



## **MEMORANDUM OF UNDERSTANDING MONGOLIA DECENT WORK COUNTRY PROGRAMME, 2017–2021**

Whereas the Ministry of Labour and Social Protection of Mongolia, the undersigned workers' and employers' organizations, and the International Labour Organization (ILO) represented by the International Labour Office, (referred collectively as the Parties), wish to collaborate in order to promote and advance decent work in Mongolia;

Whereas the Decent Work Country Programme (DWCP) 2017-2021 intends to carry on the support provided under the DWCP 2006-2010 signed by representatives of the Ministry of Labour and Social Protection of Mongolia, employers' and workers' organisations and the Director of ILO Office for China and Mongolia on 7 September 2005 and the Mongolia Jobs Pact of 2011;

Recalling the Convention on the Privileges and Immunities of the Specialized Agencies, 1947 and its Annex I related to the ILO, which Mongolia acceded to on 3 March 1970, and the Standard Agreement concerning technical assistance of 24 May 1963;

Now therefore, the Parties hereby agree as follows:

The Parties re-affirm their commitment to collaborate in the implementation of the DWCP 2017-2021:

**Country Priority 1:** Expand a productively employed workforce in a formal and inclusive economy;

**Country Priority 2:** Reorient labour market governance and institutions towards an inclusive market economy;

The ILO agrees to assist in the mobilization of resources and to provide technical cooperation in the implementation of the DWCP, subject to its rules, regulations, directives and procedures, the availability of funds and conditions to be agreed upon in writing.

In relation to DWCP-related activities the Government agrees to provide the ILO with the necessary facilities and arrangements, including to exempt the ILO, its property, its officials and any person designated by the ILO to perform services for the ILO to participate in ILO activities, from value added tax levied against goods, equipment, works and services to be used or received for official purposes.

This Memorandum of Understanding (MoU) may be modified by agreement between the Parties.

Nothing in or relating to this MoU shall be construed as constituting a waiver of the privileges and immunities enjoyed by the ILO.

The DWCP document is attached to this MoU. In the event that the terms contained in the DWCP document are incompatible with the terms of this MoU, then the latter shall govern and prevail.

This original of the MoU has been written and signed in Ulaanbaatar city, Mongolia on 6 December 2017 in Mongolian and English, being both texts being equally authentic.

This MoU, superseding all communications on this matter between the Parties, shall enter into force with effect from its signature by the authorized representatives of the Parties.

For and on behalf of:

MINISTRY OF  
LABOUR AND  
SOCIAL  
PROTECTION

CONFEDERATION  
OF MONGOLIAN  
TRADE UNIONS

MONGOLIAN  
EMPLOYERS'  
FEDERATION

INTERNATIONAL  
LABOUR OFFICE

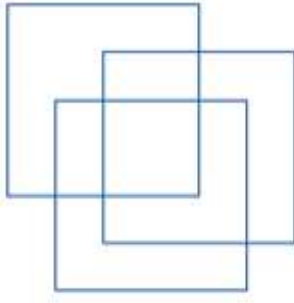


Mr Chinzorig  
Sodnom  
Minister

Mr Amgalanbaatar  
Khayankhyarvaa  
President

Mr Nyamsambuu  
Luvsanbaldan  
President

Mr Tim De Meyer  
Director of ILO  
Country Office for  
China and Mongolia



# **MONGOLIA**

## **DECENT WORK COUNTRY PROGRAMME**

2017-2021





## Table of contents

1	Introduction .....	1
2	Country context .....	2
2.1	National economy and employment scenarios.....	2
2.2	Quality of employment and social and economic vulnerability .....	3
2.3	Labour market governance.....	5
2.4	Tripartite and bipartite social dialogue mechanisms.....	6
3	Country priorities and country programme outcomes.....	6
	Country Priority 1: Expand a productively employed workforce in a formal and inclusive economy .....	7
	Outcome 1.1: Government, in consultation with social partners, improves implementation and coherence of national employment programmes for vulnerable population .....	8
	Outcome 1.2: Government and social partners support SMEs to realize fundamental principles and rights at work.....	9
	Country Priority 2: Reorient labour market governance towards an inclusive market economy .	10
	Outcome 2.1: Government and social partners use modernized approaches to improve wages and working conditions .....	11
	Outcome 2.2: Government takes initiatives to ratify and discharge its ILS obligations.....	12
4	Management, implementation planning, monitoring, reporting and evaluation arrangements	13
4.1	Implementation, performance monitoring and evaluation arrangements.....	13
4.2	Risks.....	14
5	Funding plan .....	14
6	Advocacy and communication plan.....	15
	Annex 1: Results framework .....	16
	Annex 2: MOU on DWCP implementation.....	20

## Abbreviations

ABND	Assessment-based national dialogue
CMTU	Confederation of Mongolian Trade Unions
DWCP	Decent Work Country Programme
GASI	General Agency for Specialised Inspection
GSP	Generalised Scheme of Preferences
ILO	International Labour Organization
MDG	Millennium Development Goals
MLC	Maritime Labour Convention
MLSP	Ministry of Labour and Social Protection
MONEF	Mongolian Employers' Federation
NCGE	National Committee on Gender Equality
NHRCM	National Human Rights Commission of Mongolia
NSO	National Statistics Office of Mongolia
OSH	Occupational safety and health
PAGE	Partnership for Action on Green Economy
SDG	Sustainable Development Goals
SDV	Mongolian Sustainable Development Vision 2016-2030
SIYB	Start and Improve Your Business
SME	Small and medium-sized enterprises
TSC	Tripartite Steering Committee
UN	United Nations
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund

## 1 Introduction

The ILO and its Mongolian constituents developed and implemented the first Mongolia Decent Work Country Programme (DWCP), which covered the period 2006-2010. Thereafter, the Global Jobs Pact Country Scan guided country programming while a new DWCP was being developed. The new DWCP is aligned with the United Nations Development Framework (UNDAF) for Mongolia (2017-2021). It aims towards realizing the goal of the 2030 Sustainable Development Agenda of Mongolia, “By 2030, Mongolia becomes a multi-sector stable economy and a society dominated by middle and upper-middle income classes, which would preserve ecological balance, and have stable and democratic governance.”

In developing this DWCP, the ILO drew on extensive consultations with the Mongolian Government, the Mongolian Employers’ Federation (MONEF) and the Confederation of Mongolian Trade Unions (CMTU). The ILO also considered recommendations from the 2008 Mongolia DWCP review and results from recent ILO-Mongolia technical cooperation, as well as comments from the ILO’s supervisory bodies on the application of international labour standards. In addition, this DWCP also corresponds to the ILO’s regional priorities in Asia and the Pacific, as set out in the Bali Declaration adopted at the 16th Asia-Pacific Regional Meeting (2016), which are: (1) the creation of enabling conditions for environmentally sustainable, inclusive, job-rich economic growth; (2) strengthening labour market institutions to reverse widening inequalities and the incidences of low-paid work; (3) improving labour market administration systems to ensure better coordination, reporting, inspection, and dispute resolution mechanisms and strengthening independent and representative organizations of employers and workers; and (4) enhancing compliance with international labour standards at a time of global integration.”

For this DWCP, the ILO and its constituents in Mongolia agree on two programme priorities and four country programme outcomes as follows:

### **Country Priority 1: Expand the productively employed workforce in a formal and inclusive economy**

**Outcome 1.1:** Government, in consultation with social partners, improves implementation and coherence of national employment programmes for vulnerable population

**Outcome 1.2:** Government and social partners support SMEs to realize fundamental principles and rights at work

### **Country Priority 2: Reorient labour market governance and institutions towards an inclusive market economy**

**Outcome 2.1:** Government and social partners use modernized approaches to improve wages and working conditions

**Outcome 2.2:** Government takes initiatives to ratify and discharge its ILS obligations

When realized, these four DWCP outcomes can sustain progress currently pursued by Mongolia and its development partners in national vocational training systems, enterprise and industrial development, and promotion of youth employment. These outcomes are grounded in the



collective commitment of the ILO's 187 member States and national workers and employers' organizations and to pursue peace and sustainable social and economic development by promoting and realizing Fundamental Principles and Rights at Work. With its mandate and expertise in international labour standards and established relationship with the government of Mongolia and organizations of workers and employers, the ILO has the required ability to mobilize technical assistance, support, partnership and cooperation with relevant UN agencies and development partners to assist Mongolia in reforming its labour market governance and opening its labour market to every Mongolian.

## 2 Country context

Mongolia is a landlocked country located between China and Russia. It is a middle-income country. In 2016, Mongolia's population is slightly over 3 million: 65 per cent, under 35 years old; 16 per cent aged between 15 and 24; and there are more men in the 0-34 age cohort (51 per cent) and more women in the 35-70+-age cohort (54 per cent).<sup>1</sup> Almost one in ten of the economically active population over the age of 15 (approximately 98,000 people) have disabilities. Sixty-four per cent of economically active persons with disabilities were unemployed in 2010.<sup>2</sup>

Mongolia is renowned for its nomadic culture and traditions. Its extreme climate and susceptibility to natural disasters have had a great effect on herds and livestock, impacting, in turn, upon livelihoods, food supply and rural-urban migration. For instance, the *dzud*<sup>3</sup> of 2009-10 killed roughly 8.5 million herds of livestock (20 per cent of the country's livestock), affecting 769,000 people (28 per cent of the population) and further hastening rural to urban migration.<sup>4</sup> Today, rural population has dwindled down to 30 per cent and the vast grassland is facing the threat of desertification. Climatic pressures on migration are likely to worsen: Mongolia is ranked eighth globally on the Long-Term Climate Risk Index.<sup>5</sup>

In 2016, the State Great Hural approved the Mongolia Sustainable Development Vision 2030. Its aims include raising Mongolia to upper middle-income country status, increasing annual economic growth, reducing income inequality, improving health and educational outcomes, protecting the environment and dealing with the challenges of climate change, and ensuring good governance and global competitiveness.

### 2.1 National economy and employment scenarios

Mongolia holds vast quantities of untapped mineral wealth. Largely on the strength of its extractive resources, Mongolian annual economic growth reached its peak in 2011 at 17 per cent, making it then the fastest growing economy in the world. Since 2011, growth has slowed significantly, measuring 1 per cent in 2016, due to sharp declines in foreign direct investment and the value of mineral exports. Yet, investment in manufacturing, utilities and construction has increased across this period. In late 2016, Mongolia faced a fiscal crisis, which has led to international assistance to manage the payment of debt in 2017-2018.

---

<sup>1</sup> Mongolia National Statistics Office, [www.1212.mn](http://www.1212.mn)

<sup>2</sup> NSO, Population and Housing Census, 2010

<sup>3</sup> A Mongolian term for a severe winter in which a large number of livestock die, primarily due to starvation due to being unable to graze, in other cases directly from the cold.

<sup>4</sup> <http://www.worldbank.org/en/news/feature/2012/11/06/lessons-from-dzud> (accessed 6 July 2015)

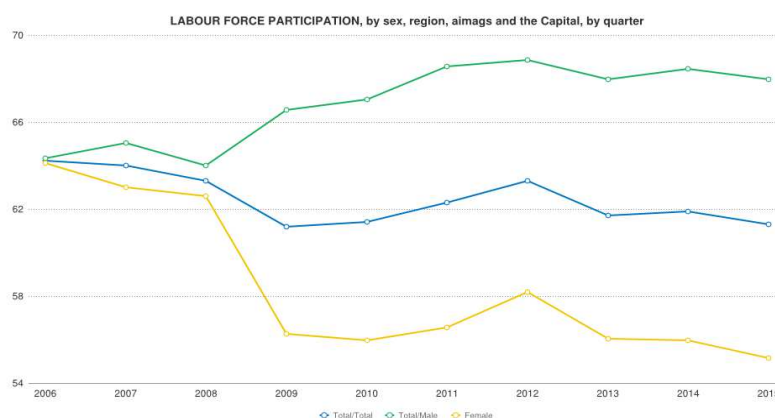
<sup>5</sup> <http://germanwatch.org/en/download/8551.pdf> (accessed 6 July 2015)



Past economic growth has not yielded social and economic benefits for all. In 2015, 4 per cent of the economically active population worked in mining and quarrying; 28 per cent in agriculture; and 30 per cent in construction, retail trade and manufacturing.<sup>6</sup> The number of active small enterprises has grown, which may reflect a significant number of enterprises failing before their owners once again open new businesses. Around 85 per cent of small enterprises employ fewer than nine workers. A substantial number of enterprises remain unregistered and formal employment contracts are relatively rare - undermining the viability of claims for wages and other rights assured in law.<sup>7</sup>

Growing gender disparities have also marked Mongolia's economic growth. From 2009, the labour force participation rates of women and men have diverged significantly. (See Figure 1.) The unemployment rate is steadily increasing, reaching 10 per cent in 2016 (11.6 for male and 8.2 for female) and women outnumbered men in the registered unemployment statistics.<sup>8</sup> The youth unemployment rate of 2015 (national estimates) is at 16.9 per cent but with 16.84 per cent for male youths and 19.41 per cent for female youths. Furthermore, the country has a low and declining labour force participation rate: 60 per cent in 2016 – lower than the Millennium Development Goal (MDG) target of 70 per cent.

Figure 1: Labour force participation 2006-2015, disaggregated by sex



Source: NSO<sup>9</sup>

## 2.2 Quality of employment and social and economic vulnerability

Poverty (as formally defined) remains a significant concern despite its continued decline - from a national average of 27.4 per cent in 2012 to 21.6 per cent in 2014.<sup>10</sup> Large portions of the population have fragile livelihoods and incomes, and thus remain vulnerable to poverty.<sup>11</sup> The

<sup>6</sup> [http://www.1212.mn/statHtml/statHtml.do?orgId=976&tblId=DT\\_NSO\\_0400\\_007V1&conn\\_path=I2&language=en](http://www.1212.mn/statHtml/statHtml.do?orgId=976&tblId=DT_NSO_0400_007V1&conn_path=I2&language=en) (accessed 30 May 2017)

<sup>7</sup> ILO Decent Work Team for East and South-East Asia and the Pacific 2015. *Formalizing enterprises in Mongolia: Challenges and policy directions*. Available at: [http://www.ilo.org/public/english/dialogue/actemp/downloads/publications/formalizing\\_enterprises\\_mongolia.pdf](http://www.ilo.org/public/english/dialogue/actemp/downloads/publications/formalizing_enterprises_mongolia.pdf) (accessed 29 May 2017)

<sup>8</sup> [http://1212.mn/stat.aspx?LIST\\_ID=976\\_L04](http://1212.mn/stat.aspx?LIST_ID=976_L04)

<sup>9</sup> [http://www.1212.mn/statHtml/statHtml.do?orgId=976&tblId=DT\\_NSO\\_0400\\_018V1&conn\\_path=I2&language=en](http://www.1212.mn/statHtml/statHtml.do?orgId=976&tblId=DT_NSO_0400_018V1&conn_path=I2&language=en) (accessed 13 May 2017)

<sup>10</sup> [http://www.1212.mn/statHtml/statHtml.do?orgId=976&tblId=DT\\_NSO\\_2800\\_002V1&conn\\_path=I2&language=en](http://www.1212.mn/statHtml/statHtml.do?orgId=976&tblId=DT_NSO_2800_002V1&conn_path=I2&language=en) (accessed 29 May 2017)

<sup>11</sup> <http://www.worldbank.org/en/news/press-release/2015/07/01/poverty-continued-to-decline-falling-from-274-percent-in-2012-to-216-percent-in-2014> (accessed 2 July 2015)

extremely, moderately and near poor populations, estimated around 10 per cent of the economically active population in 2016, still rely on social insurance to be able to work themselves away from poverty.

The current social insurance system could be further strengthened through improvements in the social security system. Reform of the pension system is needed to effectively extend pension coverage to some of the most vulnerable groups in society – herders, self-employed people and workers in the informal economy. Although most elderly people in 2014 received old age benefits from the Pension Insurance Scheme, only about half of the labour force makes mandatory contributions to the scheme – with herders, self-employed people and informal economy workers able to participate voluntarily, but hardly contributing in practice (23.4 per cent participation in 2014).<sup>12</sup> As a result, future income support coverage of the elderly population will decrease substantially.<sup>13</sup> A mind-set that favours the establishment of an effective social protection floor<sup>14</sup> and progressive extension towards a more comprehensive social security system, embracing all groups, to protect against individual want as well as societal inequality is needed.

An analysis of the Mongolian labour force portrays various dimensions of low quality employment and vulnerable employment in Mongolia:

- In 2015, one-third of working women and men earn less than the minimum wage.<sup>15</sup> The low quality of jobs is further indicated by the fact that 74 per cent of heads of low-income households are actually employed.<sup>16</sup>
- Approximately 200,000 people work in the informal economy,<sup>17</sup> mainly in wholesale and retail trade and transportation.<sup>18</sup> More than 25 per cent of the active labour force are in non-standard forms of employment and thus remain outside the ambit of current labour law. Research on working conditions and labour rights in SMEs that was carried out under the supervision of the National Human Rights Commission of Mongolia (NHRCM) in 2016-17 reveals a range of unacceptable forms of work, including work without contracts, extended working hours, unpaid apprenticeships, harassment of workers and unfair dismissal.<sup>19</sup>

---

<sup>12</sup> ILO, UN, and Government of Mongolia, 2015. *Assessment based national dialogue: definition and cost of a social protection floor in Mongolia, Ulaanbaatar, 2015*

<sup>13</sup> Only about one-tenth of persons eligible to make voluntary contributions are doing so – some 51,000 out of about 531,000, according to 2014 data. ABND, ILO, 2013

<sup>14</sup> For further information, see: <http://www.ilo.org/public/english/protection/spfag/index.htm> and <http://www.socialsecurityextension.org/gimi/gess/ShowTheme.do?tid=1321> (accessed 20 October 2015)

<sup>15</sup> [http://www.1212.mn/statHtml/statHtml.do?orgId=976&tblId=DT\\_NSO\\_0400\\_007V1&conn\\_path=I2&language=en](http://www.1212.mn/statHtml/statHtml.do?orgId=976&tblId=DT_NSO_0400_007V1&conn_path=I2&language=en) (accessed 29 May 2017)

<sup>16</sup> ILO Global Jobs Pact Country Scan

<sup>17</sup> "Informality" as a matter to be addressed throughout this document "refers to all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements" as defined in the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204). This is the ILO definition of the "informal economy"

<sup>18</sup> ILO Decent Work Team for East and South-East Asia and the Pacific 2015. *Formalizing enterprises in Mongolia: Challenges and policy directions*, p34. Available at: [http://www.ilo.org/public/english/dialogue/actemp/downloads/publications/formalizing\\_enterprises\\_mongolia.pdf](http://www.ilo.org/public/english/dialogue/actemp/downloads/publications/formalizing_enterprises_mongolia.pdf)

<sup>19</sup> NHRCM, preliminary findings from *Research on Labour Rights in the Private Sector in Mongolia*, in progress, 2017

- Despite gender parity in education<sup>20</sup>, young women are more likely to be concentrated in a limited number of occupations and receive lower rates of pay than young men. In respect of women in work, a 2015 NHRCM survey indicates that 89.5 per cent of respondents who reported having experienced sexual harassment in the workplace are in Ulaanbaatar and 39.5 per cent are employed in government services at municipality/province, capital, and soum level. Yet the majority of enterprises have very little understanding and awareness of issues surrounding sexual harassment and do not have any established procedures to prevent it and manage it when it occurs.<sup>21</sup>
- Migrant workers attracted by Mongolia's growing mining, construction and manufacturing sectors are often low skilled and sometimes enter into vulnerable positions, such as various forms of forced labour and precarious work. Many are concentrated in hazardous sectors. They are currently not entitled by law to equal treatment. As many migrant workers do not speak local languages, their ability to access information and services specifically with regards to safe working conditions and practices, sexual harassment and HIV/AIDS is limited.

## 2.3 Labour market governance

“Mongolia ought to create just and favourable working conditions, address legal, social, economic and organizational issues, keep the right to work top on its agenda and make progress with a view to implementing its obligation under the Constitution and honouring its commitment under the international treaty.”<sup>22</sup>

National Human Rights Commission of Mongolia

Notable progress has been made in the elimination of child labour, thanks to the National Programme for the Elimination of the Worst Forms of Child Labour. The programme was completed in 2016, and drew on international and national practices. Past achievements and national capacity, however, should be consolidated to lay foundation for a sustainable capacity to prevent and manage child labour. Present challenges include improving the coordination of efforts between government ministries; improving coherence between diverse policies with child labour implications; limited capacity, resources and knowledge of the harmful effects of the worst forms of child labour; tackling emerging instances of the new worst forms of child labour; forming a national consensus on the use of children in certain cultural practices, such as child horse jockeys; and proper reporting of the implementation of the National Action Plan.

Occupational safety and health (OSH) in all economic sectors, particularly mining and construction, draws the attention of public administration and individuals. The Ministry of Labour and Social Protection has been implementing a 5-year action plan on OSH. The evaluation of the 4<sup>th</sup> plan (2012-2016) recommended holding employers to greater account to ensure workplace safety. Building capacity, and strengthening labour inspection services and OSH management systems present a challenge. In response, the General Agency of Specialized Inspection (GASI) has undertaken preparatory activities for ratification of the ILO's labour

<sup>20</sup> Global Gender Gap Report. Available at: <http://reports.weforum.org/global-gender-gap-report-2016/economies/#economy=MNG> (accessed 2 May 2017)

<sup>21</sup> NHRCM, 2014. *13<sup>th</sup> status report on human rights and freedoms in Mongolia*, pp97-101. Available at: <http://mn-nhrc.org/eng/main2/188/> (accessed 29 May 2017)

<sup>22</sup> NHRCM, 2012. *11<sup>th</sup> report on human rights and freedoms in Mongolia*, p50. Available at: <http://mn-nhrc.org/eng/main2/188/> (accessed 29 May 2017)

inspection conventions and has established a computerized system for reporting on work accidents and acute poisoning.

The process of fixing wages in Mongolia is susceptible to politicization and has a singular focus on the most formal, typically public sector, and employment. The Law on Minimum Wage of 2011 grants the National Tripartite Committee on Labour and Social Consensus the power to set and adjust the minimum wage based on surveys and analyses of living costs, labour productivity, prevailing wages, social security benefits and national economic conditions. A full and effective application of the Law on Minimum Wage requires significant technical and capacity building support for all stakeholders. Initiatives to establish a wage scaling (tariff) mechanism have started: they set out methods for objective, gender-neutral, job-based evaluation, data collection and wage negotiation.

## **2.4 Tripartite and bipartite social dialogue mechanisms**

Mongolia has a strong, if relatively recent, tradition of tripartism at the national level. The National Tripartite Committee of Labour and Social Consensus headed by the Minister for Labour and Social Protection, is mandated to promote tripartite collaboration and adopt tripartite agreements on labour and social issues. Nonetheless, the representation of workers and employers in social dialogue could be further enhanced, and mechanisms to facilitate successful bipartite dialogue at sectoral and workplace levels are yet to be established.

MONEF developed a strategic plan for working with and representing 21 regional employers' associations, 12 sectoral associations, 41 professional associations and 12 sectoral associations, and collectively around 8,100 (mostly small) businesses in the private sector.<sup>23</sup> The reform of labour legislation, the establishment of accredited OSH training services, and formalizing enterprises remain high priorities for MONEF.

The CMTU had a membership of 226,504 due-paying members from its 22 province-level and 14 industrial-level unions at the end of 2016.<sup>24</sup> A large majority of its members work in the public sector, and its leaders are experienced and knowledgeable in labour rights and employment issues. The CMTU's priorities are reform of labour legislation, preparation of a wage guideline tool, improved OSH in mining and construction, employment generation, and promotion of freedom of association (including protection against discrimination based on trade union activities) and collective bargaining.

## **3 Country priorities and country programme outcomes**

The DWCP 2017-2021 contains two country priorities and four anticipated changes. These changes can facilitate increase in job quality, especially for vulnerable population. The ILO technical assistance to Mongolia in the implementation of this DWCP will address labour market informality, governance deficits, creation of productive jobs in non-mineral sectors, and compliance with fundamental principles and rights at work.

---

<sup>23</sup> <http://monef.mn/en/> (accessed 30 May 2017)

<sup>24</sup> Information provided by the CMTU in 2017

## Country Priority 1: Expand a productively employed workforce in a formal and inclusive economy

*The Mongolia Sustainable Development Vision 2030 has 10 goals aiming at high-level economic growth and elimination of all forms of poverty. It has set targets for sustainable economic and social developments by 2030, including the following:*

- *Improve the Gini coefficient of inequality from the score of 36.5 in 2016 to 30.*
- *Decrease the poverty rate from 21.6 per cent in 2016 to 0 per cent.*
- *Increase the share of the population with social insurance coverage in the total economically active population from 84.4 per cent to 99 per cent.*
- *Increase the share of processing sector exports in total exports from 15 per cent to 50 per cent.*
- *Improve the global competitiveness index rank from 110 in 2016 to 70.*

*Pursuing these targets, the Government Action Plan of 2016-2020 further specifies priority policies and programmes.<sup>25</sup> These include stabilization of the economy during economic crises; pursuing economic diversification by improving export potentials, competitiveness and productivity in light manufacturing sectors, agriculture and energies; improving SME development infrastructures; assuring universal social protection coverage for children, herders, women workers of reproductive age; promoting gender equality and disability inclusiveness in the world of work; and implementing evidence-based measures to match skills supplies and market demands, especially for youth.*

*Mongolia ratified the Employment Policy Convention, 1964 (No. 122). In response to Mongolia's report on its implementation of the convention the ILO's Committee of Experts on the Application of Conventions and Ratifications (CEACR) has requested the Government of Mongolia to improve the impact of the country's active labour market measures, vocational training, SME development and public employment services so as to achieve more and better jobs for workers that are socially and economically vulnerable. Formulation, implementation and monitoring of employment policies and programmes should benefit from consultations with the most representative workers' and employers' groups.*

*The ILO's assistance will target selected conditions necessary so as to contribute to Mongolia's efforts to achieving full and decent employment to underpin its pursuits of sustainable social and economic development. The assistance rests on the following a theory of change...*

***If***, by 2021, the Government received technical assistance to produce, disseminate and use labour market information and labour statistics that meet SDG requirements;

***If***, by 2021, the Government and social partners established and implemented a common framework to monitor and evaluate employment trends; developed and used knowledge and tools to target employment programmes to the specific needs of youth, women and persons with disability; and established a common framework, policies and service programmes that facilitate workers and economic units to make transitions from the informal economy to the formal economy,

---

<sup>25</sup> [http://www.mfa.gov.mn/wp-content/uploads/2015/06/2016-2020\\_Gov\\_AP\\_Eng\\_Revised.pdf](http://www.mfa.gov.mn/wp-content/uploads/2015/06/2016-2020_Gov_AP_Eng_Revised.pdf) (accessed 30 May 2017)

*If, by 2021, social partners, including development partners and UN system, established services and gained capacity to increase the realization of FPRW in SMEs,*

*If, by 2021, social partners developed and implemented more and better services that meet the needs and interests of Mongolian small and micro enterprises and organized workers and business units in the informal economy,*

*Then, the government would be able to direct its employment policies and programmes to meet various demands of job seekers. Small and medium sized businesses would have received services that help increase their productivity and competitiveness. And therefore, Mongolian women and men, especially those in the 15-34 age group, would have better access to employment, see higher quality of employment, and enjoy sustainable jobs.*

### **Outcome 1.1: Government, in consultation with social partners, improves implementation and coherence of national employment programmes for vulnerable population**

Mongolia's State Policy on Employment (SPE) 2016-2020 aims to promote employment at the heart of development policy, improve service delivery to facilitate access to productive employment opportunities, reduce unemployment, raise earnings and productivity, and instil legal framework for a sound industrial relations. It targets a higher labour force participation rate, a lower unemployment rate, higher average wages, and higher share of formal employment. With mounting public debt, the fiscal space to proactively implement such policy, in coordination with other policies (such as the Mongolian Sustainable Development Vision 2016-2030 (SDV), the State Industrial Policy, the National Plan on Gender Equality (2017-2021), or the Action Plan for Development of Green Development Policy of Mongolia), and while enforcing existing legal provisions, may become constrained. Moreover, the observed high turnover rate among civil servants may add to the difficulties associated with a coordinated and coherent policy implementation and legal enforcement.

**Intervention and expected changes:** The ILO's work to support this outcome will build on previous work under the ILO's regular budget supplementary account project on "Mainstreaming Quality Employment in National Policies and Programme", the UN Partnership Action for Green Economy, and the Japan-funded project "Promoting and Building Income Security and Employment Services in Asia: Focus on Mongolia". The ILO's technical inputs will focus on strengthening the capacity government and social partners to monitor progress, success, and gaps in the implementation of existing policies, especially the State Policy on Employment, so as to promote inclusive growth and improved employment prospects for the socially and economically vulnerable. In addition, the ILO will support the production of labour market information and its dissemination, so as to encourage national and provincial policymakers to prioritize decent work objectives as one of the central and uncompromisable national development objectives. At the same time, the use of labour market information contributes to strengthening the policy coordination capacity among the stakeholders, and to guide the policy implementation process.

The ILO will also partner the National Commission on Gender Equality, GHASI, the Authority for Family, Child and Youth Development, and the CMTU to call for action to realize equality



of treatment and opportunities in the workplace and improved quality of employment for all workers, especially women, youth, persons with disabilities and migrants. Existing coalitions of youths, herders, women workers and workers with disabilities will have better tools, capacity and knowledge to advance their interest and will be able to coordinate their efforts with those of the CMTU.

The ultimate success of the proposed support provided to policy implementation, coordination, monitoring and review/adjustments in a sustained manner will become apparent through gradual improvements in the decent work indicators especially as pertinent to the vulnerable population.

**Significant outputs:**

- Technical support to strengthen the institutional mechanism to implement, monitor and evaluate the State Policy on Employment, in coordination and interactively with key socio-economic policy actions
- Analysis of national decent work and SDG trends including the publication of *Mongolia Decent Work Profile and SDG Trends* and its periodic updates to inform the implementation process of the SPE and SDV
- Labour market research on new forms of work, factors affecting youth employment and inclusive employment practices to inform the implementation process of the SPE and SDV
- Capacity building and training programmes for national and provincial governments and social partners for meaningful participation in policies and programmes on economic diversification and transition to the green economy, including the implementation of A Just Transition to the Green Economy and SDG dialogues
- Guidelines to manage and advance the promotion of equality, disability-inclusiveness, maternity protection, and prevention and management of harassment in the workplace developed through tripartite consultation and implemented
- Capacity building programme on integrated public employment services support to young jobseekers and workers implemented

**Outcome 1.2: Government and social partners support SMEs to realize fundamental principles and rights at work**

Mongolia is implementing its economic diversification programme. Agriculture, tourism, and manufacturing are the priority sectors. A host of financial and industrial measures are being introduced to encourage SME growth and develop value chains, bringing rural economic actors (such as herders) into national industrial development plans and programmes. For these initiatives to deliver productive and decent employment and contribute to Mongolia's sustainable development, there is a need for an enabling and conducive environment.

Poor working conditions and high degrees of informality are often linked to low level of enterprise productivity, skills shortages and lack of entrepreneurial skills. Enterprise development cannot therefore be a stand-alone initiative. SME and market development needs to have systematic linkages with action to foster quality of employment, environment protection and social equality and inclusiveness. The ILO's past and on-going programmes with MONEF to improve business conduct and resilience provide relevant experience.



**Intervention and expected changes:** The ILO will assist national and local governments and social partners in developing strategies to improve quality of SMEs and tailoring ILO's enterprise development tools and experiences to Mongolian contexts, including the value chain development with decent work and promotion of enterprise formalization and labour compliance in SMEs. The ILO will also support MONEF and/or relevant government agencies at the national and provincial level establish service programme for enterprises to improve business practices and environmental resilience so as to sustain their gainful participation in global supply chains.

It is expected that these efforts will contribute to creation of more and better services, especially from workers and employers' organizations, to facilitate workers and economic units to make sustainable transition from the informal economy to the formal economy.

**Significant outputs:**

- Policy and legal advice on enterprise development
- Action plans on value chain development
- Adaptation and training programmes to support effective use of ILO's practical tools for enterprise development, including due diligence for SMEs and resilient business tool kits
- Measures to organize unorganized groups of workers and employers and enhance their participation in national efforts to improve job access and quality of employment developed and implemented in partnership with CMTU and MONEF

## **Country Priority 2: Reorient labour market governance towards an inclusive market economy**

*The Mongolia Sustainable Development Vision 2030 and the Government Action Plan of 2016-2020 represent national aspirations to make jobs safer, more productive, and more gainful for the Mongolian labour force and expand the reach of the Mongolian export sector. Key targets concerning governance for sustainable economic and social developments by 2030 include the following:*

- *Implement a program for the prevention of occupational accidents and diseases and enhance its legal environment and financing mechanism.*
- *Upgrade the quality of legislative research in support of evidence-based legislative developments.*
- *Improve the monitoring of the implementation of treaties and agreements concluded by Mongolia with foreign countries on trade, investment and double taxation, and implement policies to align them with Mongolia's interests.*
- *Create a legal environment to ensure prompt and unhindered delivery of public services, and enhance citizens' rights.*
- *Improve the national system for the protection of human rights and introduce human rights standards, including in matters related to employment.*
- *Enhance national capacity on legal enforcement, legal training, and legal education on matters related to international and national standards.*

*The market economy has exposed Mongolian labour market institutions, including labour administration, and workers' and employers' organizations, to demands and expectations that are not similar to those in the centrally planned economy. Since the opening up of the economy in 1980s, Mongolia has made steady progress in adjusting national laws and practices to meet the challenges of the market economy. As of 2016, Mongolia has ratified 20*

*ILO Conventions.<sup>26</sup> The ratifications include all eight fundamental Conventions and two of the four governance Conventions. The last ILO Conventions ratified by the State Great Hural (in 2015) were the Employment Service Convention, 1948 (No. 88), the Private Employment Service Convention, 1997 (No. 181), the Maritime Labour Convention, 2006 (MLC), and the Safety and Health in Mines Convention, 1988 (No. 167). Mongolia's capacity to deliver its ILS obligations can be significantly improved. Thanks to the ILO-EU partnership to strengthen national capacities to report on application of fundamental labour standards in selected countries, including Mongolia, the ILO has been assisting the government in engaging the social partners in the review of the draft revised labour law. The CEACR has requested the government to share with it the revised law, upon its approval.*

*The ILO will continue its technical support to the government and social partners to review and adopt international labour standards and meeting obligations arising from ratified conventions. The ILO will focus its work in fostering new understandings and mind-sets among government, workers and employers and encourage adoption of modernized institutional practices in fixing wages, establishing working conditions and regulating labour relations. The ILO action is framed by a theory of change that posit...*

***If**, by 2021, the government and social partners have information, knowledge and organizational capacity to reach out to small and medium-sized enterprises and workers and economic units in the informal economy; have discussed and agreed on regulations and new practices to modernize labour and safety inspection and wage settings; have adopted measures to create safe and productive working conditions for youth and women workers; have launched training and capacity building programmes on collective bargaining for their constituencies;*

***If**, by 2021, Mongolia has received technical and legal advices to close the gaps between national labour market governance and the requirements of fundamental labour standards and discharge its obligations on ratified ILO conventions; was supported in undertaking legal research to examine gaps in laws and practices in the world of work and promote greater appreciation for the relevance of international labour standards in Mongolia's social and economic development;*

***Then**, Mongolia will be able to maximize its opportunities in international trades, including through the EU's Generalized Scheme of Preference, integrate international best practices into regulating labour relations and employment practices at various levels, and create enabling conditions for increased productivity and competitiveness, realizing the Mongolian sustainable development visions.*

## **Outcome 2.1: Government and social partners use modernized approaches to improve wages and working conditions**

International and national supervisory bodies on human rights, including the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR), have called upon the Government of Mongolia to implement measures and programmes to improve working conditions and prevent discrimination and harassment at work. At present, labour inspection is by and large the only mechanism in place to enforce labour compliance. Yet, unannounced inspection is currently not permitted by law.

Guided by the tradition of centrally planned economy, tripartite agreements in Mongolia today do not effectively tailor working conditions and wages to the requirements of enterprises or

---

<sup>26</sup> As of August 2017, the ILO had registered Mongolia's ratification of 2018 ILO Conventions. Convention No. 59 is no longer in force, having been denounced *de jure* as a result of the ratification by Mongolia of Convention No. 138

workers; nor do they protect workers from unacceptable forms of work. More localized, substantive collective bargaining can potentially address this issue. The draft revised Labour Law contains provisions for workers and employers to adopt collective bargaining practices in order to collaboratively set standards suitable for their specific economic activities and above the standards provided by labour laws, including in relation to wages. Government, workers, and employers can benefit from paced support that orients their institutional practices and functions to the new requirements. As familiarity with the new practices increases, there would be greater space for negotiating contractual arrangements by independent representatives of employers and workers.

**Intervention and expected changes:** The ILO will continue its technical assistance and capacity building to the MLSP, GASI, CMTU and MONEF to address specific working conditions; initially through 2 global projects funded by the US Department of Labour and the European Union - the SafeYouth@Work Project: Building a Generation of Safe and Healthy Workers and the Support GSP+ Beneficiary Countries to Effectively Implement ILS and Comply with Reporting Obligations. On-going work includes the development of national OSH profile, supporting the MLSP in establishing a gender-neutral wage, and strengthening the capacity of workers and employers to engage in collective bargaining effectively.

The government in consultation with the social partners would develop and revised OSH policy and practices and labour inspection methods to address the working conditions and characteristics of workers and employers, including in the informal economy.

**Significant outputs:**

- Policy and legal advisory services to improve occupational safety and health
- Policy advice and technical assistance to modernize the country's labour inspection system by innovating ways of reaching out to micro and small enterprises, and incentivizing employers and workers to adopt new practices that reflect their respective interests
- Policy and legal advices and training on collective bargaining for governments, workers and employers
- Technical assistance to establish gender-responsive methods to improve wage fixing methods and negotiation

**Outcome 2.2: Government takes initiatives to ratify and discharge its ILS obligations**

Mongolian labour market governance and institutions have yet to make a full transition into a market economy. The current Labour Law was promulgated in 1999, and the ILO has been providing technical assistance to Mongolia to support the reform of its labour legislation since 2005. Once approved, the revised Labour Law will considerably narrow the gaps in the implementation of ratified fundamental Conventions, as indicated in the comments of the ILO's Committee of Experts on the Application of Conventions and Recommendations in recent years.<sup>27</sup>

---

<sup>27</sup> [http://www.ilo.org/dyn/normlex/en/f?p=1000:13201:::NO:13201:P13201\\_COUNTRY\\_ID:103142](http://www.ilo.org/dyn/normlex/en/f?p=1000:13201:::NO:13201:P13201_COUNTRY_ID:103142) (accessed 30 May 2017)

In the 2017-2018 State Tripartite Agreement for Labour and Social Consensus, the tripartite partners set out Mongolia's intention to ratify the Safety and Health in Construction Convention, 1988 (No. 167), the Labour Inspection Convention, 1947 (No. 81), and the Labour Inspection (Agriculture) Convention, 1967 (No. 129). Furthermore, they indicate interests to study the possible ratification of the Social Security (Minimum Standards) Convention, 1952 (No. 102), the Maternity Protection Convention, 2000 (No. 183), the Safety and Health in Agriculture Convention, 2001 (No. 184), and the Labour Relations (Public Service) Convention, 1978 (No. 151). The ILO has also discussed with the government the adoption of Protocol of 2014 to the Forced Labour Convention, 1930 (P29) and the Protection of Wages Convention, 1949 (No. 95).

**Intervention and expected changes:** There is room for further improvement in Mongolia's capacity to apply and report on ILO Conventions, including addressing the comments of the ILO's supervisory bodies. The work the ILO and national partners have undertaken under the EU-funded GSP+ projects since 2015, to improve reporting capacity and monitor the application of international labour standards, has raised national awareness on linkages between international labour standards and trade. The ILO will continue to assist Mongolia in governing its labour market on the basis of rights and obligations set out in international labour standards.

It is expected that with ILO technical assistance Mongolia's reports to the CEACR are timely and of high quality and the CEACR notes with satisfaction Mongolia's application of ratified conventions.

**Significant outputs:**

- Capacity building programmes on international labour standards, including meeting obligations arising from ratified conventions and reporting on progress
- Promoting ratification of the abovementioned ILO instruments
- Promoting related international labour standards, the ILO Multilateral Framework on Labour Migration and the ILO Fair Recruitment Principles and Operational Guidelines in the development of national policy and legislation related to labour migration
- Research and providing technical advice on the application of fundamental principles and rights at work and Conventions ratified by Mongolia, as well as the application of relevant recommendations

## **4 Management, implementation planning, monitoring, reporting and evaluation arrangements**

### **4.1 Implementation, performance monitoring and evaluation arrangements**

In implementing the DWCP, the ILO will continue to draw upon the results of its most recent and on-going technical cooperation projects, including those implemented in Mongolia and/or in the area of informal economy, child labour, and employment promotion of persons with disabilities.

The ILO will coordinate, collaborate and partner with the other funds, programmes and specialized UN agencies, including the UN Country Team (UNCT) in Mongolia. A Tripartite Steering Committee (TSC), comprising representatives of the ILO, MLSP, MONEF, and CMTU will provide oversight of the implementation of the DWCP. In particular, the TSC will give advice on programme planning and the integration of programme results with a view to ensuring

synergies between country priorities and DWCP contribution. The TSC will meet once a year in Ulaanbaatar and will be supported by biannual meetings of technical working group, which will also consist of tripartite constituents and other institutions such as NHRCM, NCGE and GASI. The DWCP implementation work plan will be set out in biennial programming plan and the Steering Committee will review the annual report on progress made under the DWCP and advice on DWCP's annual planning.

The monitoring and evaluation arrangement is consistent with the requirements of the ILO, the UNDAF 2017-2021, the ILO's development partners, and the government and its social partners. Emphasis is placed on setting out expected outcomes and indicators of progress. They are designed to be both specific enough to properly capture developments supported with ILO contributions, yet flexible enough to allow for the shifts in course that will inevitably arise during the five-year life of this programme. On-going monitoring would be conducted within a monitoring plan that is to be endorsed, reviewed, and adjusted as needed by the TSC. The ILO will prepare an annual report on DWCP progress, which shall be streamlined with UNDAF annual reporting and the ILO's programme and budget implementation report.

This DWCP will be subjected to a mid-term review and a final evaluation, tentatively scheduled in 2019 and 2021, respectively. These evaluative exercises will be guided by the ILO's policy and practices on decent work country programme evaluation with strong involvement of tripartite constituents.

## **4.2 Risks**

The successful implementation of this DWCP will hinge on Mongolia's continued interest in modernizing its labour market governance in line with international labour standards, and the extent to which policymakers at various levels continuously prioritize decent work objectives as a central and uncompromisable development objective.

In line with the recommendations of the ILO's 2008 Mongolia DWCP review, the ILO will implement this DWCP by actively engaging with and enhancing the capacity of the Mongolian constituents in managing, monitoring and evaluating programme performance, and by partnering with Mongolia's other development partners through joint programming and sharing of knowledge and resources.

## **5 Funding plan**

Full implementation of this DWCP is estimated to cost around US\$ 4,000,000. The ILO regular budget allocation for Mongolia during the DWCP period, cumulatively over five years, will be around US\$ 600,000. This budget will serve as seed funding for project development and programme monitoring and evaluation. Dedicated funding is needed to secure a team of international experts to work alongside Mongolian partners, which will enable effective pacing of technical assistance to match the capacity of the national partners to absorb this support. The ILO and its national partners will jointly bid for resources and explore opportunities to cooperate with other UN agencies, multilateral development agencies and international financial institutions.

## 6 Advocacy and communication plan

Progressive advancement towards the realization of the fundamental principles and rights at work in Mongolia are a central aim of this DWCP. The ILO is committed to working with national and international development partners in recognizing progress made, identifying challenges that remain and emerge from evolving country contexts, and setting priorities. Programme results and knowledge products (such as research reports, policy briefs, technical tools and project and programme evaluation reports) will be made available to the public in English and Mongolian, where feasible. Progress on Mongolia's application of international labour standards and the comments of the international supervisory body on country reports are available on the Mongolia Profile from the NORMLEX online information portal.<sup>28</sup>

There are three aims of the communications and advocacy activities of this DWCP:

- Policy change: The ILO and its Mongolian constituents will organize a briefing on key labour issues for parliamentarians and policy makers at least once a year. Research partnerships with the Mongolian constituents and the NHRCM will be pursued to ensure national ownership of the work and follow up action
- Awareness raising: The ILO will partner with national media professionals to strengthen their capacity to report on labour issues in Mongolia and will support MONEF and the CMTU in their respective corporate communication strategies to promote decent work and the SDGs
- Partnership development: The ILO National Coordinator for Mongolia, who is based in Ulaanbaatar, will lead efforts to develop the joint-programme and common communications strategy with the UNCT for Mongolia, as well as resident UN agencies and national organizations. The ILO Country Office for China and Mongolia will lead coordination and information sharing with the development community and identify common areas of work to enhance programme complementarity

---

<sup>28</sup> [http://www.ilo.org/dyn/normlex/en/f?p=1000:11110:0::NO:11110:P11110\\_COUNTRY\\_ID:103142](http://www.ilo.org/dyn/normlex/en/f?p=1000:11110:0::NO:11110:P11110_COUNTRY_ID:103142) (accessed 30 May 2017)



## Annex 1: Results framework

<b>Country Priority 1: Expand a productively employed workforce in a formal and inclusive economy</b> <b>Outcome 1.1:</b> Government, in consultation with social partners, improves implementation and coherence of national employment programmes for vulnerable population <b>ILO Strategic policy objectives: Outcome 1:</b> More and better jobs for inclusive growth and improved youth employment prospects; <b>Outcome A:</b> Effective knowledge management for the promotion of decent work			
<b>SDG Targets:</b> 1.b Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions. 4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. 8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small and medium-sized enterprises, including through access to financial services. 8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.6. By 2020, substantially reduce the proportion of youth not in employment, education or training			
<b>National policy frameworks: Government action plan (2016 – 2020) &amp; State Employment Policy: 2016-2025 &amp; Mongolia development vision</b> <b>Mongolia development vision</b> 2.2. Sustainable social development: 2.2.1. Ensuring social equality through inclusive growth Objective 1: End all forms of poverty Objective 2: Support employment, train the younger generation with proper knowledge and skills to have a decent work and run a private business, and reduce the unemployment rate Objective 3: Develop a social security system that takes into account the national characteristics and the changes in the population's age structure to improve the quality of life			
<b>UNDAF: Outcome Area 2.</b> By 2021, the poor and vulnerable population benefit from better social protection and are able to increasingly utilize quality and equitable basic social services, with a special focus on water, sanitation and hygiene & <b>Outcome Area 3.</b> By 2021, governing institutions are more responsive and accountable to people, while ensuring effective participation of young persons and realization of the rights of all, especially the poor and marginalized			
		<b>Outcome 1.1:</b> Government, in consultation with social partners, improves implementation and coherence of national employment programmes for vulnerable population	<b>Partners:</b> NSO, MLSP, MONEF, CMTU, GHASI UNCT
			<b>Integrated resource framework</b> Estimated to be available: US\$: 200,000
		<b>Indicator 1.1.1</b> Changes in the rates of youth unemployment and women's economic participation	<b>Baseline:</b> ■ 17% youth unemployment rate in 2015 ■ 55% female labour force participation vis 68% male labour force participation in 2015  <b>Target:</b> ■ A declining trend of youth unemployment ■ A narrowing gender gap in employment, e.g., time spent looking for job, wages, etc.
		<b>Indicator 1.1.2</b> Number of employment-related initiatives to improve the quality of employment for youth, women, herders and persons with disabilities implemented	<b>Baseline:</b> Existing employment programmes and services tend to focus on employability and do not always benefit from the advice and inputs of workers and employers' groups.  Very little alliance to address the quality of employment and working conditions.  <b>Target: 4</b> ■ CMTU extends its network to include representative organizations of women workers, workers with disabilities and rural workers  ■ Tripartite partners and civil society organizations designed and implemented measures to prevent and manage harassment in the workplace, including sexual harassment and to assist workers with family responsibilities to balance their work and family duties.



<b>Country Priority 1: Expand a productively employed workforce in a formal and inclusive economy</b>									
<b>Outcome 1.2:</b> Government and social partners support SME to realize fundamental principles and rights at work									
<b>ILO Strategic policy objectives: Outcome 4:</b> Promoting sustainable enterprises & <b>Outcome 6:</b> Formalizing employment									
<b>SDG targets</b>									
8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors									
8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services									
8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.									
9.3: Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets									
<b>National policy frameworks: Government action plan (2016 – 2020) &amp; State Employment Policy: 2016-2025 &amp; Mongolia development vision</b>									
<b>Mongolia development vision</b>									
2.1. Sustainable economic development:									
2.1.1. Agricultural development: Objective 4: Support the business and economics of herders and herder groups, and small and medium-sized farmers; provide modern techniques, technologies and electricity; and create a financial, economic and legal environment for sustainable production									
2.1.3. Industrial sector :Objective 1: Develop the industrial sector based on advanced methods, technology and innovations, and increase productivity									
2.1.7. Favourable business environment: Objective 1: Improve trade and services, develop transportation and logistics network of import and export goods, simplify the system for special license issuance, digitalize and improve tax payments and state registration systems, and establish a favourable business environment									
<b>UNDAF: Outcome Area 2.</b> By 2021, the poor and vulnerable population benefit from better social protection and are able to increasingly utilize quality and equitable basic social services, with a special focus on water, sanitation and hygiene & <b>Outcome Area 3.</b> By 2021, governing institutions are more responsive and accountable to people, while ensuring effective participation of young persons and realization of the rights of all, especially the poor and marginalized									
	<b>Outcome 1.2:</b> Government and social partners support SME to realize fundamental principles and rights at work	<b>Partners:</b> MLSP, GAS, MONEF, Provincial government, industry association, FAO	<table><tr><th colspan="2"><b>Integrated resource framework</b></th></tr><tr><td>Estimated to be available:</td><td>To be mobilized:</td></tr><tr><td>US\$: 100,000</td><td>US\$: 1 million</td></tr></table>	<b>Integrated resource framework</b>		Estimated to be available:	To be mobilized:	US\$: 100,000	US\$: 1 million
<b>Integrated resource framework</b>									
Estimated to be available:	To be mobilized:								
US\$: 100,000	US\$: 1 million								
	<b>Indicator 1.2.1</b> Number of initiatives by workers or employers to facilitate the transitions from the informal economy to the formal economy	<b>Baseline:</b> 0 <ul style="list-style-type: none"><li>MONEF has conducted a study on SME in Mongolia but does not have services targeting formalization</li><li>CMTU provides hotline services and legal advice to workers in labour disputes.</li></ul>	<b>Target:</b> 4 initiatives <ul style="list-style-type: none"><li>MONEF business development services programme includes training programmes to enhance business resilience and responsible conducts</li><li>CMTU develops services for its members and extends them to workers in the informal economy.</li></ul>						

<b>Country Priority 2: Reorient labour market governance and institutions towards an inclusive market economy</b> <b>Outcome 2.1:</b> Government and social partners use modernized approaches to improve wages and working conditions <b>ILO strategic policy objectives:</b> Outcome 7: Promoting safe work and workplace compliance including in global supply chains			
<b>SDG targets</b> 3.9. By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination. 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment 16.6. Develop effective, accountable and transparent institutions at all levels.			
<b>National policy frameworks: Government action plan (2016 – 2020) &amp; State Employment Policy: 2016-2025 &amp; Mongolia development vision</b> <b>Mongolia development vision</b> 2.2. Sustainable social development 2.2.1. Ensuring social equality through inclusive growth Objective 1. End all forms of poverty: 2.4. Governance for sustainable development Objective 1. Establish and strengthen an accountable and proficient governance structure to formulate, implement, monitor and evaluate sectoral and local development policies, for giving shape to the Sustainable Development Vision.			
<b>UNDAF:</b> Outcome Area 1. By 2021, poor and vulnerable people are more resilient to shocks, and benefit from inclusive growth and a healthy ecosystem Outcome Area 3. By 2021, governing institutions are more responsive and accountable to people, while ensuring effective participation of young persons and realization of the rights of all, especially the poor and marginalized			
	<b>Outcome 2.1:</b> Government and social partners use modernized approaches to improve wages and working conditions	<b>Partners:</b> GASI, MLSP, CMTU, MONEF	<b>Integrated resource framework</b>
			Estimated to be available: US\$: 100,000
	<b>Indicator 2.1.1</b> Number of improved policies, programmes and initiatives to improve working conditions and/or prevent unacceptable forms of work implemented / introduced	<b>Baseline:</b> 0 <ul style="list-style-type: none"> <li>The draft revised labour law, once approved, extends legal protection to all workers on the basis of employment relationships. The law establishes minimum labour standards and provides for the use of collective bargaining for workers and employers to agree on working conditions that are suitable for economic activities in each sector.</li> <li>In 2016, the Ministry of Labour and Social Protection has requested ILO assistance to develop a job-evaluation methodology for piloting in the mining and construction sectors.</li> </ul>	<b>Target:</b> 6 <ul style="list-style-type: none"> <li>The government expands the use of ILO-support job-evaluation methods to two additional sectors and introduce wage tariffs.</li> <li>MONEF and CMTU each develops programmes to strengthened their representation and enhance their members' capacity to engage in collective bargaining.</li> <li>Guidelines to prevent and/or manage sexual harassment in the workplace</li> <li>Guidelines to create safe and inclusive workplaces for youth, women, persons with disability, and/or workers with family responsibilities</li> </ul>

<b>Country Priority 2: Reorient labour market governance and institutions towards an inclusive market economy</b>			
<b>Outcome 2.2: Government takes initiatives to ratify and discharge its ILS obligations</b>			
<b>ILO strategic policy objectives: Outcome 2:</b> Ratification and application of international labour standards			
<b>SDG targets</b>			
8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.			
8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.			
16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all			
<b>National policy frameworks: Government action plan (2016 – 2020) &amp; State Employment Policy: 2016-2025 &amp; Mongolia development vision</b>			
<b>Mongolia development vision</b>			
2.2. Sustainable social development			
2.2.1. Ensuring social equality through inclusive growth			
Objective 1. End all forms of poverty:			
2.4. Governance for sustainable development			
Objective 1. Establish and strengthen an accountable and proficient governance structure to formulate, implement, monitor and evaluate sectoral and local development policies, for giving shape to the Sustainable Development Vision.			
<b>National policy frameworks: Government action plan (2016 – 2020) &amp; State Employment Policy: 2016-2025 &amp; Mongolia development vision</b>			
<b>UNDAF:</b>			
Outcome Area 1. By 2021, poor and vulnerable people are more resilient to shocks, and benefit from inclusive growth and a healthy ecosystem			
Outcome Area 3. By 2021, governing institutions are more responsive and accountable to people, while ensuring effective participation of young persons and realization of the rights of all, especially the poor and marginalized			
	<b>Outcome 2.2:</b> Government takes initiatives to ratify and discharge its ILS obligations	<b>Partners:</b> MLSP, GASI, MONEF, CMTU and NHRCM UNCT	<b>Integrated resource framework</b>
			Estimated to be available: US\$: 400,000
			To be mobilized: US\$: 1 million
	<b>Indicator 2.2.1</b> Number of international standards the government has taken action to ratify	<b>Baseline:</b> Preparatory activities on-going for C81, C102, C129, and C167	<b>Target:</b> 6 as follows: Ratification of Protocol of the forced labour convention: P29 Ratification of 2 governance conventions: C81 and C129 Ratification of 3 technical conventions: C102, C167, C183
	<b>Indicator 2.2.2</b> Improved implementation of ratified standards and labour standards principles.	<b>Baseline:</b> Considerable gaps in the implementation of ratified fundamental Conventions.	<b>Target:</b> CEACR comments as of 2016 are responded to