recycling plants stage-by-stage.

6.2.11. Improve soum level hot water and utility services through promotion of private sector initiatives.

6.2.12. Within the framework of decentralization policy, take comprehensive measures of providing temporary housing for teachers, medical doctors and civil servants who came to soums or rural areas for the first time to work.

6.2.13. Support local economic growth through developing industries that use local raw materials and creating jobs that are in line with local needs.

6.2.14. Create the most favorable business environment by setting up an infrastructure that supports trading and sales of local SMEs and enterprises.

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