



RECORD OF DISCUSSIONS
FOR
THE PROJECT FOR FORMULATION OF NATIONAL
COMPREHENSIVE DEVELOPMENT PLAN
AGREED UPON BETWEEN
MINISTRY OF CONSTRUCTION AND URBAN DEVELOPMENT
AND
NATIONAL DEVELOPMENT AGENCY
OF
MONGOLIA
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

Ulaanbaatar, *Aug 22* 2018




Mr. Mutsumi SATO
Chief Representative
JICA Mongolia Office



Mr. Sandag MAGNAISUREN
State Secretary
Ministry of Construction and Urban
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Mr. Banzragch BAYARSAIKHAN
Chairman
National Development Agency



Mr. Idesh BATKHUU
Director General
Development Financing Department,
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Based on the minutes of meetings on the Detailed Planning Survey for the Project for Formulation of National Comprehensive Development Plan (hereinafter referred to as "the Project") signed on May 31st 2018 between Ministry of Construction and Urban Development (hereinafter referred to as "MCUD") and National Development Agency (hereinafter referred to as "NDA") of Mongolia (hereinafter referred to as "the Counterparts") and the Japan International Cooperation Agency (hereinafter referred to as "JICA"), JICA held a series of discussions with the Counterparts and relevant organizations to develop a detailed plan of the Project.

The purpose of this Record of Discussions (hereinafter referred to as "the R/D") is to establish a mutual agreement for its implementation by both parties and to agree on the detailed plan of the Project as described in the followings and the Annexes, which will be implemented within the framework of the Agreement on Technical Cooperation signed on December 5th, 2003 (hereinafter referred to as "the Agreement") and the Note Verbales exchanged on May 5th, 2017 between the Government of Japan and the Government of Mongolia.

The Counterparts will be responsible for the implementation of the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of Mongolia.

Both parties also agreed that the Project will be implemented in accordance with the "Basic Principles for Technical Cooperation" published in 2016 (hereinafter referred to as "the BP"), unless other arrangements are agreed in the R/D.

The R/D is delivered at Ulaanbaatar as of the day and year first above written. The R/D may be amended by a minutes of meetings between both parties, except the plan of operation to be modified in monitoring sheets. The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the R/D.

- Appendix 1 Main Points Discussed
- Appendix 2 Project Description
- Appendix 3 Minutes of Meetings on Detailed Planning Survey for the Project signed on May 31st, 2018

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MAIN POINTS DISCUSSED

1. Environmental and Social Considerations

With regard to the Section 10.1 of the BP, since the Project is categorized as B under the 'JICA Guidelines for Environmental and Social Considerations (April 2010)' (hereinafter referred to as "the Guideline"), the necessary procedures are taken in accordance with the Guideline. Some examples include;

(1) Strategic Environmental Assessment

The Project will ensure environmental and social consideration to be implemented from an early stage of the Project to monitoring stage, by conducting "Strategic Environmental Assessment (hereinafter referred to as "SEA")" in the Project, in accordance with the Guideline.

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PROJECT DESCRIPTION

Both parties confirmed that there is no change in the Project Description in the minutes of meetings for Detailed Planning Survey on the Project signed on May 31st, 2018 (Appendix 3).

I. BACKGROUND

From 2006 to 2013, the GDP per capita of Mongolia grew nearly four times, and this remarkable economic growth was mainly due to the development of its mining resources. However, the industries and the population are concentrated in the capital city of Ulaanbaatar (hereinafter referred to as "UB"). Therefore, well-balanced national development between urban and rural areas is the urgent issue. Actually, it observed that 46% of the country's population and 62% of operated enterprises are concentrated in the capital city and that situation causes urban problems such as air pollution and a lack of infrastructure.

Due to the overconcentration in the capital city, the economic gap has also increased between UB and other rural areas. For example, the average monthly income of urban and rural areas was about MNT1,120 thousand and about MNT890 thousand, respectively, in 2017, and the gap between the areas was about MNT230 thousand. In addition, the poverty rate was 18.8% and 26.4%, respectively, in 2014, and the gap was about 15%.

Moreover, after the introduction of the market economy in 1990, public facilities such as schools and hospitals were built based on the development standards by the size of population, however, due to difficulties to develop these facilities to follow the increasing needs and burden of maintenance, the quality of life services, including the issues of aging of the facilities, rapidly deteriorated in the rural area. As a result of above situation, more and more people who need life services are flowing in UB.

In order to address the issues associated with nationwide disproportion of the population, the industries and so on, a comprehensive development plan for the whole country is required in Mongolia.

Under the above background, the Government of Mongolia (hereinafter referred to as "GOM") requested the Government of Japan (hereinafter referred to as "GOJ") to implement "The Project for Formulation of National Comprehensive Development Plan" to promote sustainable and well-balanced development between urban and rural areas in 2016.

After the adoption of Sustainable Development Goals (hereinafter referred to as "SDGs") by the UN Member State in 2015, GOM developed Mongolia Sustainable Development Vision 2030 (hereinafter referred to as "SDV 2030") as the highest level of development policy and obtained approval from the Parliament in 2016. In order to achieve SDV 2030, GOM needs to develop Regional Development Policy (hereinafter referred to as "RDP") based on the

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“Law on Development Policy and Planning (2015)” and Law on Management and “Coordination of Regional Development (2003)”, which focuses on national and regional policy for guiding sector policies, and Human Settlement Plan (hereinafter referred to as “HSP”) based on the “Urban Development Law (2008)”, which focuses on spatial plan at national / regional level for physically realizing SDV2030. JICA contact mission, dispatched in February 2018, confirmed with GOM that the output of “The Project for Formulation of National Comprehensive Development Plan” aims at support formulating RDP and HSP.

II. OUTLINE OF THE PROJECT

1. Title of the Project

Project for Formulation of National Comprehensive Development Plan

2. Expected Goals which will be attained after implementing the proposed plan

To reduce disparity between urban and rural area and improve urban issues through promoting well-balanced and sustainable development thereby achieving SDV 2030, by implementing National Comprehensive Development Plan (hereinafter referred to as “NCDP”) that includes HSP and RDP.

3. Outputs

(1) NCDP will be formulated

Outputs in the course of the implementation of the Project will be utilized for finalizing RDP and HSP.

(2) Capacity development will be implemented for the Counterparts in order to enhance capacity in formulating and updating NCDP

4. Activities

(1) Current Status Evaluation and Analysis of Mongolia

- a) Review of the country profile of Mongolia
- b) Review of the relevant existing development policies, strategies, plans and etc.
- c) Review of the relevant legal and institutional framework
- d) Review of cooperation by other donors, the relevant projects, surveys and researches
- e) Review of the related studies, existing statistics, information including GIS, data on economy, society, land use, geology history of the past disasters and available resources such as water, mineral, agricultural resources
- f) Review of the current status about infrastructure and industries
- g) Review of the current status and issue about national economy including foreign trade
- h) Review of the current status and issue about the public services (education, medical care, public facilities, and etc)
- i) Analysis of the current status of the demographic feature including domestic migration of Mongolia and the existing settlement
- j) Review of the information relevant to environmental and social

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- consideration including Mongolian culture, custom, tradition and archeological heritage
- k) Review of the information relevant to tourism
 - l) Spatial Analysis in order to properly deploy regional and sub-regional centers and key industrial complex
 - m) Analysis of the disparity between urban and rural areas
 - n) Implementation of gap assessment between current Key Result Indicators (hereinafter referred to as "KRI") and KRI set in SDV 2030 by sector and region
 - o) Preparation and analysis of development potentials, issues, needs, constraint and trends
- (2) Formulation of development vision, socio-economic framework, and development scenarios
- a) Formulation of development vision, that will serve for formulating Regional Development Vision (hereinafter referred to as "RDV") in accordance with SDV2030
 - b) Setting of socio-economic framework
 - c) Setting of the basic strategy of NCDP
 - d) Formulation of development scenarios
 - e) Comparative analysis of alternative scenarios based on, among other viewpoints, Strategic Environmental Assessment (hereinafter referred to as "SEA")
- (3) Formulation of NCDP
- a) Review of relationship between RDP and HSP and the scope of each policy and plan
 - b) Formulation of NCDP includes RDP and HSP
 - Overview of economic and spatial structure of Mongolia
 - Policy for industrial deployment and development
 - Policy for deployment of regional and sub-regional centers
 - Policy for urban development and human settlement
 - Policy for infrastructure development
 - Policy for national land conservation
 - Policy for other relevant social issues
- (4) Recommendation for implementation framework of National Comprehensive Development Plan
- a) Recommendation for implementation and monitoring
 - b) Recommendation for necessary budget and its fund source
 - c) Recommendation for legal framework if necessary
 - d) Recommendation for formulation of Sector Policies and Regional Development Programs
- (5) Discussions at national, regional and local level
- (6) Capacity Development
- a) On the job training
 - b) Training in Japan

5. Input

- (1) Input by JICA
- a) Dispatch of Mission
 - Leader / National Development Plan

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- National Land Use Plan
 - Socio-Economic Analysis / Planning Framework / Scenario Planning
 - Industrial Development Plan / Investment / Business Environment Improvement
 - Tourism / Local Development Plan
 - Agriculture Development Plan / Livestock Development Plan
 - Mining Development Plan
 - Urban Development and Human Settlement Plan
 - Social Sector Development Plan
 - Transport Plan
 - Infrastructure Development Plan
 - Environment and Social Consideration
 - Institutional Framework / Legal Framework
 - Economic and Financial Analysis
 - GIS Database / Geography
 - Capacity Development / Participatory Planning
- b) Training in Japan
- c) Machinery and Equipment
- Necessary equipment for capacity development will be decided in the Project

Input other than indicated above will be determined through mutual consultations among JICA, MCUD and NDA during the implementation of the Project as necessary.

(2) Input by MCUD and NDA

MCUD and NDA will take necessary measures to provide at its own expense:

- a) Services of MCUD and NDA's counterpart personnel and administrative personnel as referred to in II-6;
- b) Suitable office space with necessary equipment;
- c) Supply or replacement of machinery, equipment, instruments, tools, spare parts and any other materials necessary for the implementation of the Project other than the equipment provided by JICA;
- d) Travel permission for members of the JICA missions for official travel within Mongolia;
- e) Information as well as support in obtaining medical service;
- f) Credentials or identification cards;
- g) Available data (including statistics, maps, GIS data, and photographs) and information related to the Project;
- h) Running expenses necessary for the implementation of the Project;
- i) Necessary facilities to members of the JICA missions for the remittance as well as utilization of the funds introduced into Mongolia from Japan in connection with the implementation of the Project

6. Implementation Structure

The project organization chart is given in the Annex 1. The roles and assignments of relevant organizations are as follows:

(1) MCUD

- a) Project Director

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- State Secretary, MCUD
- b) Project Manager
Director, Department of Urban development and Land Affairs Policy Implementation and Coordination, MCUD
- (2) NDA
- a) Project Director
Chairman, NDA
- b) Project Manager
Director, Sector Development Policy and Regulation Division, NDA
- (3) Member of JICA Mission
The member of JICA mission will give necessary technical guidance, advice and recommendations to MCUD and NDA on any matters pertaining to the implementation of the Project.
- (4) Joint Coordinating Committee (JCC)
Joint Coordinating Committee (hereinafter referred to as "JCC") will be established in order to facilitate inter-organizational coordination. JCC will be held whenever deems it necessary. A list of proposed members of JCC is shown in the Annex 2.
- (5) Project Working Group (PWG)
Project Working Group (hereinafter referred to as "PWG") will be established in order to work with JICA mission on daily basis and to secure the smooth implementation of the Project and the consistency between HSP and RDP. PWG is responsible for information sharing and awareness-raising actions as well as holding sessions with local stakeholders etc. A tentative list of the proposed members and function of PWG is shown in the Annex 3.

7. Project Site(s) and Beneficiaries

- (1) Project Site(s)
Target Area for Planning: Whole of Mongolia (1,564,100km²)
- (2) Beneficiaries
All People of Mongolia (Approximately Population: 3,179,800 (2017))

8. Duration

Duration of the project is approximately thirty two (32) months.

Cumulative Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32
JCC	▲			▲						▲					▲										▲		▲					▲
Report	▲ IR			▲ PR						▲ ITR1					▲ ITR2										▲ DFR			▲ FR1				▲ FR2
Abbreviation	IR: Inception Report / PR: Progress Report / ITR: Interim Report / DFR: Draft Final Report / FR: Final Report																															

9. Reports

JICA will prepare and submit the following reports to the MCUD and NDA in English.

- (1) 30 copies of Inception Report at the commencement of the first work period in Mongolia
- (2) 30 copies of Progress Report, four (4) months after the commencement of the Project in Mongolia
- (3) 30 copies of Interim Report 1, ten (10) months after the commencement of the Project in Mongolia
- (4) 30 copies of Interim Report 2, fifteen (15) months after the

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- commencement of the Project in Mongolia
- (5) 30 copies of Draft Final Report, twenty five (25) months after the commencement of the Project in Mongolia
 - (6) 100 copies of Final Report 1, twenty eight (28) months after the commencement of the Project in Mongolia
 - (7) 30 copies of Final Report 2, thirty two (32) months after the commencement of the Project in Mongolia

10. Environmental and Social Considerations

- (1) MCUD and NDA will abide by 'JICA Guidelines for Environmental and Social Considerations' in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.

III. UNDERTAKINGS OF MCUD AND NDA

1. MCUD and NDA will take necessary measures to:

- (1) Ensure that the technologies and knowledge acquired by Mongolia nationals as a result of Japanese technical cooperation contributes to the economic and social development of Mongolia, and that the knowledge and experience acquired by the personnel of Mongolia from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project; and
- (2) Grant privileges, exemptions and benefits to members of the JICA missions referred to in II-5 above and their families, which are no less favorable than those granted to experts and members of the missions and their families of third countries or international organizations performing similar missions in Mongolia.

2. MCUD and NDA will take necessary measures to:

- (1) Provide security-related information as well as measures to ensure the safety of members of the JICA missions;
- (2) Permit members of the JICA missions to enter, leave and sojourn in Mongolia for the duration of their assignments therein and exempt them from foreign registration requirements and consular fees.
- (3) Exempt members of the JICA missions from taxes and any other charges on the equipment, machinery and other material necessary for the implementation of the Project;
- (4) Exempt members of the JICA missions from income tax and charges of any kind imposed on or in connection with any emoluments or allowances paid to them and/or remitted to them from abroad for their services in connection with the implementation of the Project; and
- (5) Exempt taxes and any other charges on the equipment, machinery and other material, referred to in II-5 above, necessary for the implementation of the Project.

3. MCUD and NDA will bear claims, if any arises, against members of the JICA missions resulting from, occurring in the course of, or otherwise connected with, the discharge of their duties in the implementation of the Project, except when such claims arise from gross negligence or willful misconduct on the

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part of members of the JICA missions.

IV. MONITORING AND EVALUATION

JICA will conduct the following evaluations and surveys to verify how the proposed plan is utilized and draw lessons. The MCUD and NDA are required to provide necessary support for them.

1. Ex-post evaluation three (3) years after the project completion, in principle
2. Follow-up surveys on necessity basis

V. PROMOTION OF PUBLIC SUPPORT

For the purpose of promoting support for the Project, MCUD and NDA will take appropriate measures to make the Project widely known to the people of Mongolia.

VI. MISCONDUCT

If JICA receives information related to suspected corrupt or fraudulent practices in the implementation of the Project, MCUD and NDA and relevant organizations will provide JICA with such information as JICA may reasonably request, including information related to any concerned official of the government and/or public organizations of Mongolia.

MCUD and NDA and relevant organizations will not, unfairly or unfavorably treat the person and/or company which provided the information related to suspected corrupt or fraudulent practices in the implementation of the Project.

VII. MUTUAL CONSULTATION

JICA, MCUD and NDA will consult each other whenever any major issues arise in the course of Project implementation.

VIII. AMENDMENTS

The record of discussions may be amended by the minutes of meetings among JICA, MCUD and NDA.

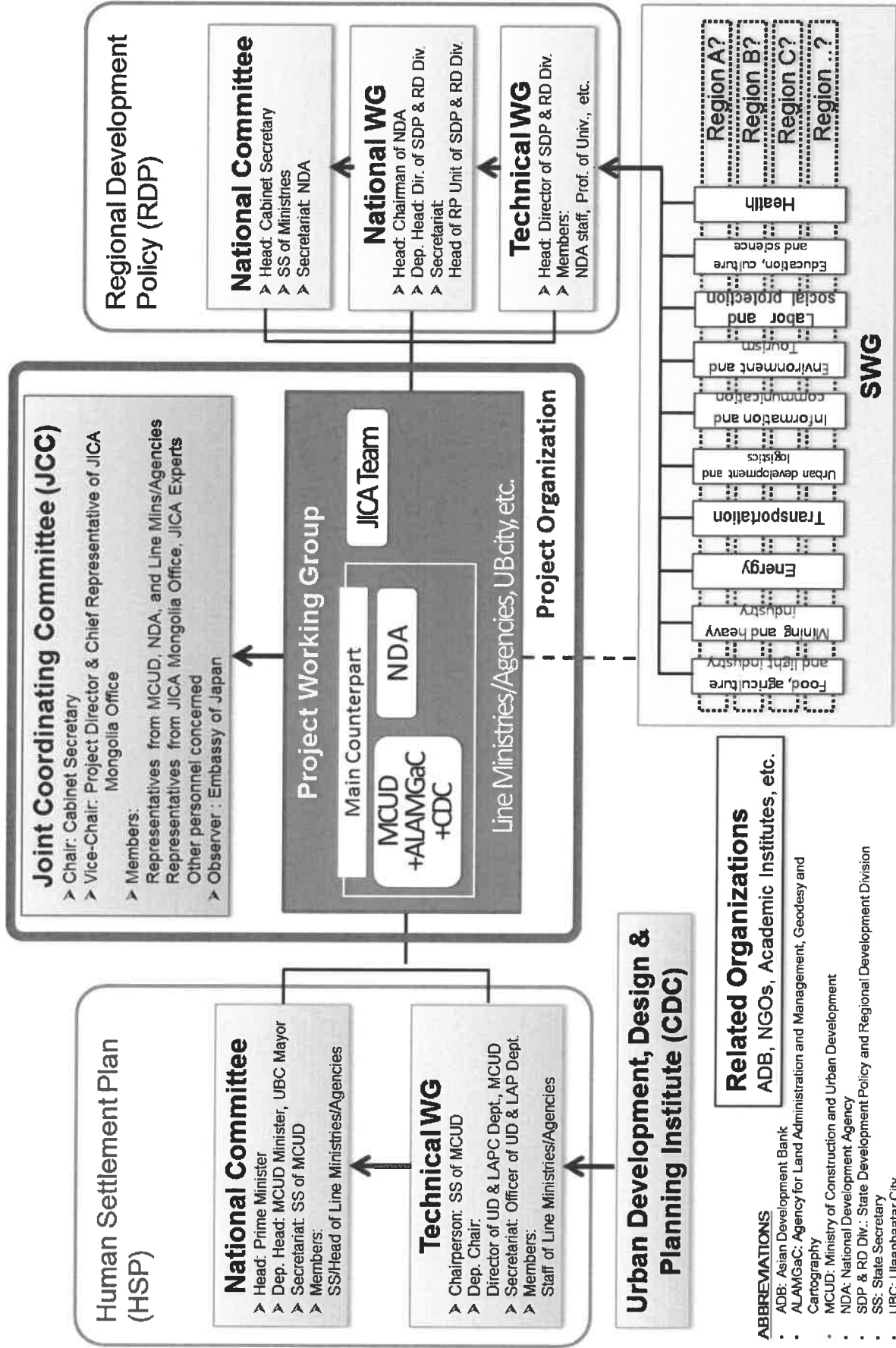
The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the record of discussions.

- Annex 1 Project Organization Chart
- Annex 2 A List of Proposed Members of Joint Coordinating Committee (JCC)
- Annex 3 A List of Proposed Members of Project Working Group
- Annex 4 The draft terms of reference on environmental and social considerations studies

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Annex 1 Project Organization Chart



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Annex 2 A List of Proposed Member of Joint Coordinating Committee (JCC)

1. Function of the Joint Coordinating Committee (JCC):

- (1) To monitor and supervise the entire project;
- (2) To discuss and approve the reports;
- (3) To coordinate among the relevant organizations; and
- (4) To review and exchange views on major issues arising from or in connection with the Project.

2. Chair

- (1) Chair: Minister of GOM, Cabinet Secretary
- (2) Vice-Chair: State Secretary, MCUD
- (3) Vice-Chair: Chairman, NDA
- (4) Vice-Chair: Chief Representative, JICA Mongolia Office

3. Members:

- (1) Head, Macro Economic Policy Division of the Economic Policy Department, Ministry of Finance
- (2) Director, Green Development Policy and Planning Department, Ministry of Environment
- (3) Director, Policy and Planning Department, Ministry of Road and Transport Development
- (4) Director, Policy and Planning Department, Ministry of Energy
- (5) Director, Policy and Planning Department, Ministry of Food, Agriculture Light Industry
- (6) Director General, Agency for Land Administration and Management, Geodesy and Cartography
- (7) Director, Construction Development Center
- (8) Vice Mayor, Ulaanbaatar City Government
- (9) Director, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD (Member Co-Secretary)
- (10) Director, Sector Development and Policy Regulation Division, NDA: Member Co-Secretary
- (11) Leader of the JICA Project Team

Above-mentioned members can designate his/her representatives.
Secretariat of the JCC will be assumed by MCUD and NDA.

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Annex 3 A List of Proposed Member of Project Working Group

1. Function of the Project Working Group (PWG):

- (1) To work with JICA mission on daily basis and facilitate necessary arrangements for smooth implementation of the Project;
- (2) To examine and analyze the technical aspects of the Reports;
- (3) To coordinate and harmonize the stakeholders of the Project and ensure involvement of the concerned authorities;
- (4) To prepare materials (reports/presentations) for JCC; and
- (5) To correspond to the requests/inquiries made by JCC on technical matters arising from or in connection to the Project.

2. Members:

- (1) Director, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- (2) Senior Officer, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- (3) Officer, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- (4) Consultant, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- (5) Head, Regional and Urban Planning Division, ALAMGaC
- (6) Head, Land Management Division, ALAMGaC
- (7) Head, Urban Development Cadaster Division, ALAMGaC
- (8) Head, Geospatial Information and Technology Department, ALAMGaC
- (9) Senior Officer, Public Administration and Cooperation Department, ALAMGaC
- (10) Deputy Director, CDC
- (11) Head, Human Settlement and Regional Planning and Study Division, CDC
- (12) Head, Urban and Infrastructure Planning and Study Division, CDC
- (13) Director, Institute of Geography and Geo-ecology, Mongolian Academy of Science
- (14) Director, Sector Development and Policy Regulation Division, NDA
- (15) Head of Unit, Research and Analysis Office, NDA
- (16) Advisor for Regional and Urban Development Policy, Sector Development and Policy Regulation Division, NDA
- (17) Senior Officer, Sector Development and Policy Regulation Division, NDA
- (18) Officer, Sector Development and Policy Regulation Division, NDA
- (19) Senior Officer, Green Development Policy and Planning Department, Ministry of Environment
- (20) Senior Officer, Policy and Planning Department, Ministry of Road and Transport Development
- (21) Senior Officer, Policy and Planning Department, Ministry of Energy
- (22) Senior Officer, Policy and Planning Department, Ministry of Food, Agriculture Light Industry
- (23) General Architect of Ulaanbaatar City and Director of Agency, Urban Development and Master Planning Agency of Capital City
- (24) Representative, JICA Mongolia Office
- (25) (Sub) Leader of the JICA Project Team

Above-mentioned members can designate his/her representatives.
MCUD and NDA will assume the responsibility to coordinate PWG

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Annex 4

Framework of the Terms of Reference for the Strategic Environmental Assessment - Draft

(1) Rationale

The Project formulates a comprehensive development plan for Mongolia. It is required to conduct a Strategic Environmental Assessment (SEA) as the Environmental and Social Considerations for the Project under the following Mongolian laws, regulation and JICA Guidelines.

- Law on Environmental Protection (1995 Amended total 12 times including 2005 / 2006 / 2008 / 2010);
- Law on Environmental Impact Assessment (1998 Amended total 3 times including 2001, 2006, 2012);
- Guidelines on Method of Natural Environmental Impact Assessment (2010);
- Regulations and Guidelines on Preparation of Natural Environmental Protection Plan, Environmental Management and Monitoring Plan, and Rehabilitation Plan (2006);
- Regulations and Guidelines on Method of Detailed Natural Environmental Impact Assessment (2000), and,
- JICA Guidelines for Environmental and Social Considerations (2010)

(2) Description of the SEA

1) Objectives

The objectives are;

- (a) To identify and assess potential impacts induced by the Project;
- (b) To avoid, reduce and mitigate these impacts;
- (c) To collect comments from stakeholders and reflect them to options proposed by the Project;
- (d) To evaluate the options from technical, financial and environmental points of view; and,
- (e) To select the optimal option for the Project.

2) Study areas of the SEA

Entire Mongolia

3) Methodology and the flow of the implementation of the SEA

- (a) Review of existing development policies, strategies, plans;
- (b) Confirmation of existing environmental and social conditions of Mongolia as baseline data (land use, natural environment, protected areas, culture and lifestyle of indigenous people and their communities, culture and lifestyle of vulnerable people and their communities, local economy and socio-cultural environment and others);
- (c) Confirmation of the legal framework and institution of Mongolia on environmental and social considerations, and examination of the experiences of SEA study in Mongolia;
 - Laws, regulations and standards related to environmental and social considerations (Environmental Impact Assessment, resettlement, public participation, information disclosure, and others)
 - SEA study reports conducted in development projects in Mongolia and other relevant information
 - Gaps between the "JICA Guidelines for Environmental and Social Considerations (2010)" and the legal framework of Mongolia on environmental and social considerations
 - Review of relevant agencies responsible for implementation of projects and their roles on environmental and social considerations including EIA and SEA
- (d) Identification and analysis of development constraints and factors promoting development;
- (e) Planning the options by which potential negative impacts on the social and natural environments are avoided, reduced and mitigated as much as possible;
- (f) Scoping for the options (Clarify extremely important items on environmental and social impacts and the evaluation methods at the time of decision making of NCDP);

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- (g) Social and environmental surveys based on the results of the scoping in order to collect more information if necessary;
- (h) Analysis and evaluation of impacts of the options from technical, financial and environmental points of view;
- (i) Examination of the mitigation measures (to be avoided, minimized, and compensated) and the monitoring methods (monitoring items, frequencies and etc.) of the selected option;
- (j) Collection and reflection of comments from stakeholders in the process of developing the options and selection of the optimal option.; and
- (k) Holding Stakeholders Meetings (hereinafter referred to as "SHM") in the Project. (Table 1 shows proposed participatory planning process under the SEA for the Project, and Table 2 shows proposed participants for the Stakeholders Meetings.)

Table 1 Proposed participatory planning process under the SEA

No.	Step	Note
1	Information analysis	To evaluate and analyze data collected by Mongolia side and the Project.
2	Formulation of alternative scenarios	To formulate alternative scenarios by working groups. The working groups composed of related governmental agencies.
3	1st SHM	To collect opinions about development needs and ideas for NCDP from related stakeholders. The 1st SHM is held at each of twenty one (21) Aimags and Ulaanbaatar City. The 1st SHM is conducted as a workshop, and its duration is one to two days.
4	Formulation of the optimal scenario	Based on the opinions, the alternative scenarios are further developed and evaluated from environmental/ social, economic and technical points of views. The working groups are in charge of the works. The optimal scenario is formulated.
5	2nd SHM	The alternative / optimal scenario is presented at the 2nd SHM. The 2nd SHM is held at each of five (5) regions (*1). The 2nd SHM is conducted as a workshop, and its duration is two days.
6	Review and approval	The draft final report is reviewed and approved by JCC.

Note: *1: Five regions are Ulaanbaatar, Central Region (seven Aimags), Eastern Region (three Aimags), Khangai Region (six Aimags) and Western Region (five Aimags).

Table 2 Proposed participants for the Stakeholders Meetings

SHM	Place	Participants	Number of participants
1st SHM	Held at each Aimag.	<ul style="list-style-type: none"> ➤ Representatives and planners from local. ➤ Representatives from related governmental agencies, NGOs and private sectors. 	The number of participants will be decided in the Project.
2nd SHM	Held at each region.	<ul style="list-style-type: none"> ➤ Representatives and planners from each Aimags. ➤ Representatives from related governmental agencies, NGOs and private sectors. 	The number of participants will be decided in the Project.

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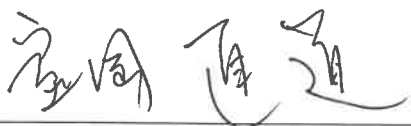
MINUTES OF MEETINGS
 BETWEEN
 MINISTRY OF CONSTRUCTION AND URBAN DEVELOPMENT
 AND
 NATIONAL DEVELOPMENT AGENCY
 AND
 JAPAN INTERNATIONAL COOPERATION AGENCY
 ON
 THE JAPANESE TECHNICAL COOPERATION
 FOR
 THE PROJECT FOR FORMULATION OF NATIONAL COMPREHENSIVE DEVELOPMENT PLAN

In response to the request from the Government of Mongolia (hereinafter referred to as "GOM"), the Detailed Planning Survey Team (hereinafter referred to as "the Team") organized by the Japan International Cooperation Agency (hereinafter referred to as "JICA") and headed by Mr. Naomichi MUROOKA, visited Mongolia from May 23rd to June 1st, 2018 for the purpose of working out the details of the technical cooperation for development planning "The Project for Formulation of National Comprehensive Development Plan" (hereinafter referred to as "the Project").

During its stay in Mongolia, the Team exchanged views and had a series of discussions with Ministry of Construction and Urban Development (hereinafter referred to as "MCUD"), National Development Agency (hereinafter referred to as "NDA") and the authorities concerned (hereinafter referred to as "the Mongolian side") on the detailed plan of the Project and necessary measures to be taken by the Mongolian side and JICA for the successful implementation of the Project.

As a result of the discussions, the Team, MCUD and NDA (hereinafter referred to as "Both Sides") agreed upon the matters referred to in the documents attached hereto.


Ulaanbaatar, May 31st, 2018




Mr. Naomichi MUROOKA
 Team Leader
 Detailed Planning Survey Team
 Japan International Cooperation Agency, Japan



Mr. Sandag MAGNAISUREN
 State Secretary
 Ministry of Construction and Urban Development,
 Mongolia



Mr. Banzragch BAYARSAIKHAN
 Director General
 National Development Agency, Mongolia



Mr. Idesh BATKHUU
 Director General
 Development Financing Department, Ministry of
 Finance, Mongolia

ATTACHED DOCUMENTS

1. Record of Discussions (R/D)

Both Sides had a common understanding of the draft of R/D, as shown in ANNEX 1. Both sides likewise understood that the detailed contents of the R/D are subject to change based on further internal consideration by both sides and their mutual agreements. It will be agreed and signed among JICA and the Mongolian authorities after approval from JICA Headquarters and authority of GOM.

2. Output of the Project

Both Sides confirmed that the output of the Project is the formulation of National Comprehensive Development Plan (hereinafter referred to as "NCDP"), which includes Regional Development Policy (hereinafter referred to as "RDP") with Regional Development Vision (hereinafter referred to as "RDV") as stipulated in Article 6.3.2 in "Law on Development Policy and Planning (2015)" and "Law on Management and Coordination of Regional Development (2003)", and Human Settlement Plan (hereinafter referred to as "HSP") as stipulated in Article 11.1.1 in "Urban Development Law (2008)", and will be used as a national development policy for the realization of Mongolia Sustainable Development Vision 2030 (hereinafter referred to as "SDV2030").

3. Basic Idea for the Project

(1) Role of NCDP

The role of NCDP was confirmed as ANNEX 3. NCDP that includes RDP and HSP is a guiding principle by law, for state policies and programs of line ministries and urban development plan of local governments in order to achieve the SDV 2030.

(2) Consensus building led by Mongolia side

Both sides confirmed the importance of having consensus among related stakeholders at each important stage of the Project, such as confirmation the methodology of the Project, socio-economic framework, development vision, development scenario, spatial structure, and orientation for sector and regional policies and key programs. Mongolia side will take initiatives for consensus building, supported by the reports and recommendations with options by the Project, based on technical analysis and subjective evidences.

(3) Maximizing the utilization of existing statistics, data, information, and survey results

Both sides confirmed that the Project will maximize the utilization of existing statistics, data, information including existing GIS database, and the related survey results for efficient and effective implementation.

4. Endorsement of the NCDP that includes RDP and HSP and its Approval Procedure

(1) NCDP

Output of NCDP will be developed by the Project Working Group (hereinafter referred to as "PWG") and presented to the Joint Coordinating Committee (hereinafter referred to as "JCC") for its endorsement.

(2) RDP

NDA explained to the Team that RDP including RDV to be developed and proposed under the Project



will be:

- 1) firstly, vetted by the Sub Working Group (hereinafter referred to as “SWG”) for formulation of RDP Members;
- 2) secondly, presented to the Technical Working Group (hereinafter referred to as “TWG/RDP”) for formulation of RDP for its endorsement;
- 3) thirdly, presented to the WG for formulation of RDP for its endorsement; and
- 4) fourthly, presented to the National Committee (hereinafter referred to as “NC”) for formulation of RDP for review and approval to proceed further step.

(3) HSP

MCUD explained to the Team that HSP to be developed and proposed under the Project will be:

- 1) firstly, vetted by the Urban Development, Design & Planning Institute (Construction Development Center) for formulation of HSP Members; and
- 2) secondly, presented to the Technical Working Group (hereinafter referred to as “TWG/HSP”) in order to obtain related information, technical advice on the methodology and formulation of HSP for its endorsement; and
- 3) thirdly, presented to the NC in order to obtain instruction for MCUD and related organizations to proceed the finalization of HSP for review and approval to proceed further step.

NDA and MCUD shall take all the necessary measures to obtain the endorsement of the output of the Project.

5. Target Area

Both Sides agreed that the NCDP will cover whole of Mongolia.

6. Target Year

Both Sides confirmed that the target year for NCDP is as follows:

- RDP: 2030
- HSP
Mid-term: 2030
Long-term: 2040

7. Joint Coordinating Committee (JCC) and Project Working Group (PWG)

Both sides agreed to set up the JCC and PWG.

(1) JCC

JCC will execute the decision making power when necessary. JCC will comprise of members from the following ministries and organizations with possible inclusion of others if JCC considers necessary.

- 1) Minister of GOM, Cabinet Secretary: Chair
- 2) State Secretary, MCUD: Vice-Chair
- 3) Director General, NDA: Vice-Chair
- 4) Chief Representative, JICA Mongolia Office: Vice-Chair
- 5) Head, Macro Economic Policy Division of the Economic Policy Department, Ministry of

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- Finance (hereinafter referred to as "MOF"): Member
- 6) Director, Green Development Policy and Planning Department, Ministry of Environment: Member
 - 7) Director, Policy and Planning Department, Ministry of Road and Transport Development: Member
 - 8) Director, Policy and Planning Department, Ministry of Energy: Member
 - 9) Director, Policy and Planning Department, Ministry of Food, Agriculture Light Industry: Member
 - 10) Director General, Agency for Land Administration and Management, Geodesy and Cartography (hereinafter referred to as "ALAMGaC"): Member
 - 11) Director, Construction Development Center (hereinafter referred to as "CDC"): Member
 - 12) Vice Mayor, Ulaanbaatar City Government: Member
 - 13) Director, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD: Member Co-Secretary
 - 14) Head, Sector Development and Policy Regulation Division, NDA: Member Co-Secretary
 - 15) Leader of the JICA Project Team: Member

(2) PWG

PWG will be established in order to secure the smooth implementation of the Project and the consistency between HSP and RDP. In this PWG, MCUD, NDA, related Line Ministries and Agencies, and JICA will share and confirm the progress of the Project. The tentative members of PWG need to be assigned from the following organizations before the commencement of the Project.

- 1) Director, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- 2) Senior Officer, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- 3) Officer, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- 4) Consultant, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- 5) Head, Regional and Urban Planning Division, ALAMGaC
- 6) Head, Land Management Division, ALAMGaC
- 7) Head, Urban Development Cadaster Division, ALAMGaC
- 8) Head, Geospatial Information and Technology Department, ALAMGaC
- 9) Senior Officer, Public Administration and Cooperation Department, ALAMGaC
- 10) Deputy Director, CDC
- 11) Head, Human Settlement and Regional Planning and Study Division, CDC
- 12) Head, Urban and Infrastructure Planning and Study Division, CDC
- 13) Director, Institute of Geography and Geo-ecology, Mongolian Academy of Science
- 14) Head, Sector Development and Policy Regulation Division, NDA
- 15) Head of Unit, Research and Analysis Office, NDA
- 16) Advisor for Regional and Urban Development Policy, Sector Development and Policy Regulation Division, NDA



- 17) Senior Officer, Sector Development and Policy Regulation Division, NDA
- 18) Officer, Sector Development and Policy Regulation Division, NDA
- 19) Senior Officer, Green Development Policy and Planning Department, Ministry of Environment
- 20) Senior Officer, Policy and Planning Department, Ministry of Road and Transport Development
- 21) Senior Officer, Policy and Planning Department, Ministry of Energy
- 22) Senior Officer, Policy and Planning Department, Ministry of Food, Agriculture Light Industry
- 23) General Architect of Ulaanbaatar City and Director of Agency, Urban Development and Master Planning Agency of Capital City
- 24) Representative, JICA Mongolia Office
- 25) (Sub) Leader of the JICA Project Team

8. Signers of the Record of Discussions (R/D)

The signers of the R/D will be, State Secretary of MCUD, Director General of NDA, and Director General of Development Financing Department, MOF from GOM and Chief Representative of JICA Mongolia Office from JICA.

9. Scale for RDP and HSP

Both Sides confirmed that the scale used for HSP and RDP will be decided in the course of the Project.

10. Information Disclosure

Both sides agreed that the final report will be open to public after the approval by JCC.

11. Methods of Japanese Technical Cooperation

Upon the explanations by the Team, MCUD and NDA understood the philosophy of Japanese Technical Cooperation. In particular, JICA does not simply fund the Project to employ the consultant, but to work together with Mongolian counterparts which contributes to enhancement of the partnership between both sides and the capacity development of the counterparts. In this context, both sides confirmed that MCUD and NDA assign an appropriate number of counterparts for the Project. The core members of the counterparts will be assigned as below.

- Director, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- Officers, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- Consultant, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- Head, Regional and Urban Planning Division, ALAMGaC
- Head, Urban Development Cadaster Division, ALAMGaC
- Senior Officer, Public Administration and Cooperation Department, ALAMGaC
- Deputy Director, CDC
- Head, Human Settlement and Regional Planning and Study Division, CDC
- Head, Urban and Infrastructure Planning and Study Division, CDC

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- Officers, Human Settlement and Regional Planning and Study Division, CDC
- Officers, Urban and Infrastructure Planning and Study Division, CDC
- Director, Institute of Geography and Geo-ecology, Mongolian Academy of Science
- Head, Sector Development and Policy Regulation Division, NDA
- Head of Unit, Research and Analysis Office, NDA
- Advisor for Regional and Urban Development Policy, Sector Development and Policy Regulation Division, NDA
- Senior Officer, Sector Development and Policy Regulation Division, NDA
- Officers, Sector Development and Policy Regulation Division, NDA
- Consultants, Sector Development and Policy Regulation Division, NDA
- Officers, Research and Analysis Office, NDA

12. Coordination with/ Participation of Stakeholders

The Team emphasized the importance of stakeholders' participation and coordination with them in the process of making NCDP in order to share the information, to contribute it for each stakeholder for making their own plans and to secure a smooth implementation at later date. MCUD and NDA confirmed that they will coordinate all the related ministries and Aimags, concerned bodies and development partners and take the lead in, with assistance of JICA Project Team, 1) carrying out PWG meetings / stakeholder meetings / seminars / conferences / workshops, 2) acquiring existing map data and necessary survey data such as population and housing census.

The expected number of the participants

13. TOR for Strategic Environmental Assessment

Both Sides agreed the Project should include draft Terms of Reference (TOR) for Strategic Environmental Assessment in line with the JICA Guidelines.

14. Undertaking of the cost sharing for JCC, PWG, stakeholder meetings and "Strategic Environment Assessment"

- 1) Mongolian side will be responsible for processing the implementation of social and environmental considerations from an early stage of the Project.
- 2) Mongolian side bears hiring conference hall, travel cost and per diem for the Mongolian participants for JCC, PWG and stakeholder meetings, excluding simultaneous interpretation and translation cost to be covered by JICA.

15. Training in Japan

Both sides confirmed the necessity of training in Japan for capacity development according to the needs of the Mongolian counterparts for the development of the Project.

16. Equipment provision

Equipment necessary for the capacity development for formulating NCDP will be studied and decided in the Project.

Mongolian side emphasized the importance of capacity development and equipment such as

computers, data server and necessary software for core members of the Project in order to revise and update NCDP by itself for ensuring the sustainability of the Project in future. Detailed information will be informed to JICA Mongolia Office and JICA Headquarters.

17. Promotion of Public Support

For the purpose of promoting support for the Project, Mongolia side and JICA will take appropriate measures to make the Project widely known to the public locally and globally.

18. Others

Mongolian side will share the list of local consultants who can contribute supporting the Project.

ANNEX 1: DRAFT OF THE RECORD OF DISCUSSIONS

ANNEX 2: LIST OF PARTICIPANTS

ANNEX 3: ROLE OF NCDP

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RECORD OF DISCUSSIONS

FOR

**THE PROJECT FOR FORMULATION OF NATIONAL
COMPREHENSIVE DEVELOPMENT PLAN**

AGREED UPON BETWEEN

**MINISTRY OF CONSTRUCTION AND URBAN DEVELOPMENT
AND
NATIONAL DEVELOPMENT AGENCY**

OF

MONGOLIA

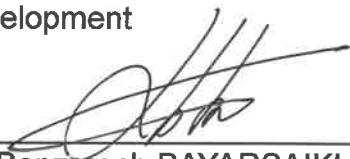
AND

JAPAN INTERNATIONAL COOPERATION AGENCY


Ulaanbaatar, Month Day 2018

Mr. Mutsumi SATO
Chief Representative
JICA Mongolia Office

Mr. Sandag MAGNAISUREN
State Secretary
Ministry of Construction and Urban
Development



Mr. Banzragch BAYARSAIKHAN
Director General
National Development Agency



Mr. Idesh BATKHUU
Director General
Development Financing Department,
Ministry of Finance, Mongolia



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Based on the minutes of meetings on the Detailed Planning Survey for the Project for Formulation of National Comprehensive Development Plan (hereinafter referred to as "the Project") signed on May 31st 2018 between Ministry of Construction and Urban Development (hereinafter referred to as "MCUD") and National Development Agency (hereinafter referred to as "NDA") of Mongolia (hereinafter referred to as "the Counterparts") and the Japan International Cooperation Agency (hereinafter referred to as "JICA"), JICA held a series of discussions with the Counterparts and relevant organizations to develop a detailed plan of the Project.

The purpose of this Record of Discussions (hereinafter referred to as "the R/D") is to establish a mutual agreement for its implementation by both parties and to agree on the detailed plan of the Project as described in the followings and the Annexes, which will be implemented within the framework of the Agreement on Technical Cooperation signed on December 5th, 2003 (hereinafter referred to as "the Agreement") and the Note Verbales to be exchanged in 2018 between the Government of Japan and the Government of Mongolia.

The Counterparts will be responsible for the implementation of the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of Mongolia.

Both parties also agreed that the Project will be implemented in accordance with the "Basic Principles for Technical Cooperation" published in 2016 (hereinafter referred to as "the BP"), unless other arrangements are agreed in the R/D.

The R/D is delivered at Ulaanbaatar as of the day and year first above written. The R/D may be amended by a minutes of meetings between both parties, except the plan of operation to be modified in monitoring sheets. The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the R/D.

Appendix 1 Main Points Discussed

Appendix 2 Project Description

Appendix 3 Minutes of Meetings on Detailed Planning Survey for the Project signed on May 31st, 2018



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MAIN POINTS DISCUSSED

1. Environmental and Social Considerations

With regard to the Section 10.1 of the BP, since the Project is categorized as B under the 'JICA Guidelines for Environmental and Social Considerations (April 2010)' (hereinafter referred to as "the Guideline"), the necessary procedures are taken in accordance with the Guideline. Some examples include;

(1) Strategic Environmental Assessment

The Project will ensure environmental and social consideration to be implemented from an early stage of the Project to monitoring stage, by conducting "Strategic Environmental Assessment (hereinafter referred to as "SEA")" in the Project, in accordance with the Guideline.

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PROJECT DESCRIPTION

Both parties confirmed that there is no change in the Project Description in the minutes of meetings for Detailed Planning Survey on the Project signed on May 31st, 2018 (Appendix 3).

I. BACKGROUND

From 2006 to 2013, the GDP per capita of Mongolia grew nearly four times, and this remarkable economic growth was mainly due to the development of its mining resources. However, the industries and the population are concentrated in the capital city of Ulaanbaatar (hereinafter referred to as "UB"). Therefore, well-balanced national development between urban and rural areas is the urgent issue. Actually, it observed that 45% of the country's population and 62% of operated enterprises are concentrated in the capital city and that situation causes urban problems such as air pollution and a lack of infrastructure.

Due to the overconcentration in the capital city, the economic gap has also increased between UB and other rural areas. For example, the average income of urban and rural areas was MNT1,174,005 and MNT915,606, respectively, in 2014, and the gap between the areas was about MNT260 thousand. In addition, the poverty rate was 32.2% and 47.8%, respectively, in 2010, and the gap was about 15%.

Moreover, after the introduction of the market economy in 1990, public facilities such as schools and hospitals were built based on the development standards by the size of population, however, due to difficulties to develop these facilities to follow the increasing needs and burden of maintenance, the quality of life services, including the issues of aging of the facilities, rapidly deteriorated in the rural area. As a result of above situation, more and more people who need life services are flowing in UB.

In order to address the issues associated with nationwide disproportion of the population, the industries and so on, a comprehensive development plan for the whole country is required in Mongolia.

Under the above background, the Government of Mongolia (hereinafter referred to as "GOM") requested the Government of Japan (hereinafter referred to as "GOJ") to implement "The Project for Formulation of National Comprehensive Development Plan" to promote sustainable and well-balanced development between urban and rural areas in 2016.

After the adoption of Sustainable Development Goals (hereinafter referred to as "SDGs") by the UN Member State in 2015, GOM developed Mongolia Sustainable Development Vision 2030 (hereinafter referred to as "SDV 2030") as the highest level of development policy and obtained approval from the Parliament in 2016. In order to achieve SDV 2030, GOM needs to develop Regional Development Policy (hereinafter referred to as "RDP") based on the

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“Law on Development Policy and Planning (2015)” and Law on Management and “Coordination of Regional Development (2003)”, which focuses on national and regional policy for guiding sector policies, and Human Settlement Plan (hereinafter referred to as “HSP”) based on the “Urban Development Law (2008)”, which focuses on spatial plan at national / regional level for physically realizing SDV2030. JICA contact mission, dispatched in February 2018, confirmed with GOM that the output of “The Project for Formulation of National Comprehensive Development Plan” aims at support formulating RDP and HSP.

II. OUTLINE OF THE PROJECT

1. Title of the Project

Project for Formulation of National Comprehensive Development Plan

2. Expected Goals which will be attained after implementing the proposed plan

To reduce disparity between urban and rural area and improve urban issues through promoting well-balanced and sustainable development thereby achieving SDV 2030, by implementing National Comprehensive Development Plan (hereinafter referred to as “NCDP”) that includes HSP and RDP.

3. Outputs

(1) NCDP will be formulated

Outputs in the course of the implementation of the Project will be utilized for finalizing RDP and HSP.

(2) Capacity development will be implemented for the Counterparts in order to enhance capacity in formulating and updating NCDP

4. Activities

(1) Current Status Evaluation and Analysis of Mongolia

a) Review of the country profile of Mongolia

b) Review of the relevant existing development policies, strategies, plans and etc.

c) Review of the relevant legal and institutional framework

d) Review of cooperation by other donors, the relevant projects, surveys and researches

e) Review of the related studies, existing statistics, information including GIS, data on economy, society, land use, geology history of the past disasters and available resources such as water, mineral, agricultural resources

f) Review of the current status about infrastructure and industries

g) Review of the current status and issue about national economy including foreign trade

h) Review of the current status and issue about the public services (education, medical care, public facilities, and etc)

i) Analysis of the current status of the demographic feature including domestic migration of Mongolia and the existing settlement

j) Review of the information relevant to environmental and social

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consideration including Mongolian culture, custom, tradition and archeological heritage

- k) Review of the information relevant to tourism
 - l) Spatial Analysis in order to properly deploy regional and sub-regional centers and key industrial complex
 - m) Analysis of the disparity between urban and rural areas
 - n) Implementation of gap assessment between current Key Result Indicators (hereinafter referred to as "KRI") and KRI set in SDV 2030 by sector and region
 - o) Preparation and analysis of development potentials, issues, needs, constraint and trends
- (2) Formulation of development vision, socio-economic framework, and development scenarios
- a) Formulation of development vision, that will serve for formulating Regional Development Vision (hereinafter referred to as "RDV") in accordance with SDV2030
 - b) Setting of socio-economic framework
 - c) Setting of the basic strategy of NCDP
 - d) Formulation of development scenarios
 - e) Comparative analysis of alternative scenarios based on, among other viewpoints, Strategic Environmental Assessment (hereinafter referred to as "SEA")
- (3) Formulation of NCDP
- a) Review of relationship between RDP and HSP and the scope of each policy and plan
 - b) Formulation of NCDP includes RDP and HSP
 - Overview of economic and spatial structure of Mongolia
 - Policy for industrial deployment and development
 - Policy for deployment of regional and sub-regional centers
 - Policy for urban development and human settlement
 - Policy for infrastructure development
 - Policy for national land conservation
 - Policy for other relevant social issues
- (4) Recommendation for implementation framework of National Comprehensive Development Plan
- a) Recommendation for implementation and monitoring
 - b) Recommendation for necessary budget and its fund source
 - c) Recommendation for legal framework if necessary
 - d) Recommendation for formulation of Sector Policies and Regional Development Programs
- (5) Discussions at national, regional and local level
- (6) Capacity Development
- a) On the job training
 - b) Training in Japan

5. Input

(1) Input by JICA

- a) Dispatch of Mission
 - Leader / National Development Plan



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- National Land Use Plan
 - Socio-Economic Analysis / Planning Framework / Scenario Planning
 - Industrial Development Plan / Investment / Business Environment Improvement
 - Tourism / Local Development Plan
 - Agriculture Development Plan / Livestock Development Plan
 - Mining Development Plan
 - Urban Development and Human Settlement Plan
 - Social Sector Development Plan
 - Transport Plan
 - Infrastructure Development Plan
 - Environment and Social Consideration
 - Institutional Framework / Legal Framework
 - Economic and Financial Analysis
 - GIS Database / Geography
 - Capacity Development / Participatory Planning
- b) Training in Japan
- c) Machinery and Equipment
- Necessary equipment for capacity development will be decided in the Project

Input other than indicated above will be determined through mutual consultations among JICA, MCUD and NDA during the implementation of the Project as necessary.

(2) Input by MCUD and NDA

MCUD and NDA will take necessary measures to provide at its own expense:

- a) Services of MCUD and NDA's counterpart personnel and administrative personnel as referred to in II-6;
- b) Suitable office space with necessary equipment;
- c) Supply or replacement of machinery, equipment, instruments, tools, spare parts and any other materials necessary for the implementation of the Project other than the equipment provided by JICA;
- d) Travel permission for members of the JICA missions for official travel within Mongolia;
- e) Information as well as support in obtaining medical service;
- f) Credentials or identification cards;
- g) Available data (including statistics, maps, GIS data, and photographs) and information related to the Project;
- h) Running expenses necessary for the implementation of the Project;
- i) Necessary facilities to members of the JICA missions for the remittance as well as utilization of the funds introduced into Mongolia from Japan in connection with the implementation of the Project

6. Implementation Structure

The project organization chart is given in the Annex 1. The roles and assignments of relevant organizations are as follows:

(1) MCUD

- a) Project Director

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- State Secretary, MCUD
- b) Project Manager
Director, Department of Urban development and Land Affairs Policy Implementation and Coordination, MCUD
- (2) NDA
 - a) Project Director
Director General, NDA
 - b) Project Manager
Head, Sector Development Policy and Regulation Division, NDA
 - (3) Member of JICA Mission
The member of JICA mission will give necessary technical guidance, advice and recommendations to MCUD and NDA on any matters pertaining to the implementation of the Project.
 - (4) Joint Coordinating Committee (JCC)
Joint Coordinating Committee (hereinafter referred to as "JCC") will be established in order to facilitate inter-organizational coordination. JCC will be held whenever deems it necessary. A list of proposed members of JCC is shown in the Annex 2.
 - (5) Project Working Group (PWG)
Project Working Group (hereinafter referred to as "PWG") will be established in order to work with JICA mission on daily basis and to secure the smooth implementation of the Project and the consistency between HSP and RDP. PWG is responsible for information sharing and awareness-raising actions as well as holding sessions with local stakeholders etc. A tentative list of the proposed members and function of PWG is shown in the Annex 3.

7. Project Site(s) and Beneficiaries

- (1) Project Site(s)
Target Area for Planning: Whole of Mongolia (1,564,100km²)
- (2) Beneficiaries
All People of Mongolia (Approximately Population: 3,179,800 (2017))

8. Duration

Duration of the project is approximately thirty two (32) months.

Cumulative Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32			
JCC	▲			▲						▲					▲										▲							▲			
Report	▲ IR			▲ PR						▲ ITR1					▲ ITR2										▲ DFR							▲ FR1			▲ FR2

Abbreviation IR: Inception Report / PR: Progress Report / ITR: Interim Report / DFR: Draft Final Report / FR: Final Report

9. Reports

JICA will prepare and submit the following reports to the MCUD and NDA in English.

- (1) 30 copies of Inception Report at the commencement of the first work period in Mongolia
- (2) 30 copies of Progress Report, four (4) months after the commencement of the Project in Mongolia
- (3) 30 copies of Interim Report 1, ten (10) months after the commencement of the Project in Mongolia
- (4) 30 copies of Interim Report 2, fifteen (15) months after the

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- commencement of the Project in Mongolia
- (5) 30 copies of Draft Final Report, twenty five (25) months after the commencement of the Project in Mongolia
 - (6) 100 copies of Final Report 1, twenty eight (28) months after the commencement of the Project in Mongolia
 - (7) 30 copies of Final Report 2, thirty two (32) months after the commencement of the Project in Mongolia

10. Environmental and Social Considerations

- (1) MCUD and NDA will abide by 'JICA Guidelines for Environmental and Social Considerations' in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.

III. UNDERTAKINGS OF MCUD AND NDA

1. MCUD and NDA will take necessary measures to:

- (1) Ensure that the technologies and knowledge acquired by Mongolia nationals as a result of Japanese technical cooperation contributes to the economic and social development of Mongolia, and that the knowledge and experience acquired by the personnel of Mongolia from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project; and
- (2) Grant privileges, exemptions and benefits to members of the JICA missions referred to in II-5 above and their families, which are no less favorable than those granted to experts and members of the missions and their families of third countries or international organizations performing similar missions in Mongolia.

2. MCUD and NDA will take necessary measures to:

- (1) Provide security-related information as well as measures to ensure the safety of members of the JICA missions;
- (2) Permit members of the JICA missions to enter, leave and sojourn in Mongolia for the duration of their assignments therein and exempt them from foreign registration requirements and consular fees.
- (3) Exempt members of the JICA missions from taxes and any other charges on the equipment, machinery and other material necessary for the implementation of the Project;
- (4) Exempt members of the JICA missions from income tax and charges of any kind imposed on or in connection with any emoluments or allowances paid to them and/or remitted to them from abroad for their services in connection with the implementation of the Project; and
- (5) Exempt taxes and any other charges on the equipment, machinery and other material, referred to in II-5 above, necessary for the implementation of the Project.

- 3. MCUD and NDA will bear claims, if any arises, against members of the JICA missions resulting from, occurring in the course of, or otherwise connected with, the discharge of their duties in the implementation of the Project, except when such claims arise from gross negligence or willful misconduct on the**

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part of members of the JICA missions.

IV. MONITORING AND EVALUATION

JICA will conduct the following evaluations and surveys to verify how the proposed plan is utilized and draw lessons. The MCUD and NDA are required to provide necessary support for them.

1. Ex-post evaluation three (3) years after the project completion, in principle
2. Follow-up surveys on necessity basis

V. PROMOTION OF PUBLIC SUPPORT

For the purpose of promoting support for the Project, MCUD and NDA will take appropriate measures to make the Project widely known to the people of Mongolia.

VI. MISCONDUCT

If JICA receives information related to suspected corrupt or fraudulent practices in the implementation of the Project, MCUD and NDA and relevant organizations will provide JICA with such information as JICA may reasonably request, including information related to any concerned official of the government and/or public organizations of Mongolia.

MCUD and NDA and relevant organizations will not, unfairly or unfavorably treat the person and/or company which provided the information related to suspected corrupt or fraudulent practices in the implementation of the Project.

VII. MUTUAL CONSULTATION

JICA, MCUD and NDA will consult each other whenever any major issues arise in the course of Project implementation.

VIII. AMENDMENTS

The record of discussions may be amended by the minutes of meetings among JICA, MCUD and NDA.

The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the record of discussions.

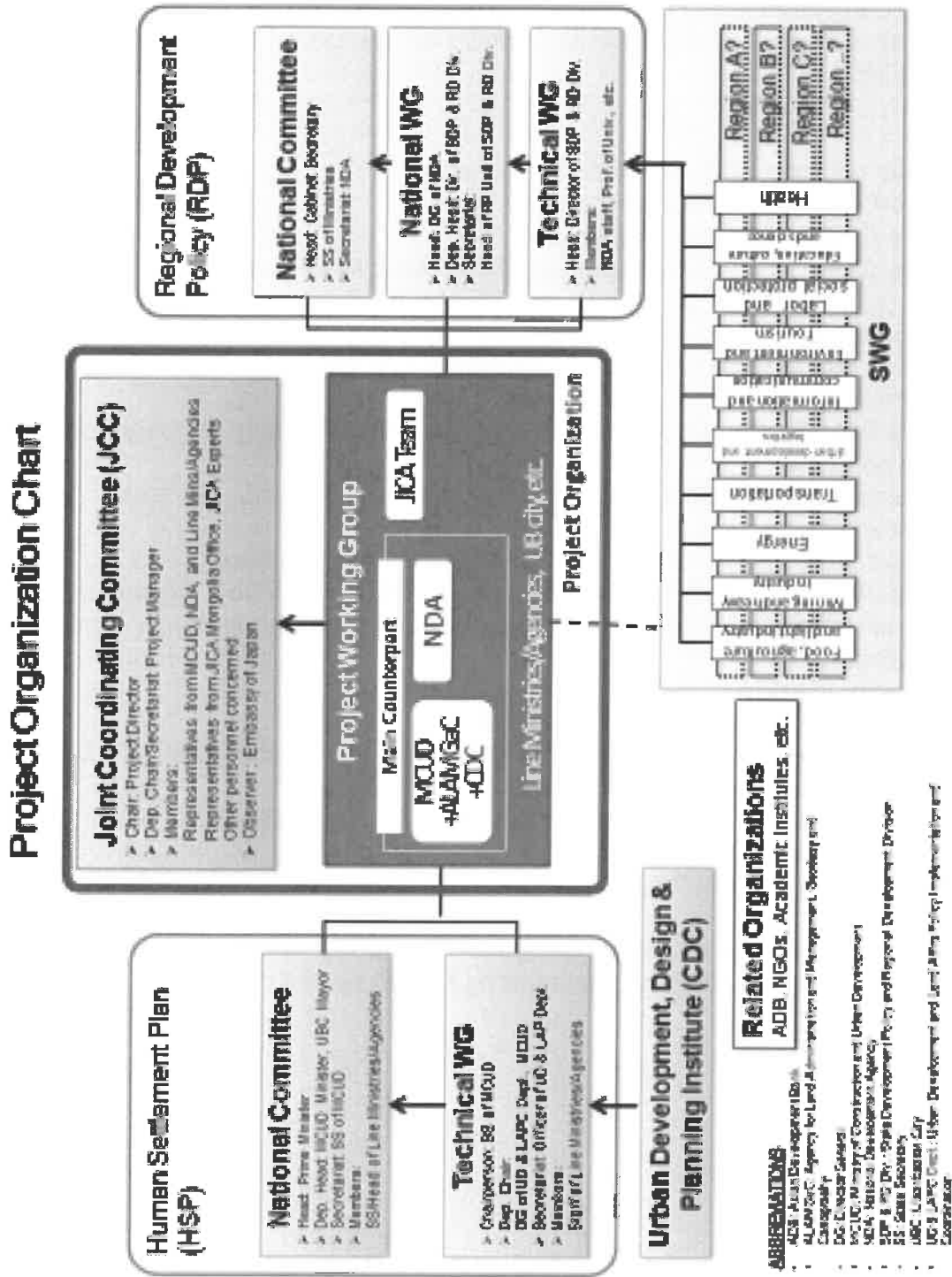
- Annex 1 Project Organization Chart
- Annex 2 A List of Proposed Members of Joint Coordinating Committee (JCC)
- Annex 3 A List of Proposed Members of Project Working Group
- Annex 4 The draft terms of reference on environmental and social considerations studies



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Annex 1 Project Organization Chart



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Annex 2 A List of Proposed Member of Joint Coordinating Committee (JCC)

1. Function of the Joint Coordinating Committee (JCC):

- (1) To monitor and supervise the entire project;
- (2) To discuss and approve the reports;
- (3) To coordinate among the relevant organizations; and
- (4) To review and exchange views on major issues arising from or in connection with the Project.



2. Chair

- (1) Chair: Minister of GOM, Cabinet Secretary
- (2) Vice-Chair: State Secretary, MCUD
- (3) Vice-Chair: Director General, NDA
- (4) Vice-Chair: Chief Representative, JICA Mongolia Office

3. Members:

- (1) Head, Macro Economic Policy Division of the Economic Policy Department, Ministry of Finance
- (2) Director, Green Development Policy and Planning Department, Ministry of Environment
- (3) Director, Policy and Planning Department, Ministry of Road and Transport Development
- (4) Director, Policy and Planning Department, Ministry of Energy
- (5) Director, Policy and Planning Department, Ministry of Food, Agriculture Light Industry
- (6) Director General, Agency for Land Administration and Management, Geodesy and Cartography
- (7) Director, Construction Development Center
- (8) Vice Mayor, Ulaanbaatar City Government
- (9) Director, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD (Member Co-Secretary)
- (10) Head, Sector Development and Policy Regulation Division, NDA: Member Co-Secretary
- (11) Leader of the JICA Project Team

Above-mentioned members can designate his/her representatives.
Secretariat of the JCC will be assumed by MCUD and NDA.





Annex 3 A List of Proposed Member of Project Working Group

1. Function of the Project Working Group (PWG):

- (1) To work with JICA mission on daily basis and facilitate necessary arrangements for smooth implementation of the Project;
- (2) To examine and analyze the technical aspects of the Reports;
- (3) To coordinate and harmonize the stakeholders of the Project and ensure involvement of the concerned authorities;
- (4) To prepare materials (reports/presentations) for JCC; and
- (5) To correspond to the requests/inquiries made by JCC on technical matters arising from or in connection to the Project.

2. Members:

- (1) Director, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- (2) Senior Officer, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- (3) Officer, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- (4) Consultant, Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
- (5) Head, Regional and Urban Planning Division, ALAMGaC
- (6) Head, Land Management Division, ALAMGaC
- (7) Head, Urban Development Cadaster Division, ALAMGaC
- (8) Head, Geospatial Information and Technology Department, ALAMGaC
- (9) Senior Officer, Public Administration and Cooperation Department, ALAMGaC
- (10) Deputy Director, CDC
- (11) Head, Human Settlement and Regional Planning and Study Division, CDC
- (12) Head, Urban and Infrastructure Planning and Study Division, CDC
- (13) Director, Institute of Geography and Geo-ecology, Mongolian Academy of Science
- (14) Head, Sector Development and Policy Regulation Division, NDA
- (15) Head of Unit, Research and Analysis Office, NDA
- (16) Advisor for Regional and Urban Development Policy, Sector Development and Policy Regulation Division, NDA
- (17) Senior Officer, Sector Development and Policy Regulation Division, NDA
- (18) Officer, Sector Development and Policy Regulation Division, NDA
- (19) Senior Officer, Green Development Policy and Planning Department, Ministry of Environment
- (20) Senior Officer, Policy and Planning Department, Ministry of Road and Transport Development
- (21) Senior Officer, Policy and Planning Department, Ministry of Energy
- (22) Senior Officer, Policy and Planning Department, Ministry of Food, Agriculture Light Industry
- (23) General Architect of Ulaanbaatar City and Director of Agency, Urban Development and Master Planning Agency of Capital City
- (24) Representative, JICA Mongolia Office
- (25) (Sub) Leader of the JICA Project Team

Above-mentioned members can designate his/her representatives.
MCUD and NDA will assume the responsibility to coordinate PWG

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Annex 4

Framework of the Terms of Reference for the Strategic Environmental Assessment - Draft

(1) Rationale

The Project formulates a comprehensive development plan for Mongolia. It is required to conduct a Strategic Environmental Assessment (SEA) as the Environmental and Social Considerations for the Project under the following Mongolian laws, regulation and JICA Guidelines.

- Law on Environmental Protection (1995 Amended total 12 times including 2005 / 2006 / 2008 / 2010);
- Law on Environmental Impact Assessment (1998 Amended total 3 times including 2001, 2006, 2012);
- Guidelines on Method of Natural Environmental Impact Assessment (2010);
- Regulations and Guidelines on Preparation of Natural Environmental Protection Plan, Environmental Management and Monitoring Plan, and Rehabilitation Plan (2006);
- Regulations and Guidelines on Method of Detailed Natural Environmental Impact Assessment (2000), and,
- JICA Guidelines for Environmental and Social Considerations (2010)

(2) Description of the SEA

1) Objectives

The objectives are;

- (a) To identify and assess potential impacts induced by the Project;
- (b) To avoid, reduce and mitigate these impacts;
- (c) To collect comments from stakeholders and reflect them to options proposed by the Project;
- (d) To evaluate the options from technical, financial and environmental points of view; and,
- (e) To select the optimal option for the Project.

2) Study areas of the SEA

Entire Mongolia

3) Methodology and the flow of the implementation of the SEA

- (a) Review of existing development policies, strategies, plans;
- (b) Confirmation of existing environmental and social conditions of Mongolia as baseline data (land use, natural environment, protected areas, culture and lifestyle of indigenous people and their communities, culture and lifestyle of vulnerable people and their communities, local economy and socio-cultural environment and others);
- (c) Confirmation of the legal framework and institution of Mongolia on environmental and social considerations, and examination of the experiences of SEA study in Mongolia;
 - Laws, regulations and standards related to environmental and social considerations (Environmental Impact Assessment, resettlement, public participation, information disclosure, and others)
 - SEA study reports conducted in development projects in Mongolia and other relevant information
 - Gaps between the "JICA Guidelines for Environmental and Social Considerations (2010)" and the legal framework of Mongolia on environmental and social considerations
 - Review of relevant agencies responsible for implementation of projects and their roles on environmental and social considerations including EIA and SEA
- (d) Identification and analysis of development constraints and factors promoting development;
- (e) Planning the options by which potential negative impacts on the social and natural environments are avoided, reduced and mitigated as much as possible;
- (f) Scoping for the options (Clarify extremely important items on environmental and social impacts and the evaluation methods at the time of decision making of NCDP);

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- (g) Social and environmental surveys based on the results of the scoping in order to collect more information if necessary;
- (h) Analysis and evaluation of impacts of the options from technical, financial and environmental points of view;
- (i) Examination of the mitigation measures (to be avoided, minimized, and compensated) and the monitoring methods (monitoring items, frequencies and etc.) of the selected option;
- (j) Collection and reflection of comments from stakeholders in the process of developing the options and selection of the optimal option.; and
- (k) Holding Stakeholders Meetings (hereinafter referred to as "SHM") in the Project. (Table 1 shows proposed participatory planning process under the SEA for the Project, and Table 2 shows proposed participants for the Stakeholders Meetings.)

Table 1 Proposed participatory planning process under the SEA

No.	Step	Note
1	Information analysis	To evaluate and analyze data collected by Mongolia side and the Project.
2	Formulation of alternative scenarios	To formulate alternative scenarios by working groups. The working groups composed of related governmental agencies.
3	1st SHM	To collect opinions about development needs and ideas for NCDP from related stakeholders. The 1st SHM is held at each of twenty one (21) Aimags and Ulaanbaatar City. The 1st SHM is conducted as a workshop, and its duration is one to two days.
4	Formulation of the optimal scenario	Based on the opinions, the alternative scenarios are further developed and evaluated from environmental/ social, economic and technical points of views. The working groups are in charge of the works. The optimal scenario is formulated.
5	2nd SHM	The alternative / optimal scenario is presented at the 2nd SHM. The 2nd SHM is held at each of five (5) regions (*1). The 2nd SHM is conducted as a workshop, and its duration is two days.
6	Review and approval	The draft final report is reviewed and approved by JCC.

Note: *1: Five regions are Ulaanbaatar, Central Region (seven Aimags), Eastern Region (three Aimags), Khangai Region (six Aimags) and Western Region (five Aimags).

Table 2 Proposed participants for the Stakeholders Meetings

SHM	Place	Participants	Number of participants
1st SHM	Held at each Aimag.	<ul style="list-style-type: none"> ➤ Representatives and planners from local. ➤ Representatives from related governmental agencies, NGOs and private sectors. 	The number of participants will be decided in the Project.
2nd SHM	Held at each region.	<ul style="list-style-type: none"> ➤ Representatives and planners from each Aimags. ➤ Representatives from related governmental agencies, NGOs and private sectors. 	The number of participants will be decided in the Project.

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List of Participants:**Ministry of Construction and Urban Development (MCUD)**

Name	Job Title	Occupation
S. Magnaisuren	State Secretary	MCUD
B. Gunbold	Director	Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
D. Belegsaikhan	Senior Officer	Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
E. Dondmaa	Consultant	Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
E. Ariunyam	Officer	Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD
M. Gantumur	Officer	Department of Urban Development and Land Affairs Policy Implementation and Coordination, MCUD

Construction Development Center (CDC)

Name	Job Title	Occupation
B. Enkhbold	Deputy Director	CDC
S. Davaanyam	Head	Human Settlement and Regional Planning and Study Division, CDC
D. Chinzolboo	Head	Urban and Infrastructure Planning and Study Division, CDC
J. Tuvshinbayar	Officer	CDC
B. Iderkhangai	Officer	CDC
G. Baljmaa	Officer	CDC
B. Batkhishig	Officer	CDC
D. Otgonbat	Officer	CDC
G. Battuya	Officer	CDC
B. Ganpurev	Officer	CDC
A. Tsolmon	Officer	CDC
B. Batzaya	Officer	CDC

Agency for Land Administration and Management, Geodesy and Cartography (ALAMGaC)

Name	Job Title	Occupation
Ts. Gankhuu	Director General	ALAMGaC
G. Bayarjargal	Head	Geospatial Information and Technology Department, ALAMGaC
J. Batsaikhan	Head	Land Management Division, ALAMGaC
G. Togtsaikhan	Head	Urban Development Cadaster Division, ALAMGaC
Ts. Bayarbat	Senior Officer	Public Administration and Cooperation Department, ALAMGaC
D. Bolormaa	Senior Officer	Regional and Urban Planning Division, ALAMGaC



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E. Sansarbayar	Senior Officer	Urban Development Cadaster Division, ALAMGaC
N. Batbold	Officer	Geospatial Information and Technology Department, ALAMGaC

National Development Agency (NDA)

Name	Job Title	Occupation
B. Bayarsaikhan	Director General	NDA
D. Erdenebayar	Head	Sector Development and Policy Regulation Division, NDA
A. Munkhbold	Head of Unit	Research and Analysis Office, NDA
S. Namjilmaa	Advisor for Regional and Urban Development Policy	Sector Development and Policy Regulation Division, NDA
D. Munkhjargal	Senior Officer	Sector Development and Policy Regulation Division, NDA
D. Munkhsaikhan	Officer	Sector Development and Policy Regulation Division, NDA

Ministry of Finance (MOF)

Name	Job Title	Occupation
I. Batkhuu	Director General	Development Financing Department, MOF

The Detailed Planning Survey Team

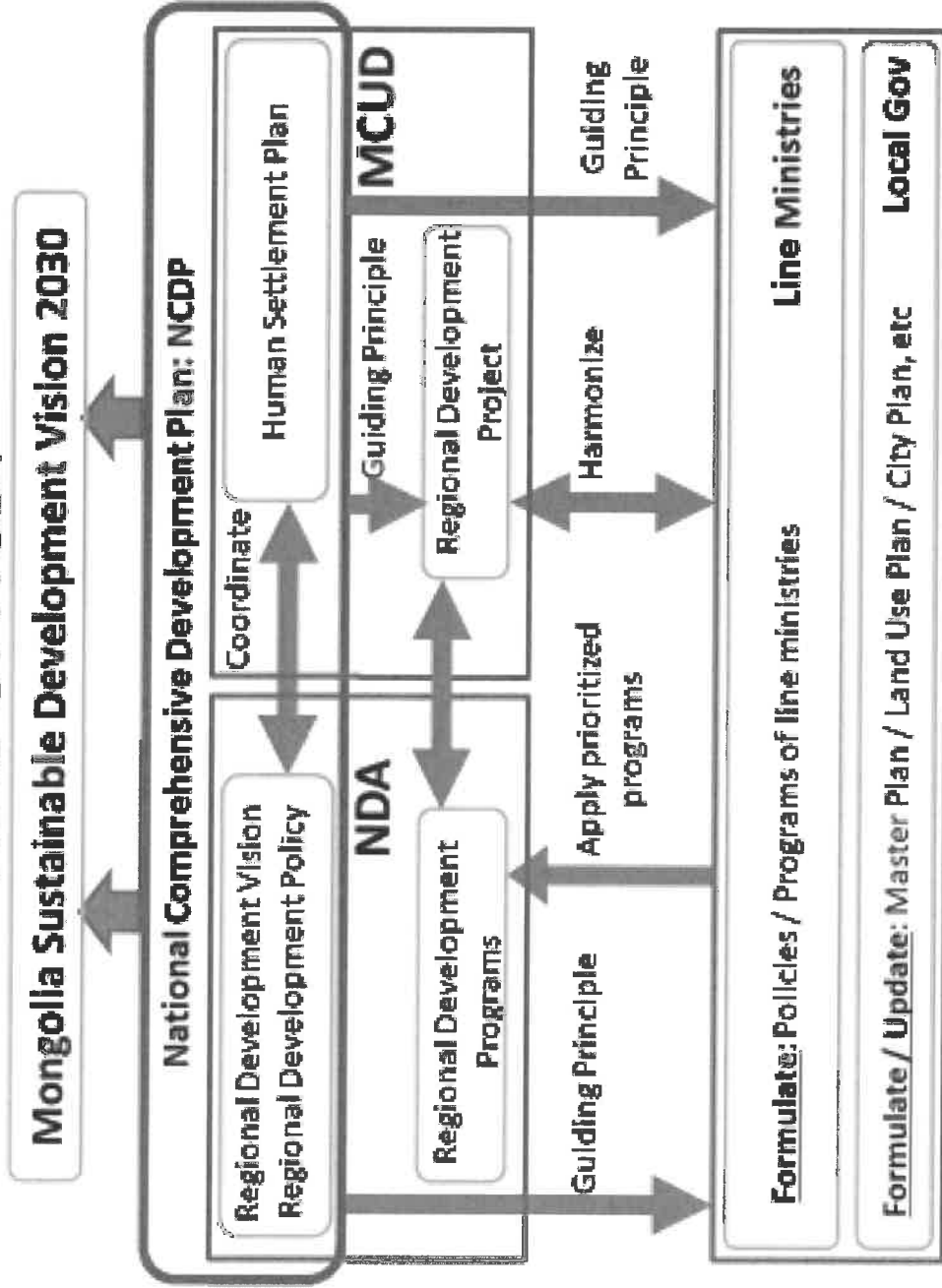
Name	Job Title	Occupation
Naomichi MUROOKA	Leader	JICA HQ
Shuntaro KAWAHARA	National Development Policy	JICA HQ
Takahiro IZUMI	Cooperation Planning / Environmental and Social Consideration	JICA HQ

JICA Mongolia Office

Name	Job Title	Occupation
Keita IZUMI	Representative	JICA Mongolia
Khorolsuren MG	National Staff	JICA Mongolia

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Role of NCDP



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