# Due Diligence Report on Social safeguard of the 28 pilot projects in the project three *aimags*

Project Number: 55219-001
TA Number: 6859-MON
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# Mongolia: Improving Climate Change Adaptation Strategic Planning and Community Resilience in the Environment and Natural Resources Sector

**CURRENCY EQUIVALENTS**
(as of 5 July 2021)

Currency unit  –  togrog (MNT)
MNT1.00  =  $0.00032
$1.00  =  MNT3,128.00

**ABBREVIATIONS**

| | | |
|---|---|---|
| ADB | – | Asian Development Bank |
| CCRCC | – | Climate Change Research and Coordination Department |
| CSO | – | Civil Sociaty Organization |
| GRM | – | Grievance Redress Mechanism |
| IP | – | Involuntary Resettlement |
| MET | – | Ministry of Environment and Tourism |
| NDC | – | Nationally Determined Contribution |

**GLOSSARY**

| | | |
|---|---|---|
| *aimag* | – | the first level administrative subdivision of Mongolia |
| *soum* | – | the second level administrative subdivision of Mongolia |
| *bagh* | – | the third level administrative subdivision of Mongolia |
| *govi* | – | ecological and landscape classification (warmer areas) |
| *khangai* | – | ecological and landscape classification (colder areas) |

**NOTE**

In this appendix, "$" refers to United States dollars.

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# I. INTRODUCTION

## A. Project Background

1. The knowledge and support technical assistance (TA) was approved on 7 December 2021 by the Asian Development Bank (ADB). The TA aims to support the Government of Mongolia's environment and natural resources sector to enhance its capacity to adapt to climate change and increase community resilience. As indicated in the TA Report, the Ministry of Environment and Tourism (MET) will serve as the executing agency and its Climate Change Research and Cooperation Center (CCRCC) will serve as the implementing agency. The TA is expected to improve adaptation and resilience to climate change risks in Mongolia through three outputs designed to (i) build the knowledge and capacity of the CCRCC under the MET, (ii) support the integration of Mongolia's Nationally Determined Contributions (NDC) into policies and projects, and (iii) improve engagement of civil society in climate change adaptation initiatives.

2. The TA is aligned with the following impact: adaptation and resilience to climate risks in Mongolia improved. The TA will have the following outcome: the government's strategic planning capacity for climate change adaptation in the environment and natural resources sector improved and the resilience of communities to climate change strengthened. The outcome of the TA will be achieved by delivering the following interlinked outputs.

3. **Output 1: Climate Change Research and Cooperation Center capacity to manage climate change risks and strategic planning enhanced.** Under output 1, the TA team will (i) develop a strategic business and action plan to improve knowledge, operational and technical capacity of the Climate Change Research and Cooperation Center (CCRCC); (ii) support the CCRCC in procuring office and technical equipment to assist its day-to-day operations (including information and communications technology hardware and software, and office furniture, as needed); (iii) develop guidelines on climate risk assessment, climate-related financial risk management, and monitoring and evaluation to track the effectiveness of adaptation measures and pathways for Nationally Determined Contribution (NDC) reporting; and (iv) based on these guidelines, provide training for trainers on climate risk assessment; climate-related financial risk management; gender mainstreaming; and monitoring, reporting, and verification to guide project officers in effective NDC reporting and valuation of climate adaptation projects.

4. **Output 2: Guidance for integrating Nationally Determined Contribution adaptation targets into policies, strategic planning, and projects developed.** Under output 2, the TA team will (i) identify suitable adaptation measures to be prioritized in the three subsectors, (a) water resources management, (b) biodiversity conservation and ecosystem restoration, and (c) ecotourism, in alignment with ADB's lending portfolio;[20] (ii) develop pre-feasibility studies that can lead to a pipeline of projects in selected *aimags* (provinces), to strengthen public policies for climate change adaptation and promote blended finance mechanisms;[21] (iii) design a capacity-building program for national climate focal points and ministerial representatives (including in water, environment, agriculture, and finance) on conducting climate vulnerability and NDC adaptation assessments and mainstreaming gender in adaptation projects, report on the implementation of NDCs and prepare biennial transparency reports in compliance with the monitoring, reporting, and verification arrangements under the Paris Agreement;[22] (iv) integrate NDC adaptation targets into comprehensive land management and local adaptation plans of selected *aimags* in project areas; and (v) share lessons learned with other development partners and ADB developing member countries.

5.     **Output 3: Environmental civil society organizations engaged in the design and implementation of adaptation initiatives.** Under output 3, (i) the TA team will develop procedures for selecting, awarding, monitoring, and evaluating CSO initiatives to be funded[23] in selected *aimags* in three subsectors [24] (ii) the CCRCC and ADB will jointly publish and manage the call for proposals and will form a steering committee to screen, select, and award the CSO initiatives; (iii) the CCRCC will engage a selected batch of CSOs in the development of a pipeline of adaptation projects under output 3; and (iv) ADB Youth for Asia and its network of young professionals will organize an intergenerational youth-led climate change awareness and action for community resilience campaign.[25]

## II.     OBJECTIVES OF DUE DILIGENCE AND METHODOLOGY

### A.  Objectives and Scope of Due Diligence

6.     The objective of the Due Diligence Report (DDR) is to confirm that the project does not trigger ADB SPS, Safeguard Requirements, identify key poverty, social, gender and participation issues in the project area.

7.     Due diligence on social safeguard was conducted to ensure that the project activities does not involve involuntary resettlement impacts and will not impact distinct and vulnerable ethnic groups. This report presents the due diligence review for all the project sites.

### B.     Methodology

8.     This report was developed based on:
- The 28 pilot project Proposals:
- A review and update of checklists of all pilot projects;
- Findings from site visit observations on pilot project sites in Arkhangai, Bayankhongor and Selenge *Aimags*;
- Information obtained through discussions with CSO/company management and interviews with *Aimags* and *soum* authorities.

9.     Data from the risk assessment was used, particularly socio-economic profiles, organizational structure/institutional arrangements, and past and ongoing programs on poverty reduction, gender equality, and community participation. Key informant interviews were also conducted including with the *bagh* and *soums* governors during background establishment monitoring visit to project sites conducted from 22 August to 12 September 2023.

### C.     Socioeconomic Profile

10.     The Arkhangai, Bayankhongor and Selenge are the projects *aimags* of the TA 6859 MON Improving Climate Change Adaptation Strategic Planning and Community Resilience in the Environment and Natural Resources Sector project. As mentioned above the project focuses on three sub-sectors: (a) water resources management, (b) biodiversity conservation and ecosystem restoration, and (c) ecotourism. In total 28 projects to implement climate adaptation measures have been selected in 15 *soums* of the project three *aimags*.

### 1.     Arkhangai Aimag

11.     The Arkhangai Aimag is located in the central Mongolia, 468 km to the west of the capital city Ulaanbaatar. The average altitude is 2.414 meters above sea level (masl).  With an area of 55,313.82 km², it covers 28.2% of Mongolia's territory.

12.     **Population:** There are 19 soums and 101 bags and 28,219 households. Arhangai Aimag borders Zavhan Aimag in the west, Khuvsgul Aimag in the north, Orhon and Bulgan Aimags in the east, and Uvurkhangai and Bayanhongor in the south. As of 2022, the population of Arkhangai Aimag is 93,149. Out of which, 21.7% live in the Aimag centre or in Erdenebulgan soum and 78.3% live in rural areas (Figure 1).

13.     **Ethnic groups:** The population of Arkhangai is ethnically homogeneous, consisting almost entirely of Khalkh Mongols accounting for 97.1%, Ould 2.3%, Durvud 0.2%,  Bayad - 0.1% and other –0.3% of the population.
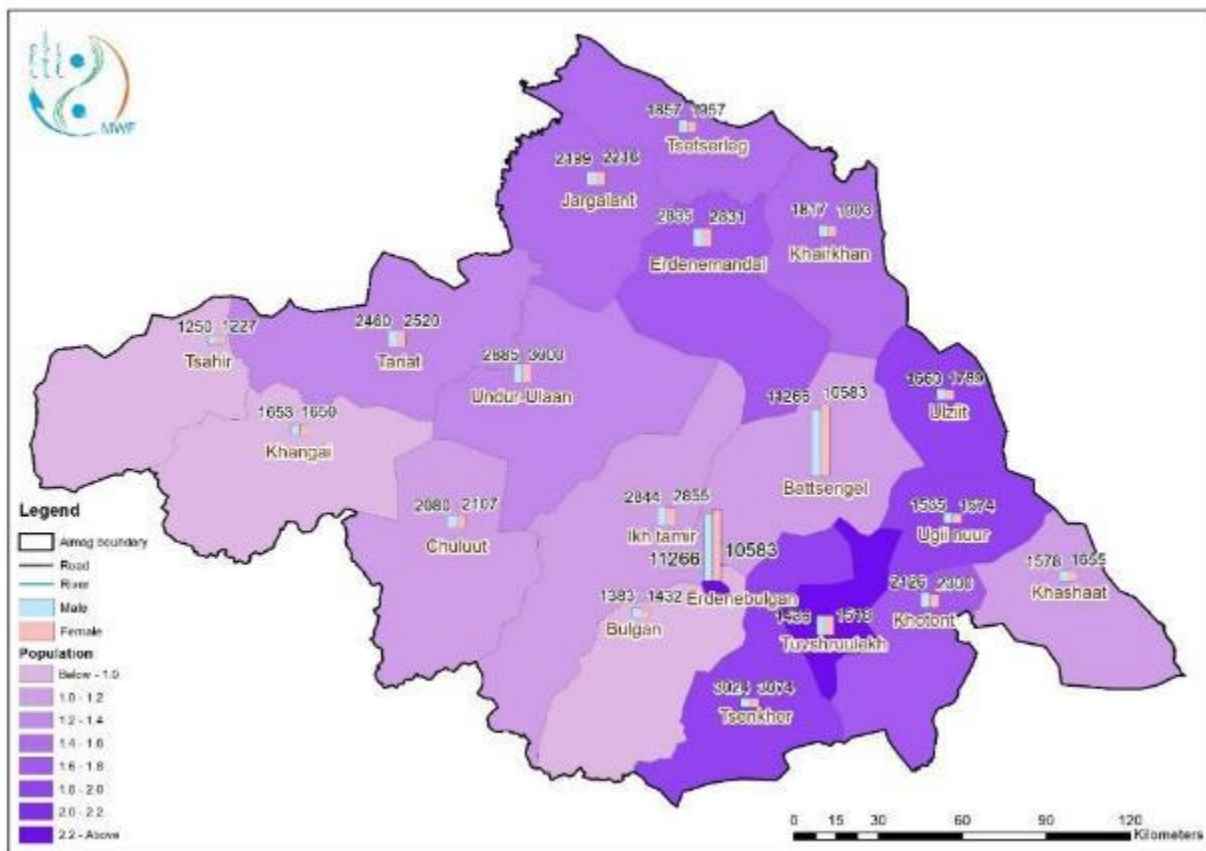


**Figure 1. Arkhangai *aimag* population and density by *soums***
Source: Based on Arkhangai aimag statistics

14.     **Economy:** The main sector of the aimag's economy is agriculture. 733.0 billion MNT of GDP 2021, of which 64.5% was in agriculture and 14.3% in industry and construction, and 21.2% in service.  The aimag produces 1.7 percent of all 22 aimag's total GDP[1].

15.     All soums of the aimag are fully connected to the power grid. The aimag center Tsetserleg city or Erdenbulgan soum is 477 km from the capital city and connected to Ulaanbaatar by a

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[1] Arkhangai *aimag* Census-2020. Arkhangai *aimag* statistics department. Arkhangai *aimag*.

paved road. The Khotont, Tsuvshruulekh, Tsenkher, Ikhtamir, Tariat soums are connected by paved road to Ulaanbaatar and *aimag* center. The Ulaanbaatar-Ugiinuur-Ulziit-Khairkhan-Khuvsgul paved road route is under construction.

16. Livestock plays a key role in the livelihoods of the rural population. Livestock is the main source of household employment, income, and consumption. As of 2022, 5,886.09 thousand heads of livestock were recorded. In total of 16.17 thousand households were engaged in livestock breeding. In 2022, the *Aimag* planted cereals in 11.6 hectares of area, potatoes – 260.4 hectares and vegetables – 120.1 hectares[2].

17. **Vulnerable groups:** Population dynamics in terms of number, density, growth rates, households, gender and the growth in numbers of people over time is important when considering the potential future vulnerability of the people to climate change risks. The vulnerable population can be more susceptible to the impacts of climate change if they locate in potentially disaster-prone areas or live in hazardous conditions.

18. As presented in below table the highest number of households with more than 4 children, woman headed households and unemployment are in Erdenebulgan *soum* or *aimag* center. The Tsenkher *soum* has the highest number of herder households. The percentage of household with more than 4 children varies from 3.0-15.6%, woman headed households – from 5.6-17.6%. Unemployment is quite small, less than 1% in all *soums* except *aimag* center (2.1%). Also, the population growth rate for the last 10 years is less than 2% except Bulgan and Tsenkher *soums.* The soums where the pilot project will be implemented highlighted by light yellow (Table 1).

**Table 1. The vulnerable groups Arkhangai aimag**

| Soums | Households with more than 4 children | Woman headed household | Herder household | Unemployment | Households with more than 4 children | Woman headed household | Herder household | Unemployment | Population average growth 2010-2020 |
|---|---|---|---|---|---|---|---|---|---|
| | Numbers | | | | Percentage to total households | | | | |
| Ulsiit | 99 | 68 | 627 | 9 | 9.0 | 6.2 | 57.3 | 0.3 | 1.9 |
| Ugiinuur | 45 | 97 | 697 | 20 | 4.8 | 10.4 | 74.4 | 0.6 | 1.8 |
| Khashaat | 109 | 51 | 650 | 24 | 12.0 | 5.6 | 71.7 | 0.7 | 1.3 |
| Khotont | 140 | 127 | 930 | 49 | 10.9 | 9.9 | 72.3 | 1.1 | 1.2 |
| Tsenkher | 132 | 243 | 1,272 | 34 | 8.0 | 14.7 | 77.1 | 0.6 | 2.3 |
| Tuvshruulekh | 50 | 98 | 542 | 28 | 6.1 | 12.0 | 66.4 | 1.0 | 1.4 |
| Bulgan | 54 | 76 | 560 | 20 | 6.1 | 8.6 | 63.6 | 0.7 | 2.2 |
| Erdenebulgan (or aimag center) | 284 | 491 | 656 | 463 | 4.7 | 8.1 | 10.8 | 2.1 | 0.5 |
| Tsakhir | 38 | 52 | 490 | 35 | 5.4 | 7.4 | 70.1 | 1.4 | 1.7 |
| Ikhtamir | 168 | 140 | 1,071 | 38 | 10.9 | 9.1 | 69.5 | 0.7 | 1.2 |
| Chuluut | 81 | 108 | 730 | 45 | 7.0 | 9.4 | 63.3 | 1.1 | 1.7 |
| Khangai | 50 | 100 | 620 | 28 | 5.1 | 10.2 | 63.3 | 0.9 | 1.3 |
| Tariat | 67 | 112 | 906 | 22 | 4.4 | 7.4 | 59.5 | 0.4 | 1.5 |
| Under-Ulaan | 254 | 133 | 1,167 | 39 | 15.6 | 8.2 | 71.6 | 0.7 | 1.4 |
| Erdenemandal | 49 | 277 | 1,136 | 39 | 3.0 | 16.7 | 68.5 | 0.7 | 1.0 |
| Jargalant | 76 | 162 | 874 | 21 | 6.4 | 13.6 | 73.6 | 0.5 | 0.8 |
| Tsetserkeg | 51 | 123 | 862 | 38 | 4.6 | 11.2 | 78.2 | 1.0 | 0.8 |
| Khaikhan | 76 | 95 | 812 | 27 | 6.7 | 8.3 | 71.3 | 0.7 | 1.3 |

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[2] https://nso.mn

| Battsengel | 80 | 72 | 926 | 31 | 7.1 | 6.4 | 81.7 | 0.8 | 1.4 |

Source: Based on Arkakhangai aimag statistictics

19.    **Poverty:** Almost one third of the population of all *soums* except Erdenebulgan (*aimag* center) are living in poverty. The pilot project *soum* Tsenkhe is ranked at 2 out of 19 *soums*, Khotont-6, Khashaat-12, Ugiinuur-13, Tariat-17 and Erdenbulgan-19 (Figure 2).
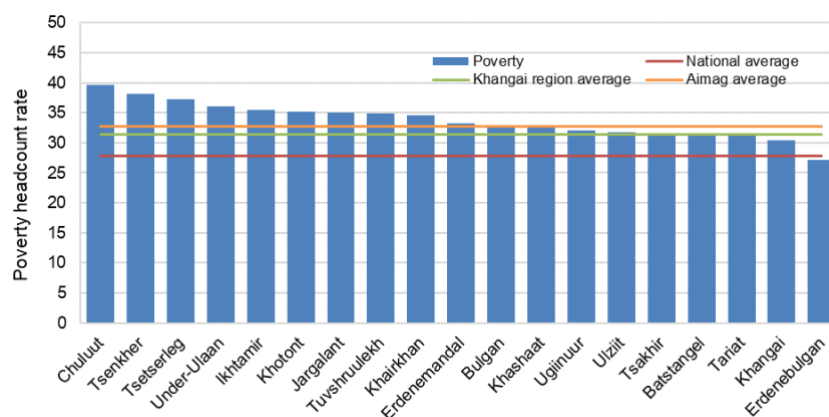


**Figure 2. Arkhangai aimag poverty at soum level**

Source: National statistics Office, 2020

20.    **Risk to climate change**: Under this project risk to climate of the *soums* of the *aimag* have been assessed against the vulnerable groups. According to the climate risk assessment the *soums* where the pilot projects to implement certain adaptation measures such as Tariat, Tsenkher, Khotont, Ugiinuur and Khashaat are at **high to very high risk** to climate change (Table 2).

**Table 2. Socia-economic risk to climate change**

| Project sites | Households with more than 4 children | Woman headed household | Herder households | Unemployment | Average population growth |
|---|---|---|---|---|---|
| Tsetserleg | 6 | 9 | 9 | 6 | 7 |
| Jargalant | 7 | 9 | 9 | 6 | 7 |
| Erdenebulgan (aimag center) | 5 | 7 | 5 | 6 | 5 |
| Erdenemandal | 6 | 10 | 8 | 6 | 7 |
| Khairkhan | 7 | 7 | 8 | 6 | 7 |
| Tsakhir | 6 | 7 | 9 | 7 | 8 |
| Tariat | 6 | 7 | 7 | 6 | 7 |
| Undur-Ulaan | 10 | 7 | 9 | 6 | 7 |
| Ikhtamir | 8 | 8 | 8 | 6 | 7 |
| Battsengel | 6 | 8 | 9 | 5 | 6 |
| Ulziit | 8 | 9 | 7 | 6 | 8 |
| Khangai | 5 | 7 | 7 | 5 | 6 |
| Chuluut | 7 | 8 | 8 | 7 | 8 |
| Bulgan | 6 | 6 | 7 | 5 | 8 |
| Tsenkher | 7 | 9 | 9 | 6 | 9 |
| Khotont | 8 | 8 | 9 | 7 | 7 |
| Tuvshruulekh | 6 | 8 | 7 | 5 | 6 |
| Ugii nuur | 6 | 8 | 9 | 6 | 8 |

| | | | | | |
|---|---|---|---|---|---|
| Kashaat | 10 | 7 | 10 | 7 | 8 |
| Average | 7 | 8 | 8 | 6 | 7 |

Risk:     Low, 2-3     Medium, 4-5     High 6-7     Very High, 8-9     Extremely high, 10

Source: TA Consultant's estimate

## 2. Bayankhongor aimag

21. Bayanhongor *aimag* is located located in the south-west of the country to the west of the capital city Ulaanbaatar at 630 km. Bayankhongor *aimag* borders Arkhnagai aimag to the north east, Uvurkhangai and Umne-Gobi aimags to the east, Gobi-Altai and Zavkhan aimagsto the west, and Peoples Republic of China to the south. The average altitude is 2.388 meters highest point is the Ikh Bogd Peak at 3,957 while the lowest point is the Ekhiin gol at 720 m (**Error! Reference source not found.**) and covers 116,597.68 km² area which is 7.4% of the Mongolia territory.

22. **Population:** The population of Bayankhongor *Aimag* was 88,397 as of 2022. It is divided into 20 soums and 105 bags. About 36% of the total population live in Aimag centre and 64% in rural area. The number of households was 26,737.

23. **Ethnic groups:** The population of Bayankhongor is ethnically homogeneous, consisting almost entirely of Khalkh Mongols accounting for 99.7%, Durvud 0.1%, and other –6.0% of the population.
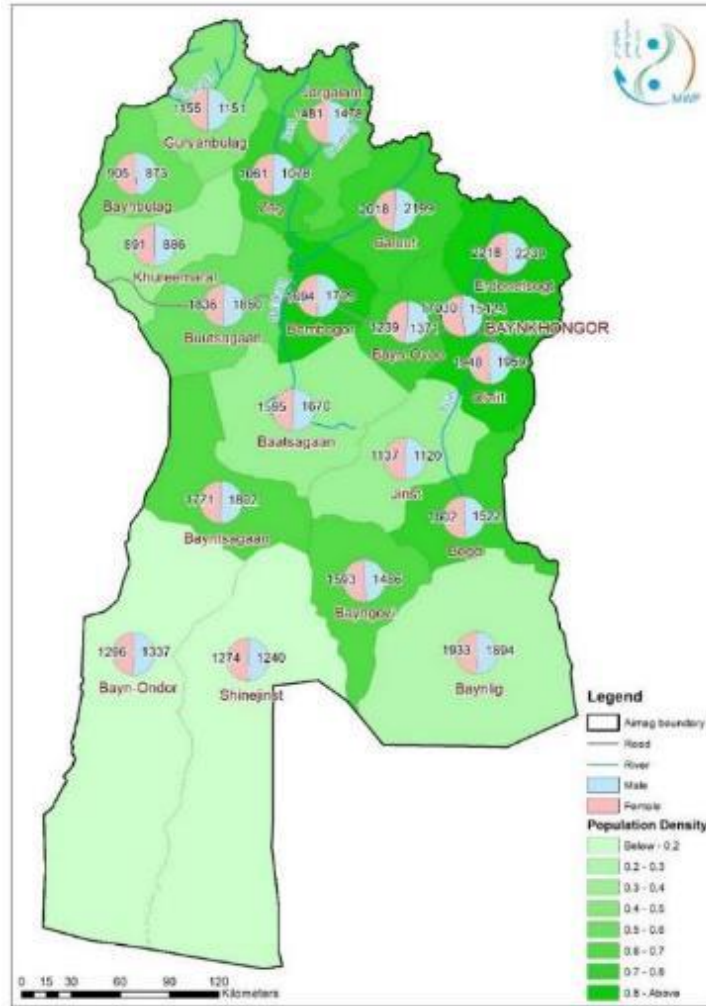
**Figure 3. Bayankhongor *aimag* population and density by soums**
Source: Based on Bayankhongor aimag statistics

24.     **Economy:** The main sector of the *Aimag's* economy is agriculture. The Aimag produced a total of 347.6 billion MNT of GDP in 2021, of which 37% was in agriculture and 11% in industry and construction and 51.1% in service. The *Aimag* produces 0.8% of national total GDP[3].

25.     All soums of the *aimag* are fully connected to the power grid. The aimag center Bayankhongor city connected to Ulaanbaatar by a paved road. The Ulziit, Bumbuger, Buutsagaan soums are connected by paved road to Ulaanbaatar and *aimag* center.

26.     **Vulnerable groups:** Bogd *soums* have the highest number of households with more than 4 children, woman headed households and unemployment. Jinst *soum* has the highest number of herder households. The percentage of household with more than 4 children varies from 1.8-11.4%, woman headed households – from 1.7-10.8%. Unemployment is quite small, less than 2% in all *soums* except *aimag* center (5.7%). Also, the population growth rate for the last 10 years is 1.5- 4.6%. Tsenkher *soums.* The *soums* where the pilot project will be implemented highlighted by light yellow (Table 3).

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[3] Bayankhongor *aimag* Census-2020. Bayankhongor *aimag* statistics department. Bayankhongor *aimag*.

**Table 3. The vulnerable groups Bayankhongor aimag**

| Soums | Households with more than 4 children | Woman headed household | Herder household | Unemployment | Households with more than 4 children | Woman headed household | Herder household | Unemployment | Population average growth 2010-2020 |
|---|---|---|---|---|---|---|---|---|---|
| | Numbers | | | | Percentage to total households | | | | |
| Bayankhonor | 572 | 870 | 472 | 1801 | 6.1 | 9.3 | 5.1 | 5.7 | 0.8 |
| Baatsagaan | 27 | 17 | 743 | 30 | 2.7 | 1.7 | 73.4 | 0.9 | 2.0 |
| Bayanbulag | 35 | 27 | 261 | 4 | 7.3 | 5.7 | 54.7 | 0.2 | 2.0 |
| Bayangovi | 47 | 50 | 610 | 81 | 5.1 | 5.5 | 67.4 | 2.7 | 2.2 |
| Bayanlig | 44 | 64 | 711 | 29 | 4.1 | 6.0 | 66.6 | 0.8 | 2.2 |
| Bayan-Ovoo | 16 | 90 | 465 | 39 | 1.8 | 10.4 | 53.7 | 1.5 | 4.6 |
| Bayan-undur | 43 | 22 | 464 | 10 | 5.9 | 3.0 | 63.6 | 0.4 | 1.5 |
| Bayantsagaan | 48 | 62 | 631 | 20 | 4.9 | 6.3 | 64.4 | 0.6 | 2.0 |
| Bogd | 95 | 48 | 665 | 29 | 10.7 | 5.4 | 74.6 | 0.9 | 1.7 |
| Bombogor | 65 | 60 | 762 | 10 | 6.3 | 5.8 | 73.6 | 0.3 | 2.1 |
| Buutsagaan | 50 | 68 | 782 | 10 | 4.6 | 6.4 | 73.2 | 0.3 | 2.2 |
| Galuut | 52 | 62 | 877 | 92 | 4.2 | 5.1 | 71.5 | 2.3 | 2.9 |
| Gurvanbulag | 42 | 33 | 411 | 2 | 6.3 | 4.9 | 61.2 | 0.1 | 1.6 |
| Jargalant | 59 | 53 | 430 | 40 | 9.4 | 8.5 | 68.6 | 1.4 | 0.5 |
| Jinst | 42 | 35 | 504 | 15 | 6.5 | 5.5 | 78.5 | 0.7 | 2.9 |
| Zag | 46 | 28 | 421 | 40 | 5.4 | 3.3 | 49.6 | 1.9 | 2.4 |
| Ulziit | 73 | 60 | 484 | 28 | 11.4 | 9.4 | 75.6 | 0.7 | 3.4 |
| Hureemaral | 73 | 23 | 357 | 8 | 6.5 | 2.1 | 31.9 | 0.5 | 2.9 |
| Shinejist | 45 | 88 | 502 | 41 | 5.5 | 10.8 | 61.7 | 1.7 | 3.1 |
| Erdenetsogt | 85 | 44 | 933 | 87 | 6.3 | 3.3 | 69.1 | 2.0 | 2.9 |

Source: Based on Arkakhangai aimag statistictics

27.     **Poverty:** More than one third of the population of all *soums* are living at poverty. Among the *soums* the Erdenetsogt is at highest poverty with 40% of the population is living at poverty level. The pilot project *soum* Bayanlig is ranked at 2 out of 19 soums, Zag-7, Bogd-10 and Buutsagaan -16 (Figure 4).
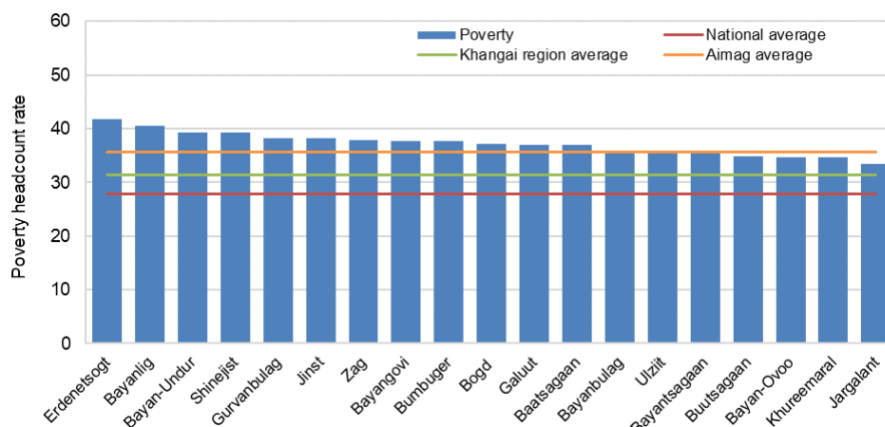


**Figure 4. Bayankhongor aimag poverty at soum level**
Source: National statistics Office, 2020

28.     **Risk to climate change**: According to the climate risk assessment the *soums* where the pilot projects to implement certain adaptation measures such as Bayanblig, Bogd, Buutsagaan, and Zag are at **high to very risk** to climate change (Table 4).

**Table 4. Socia-economic risk to climate change in Bayanhongor aimag**

| Project sites | Households with more than 4 children | Woman headed household | Herder households | Unemployment | Average population growth |
|---|---|---|---|---|---|
| Bayankhonor | 7 | 8 | 6 | 10 | 8 |
| Baatsagaan | 5 | 5 | 8 | 5 | 6 |
| Bayanbulag | 7 | 7 | 8 | 6 | 7 |
| Bayangovi | 6 | 6 | 8 | 7 | 7 |
| Bayanlig | 6 | 6 | 8 | 5 | 7 |
| Bayan-Ovoo | 6 | 8 | 8 | 7 | 7 |
| Bayan-undur | 7 | 6 | 9 | 6 | 7 |
| Bayantsagaan | 7 | 7 | 9 | 6 | 7 |
| Bogd | 8 | 7 | 9 | 6 | 8 |
| Bumbuger | 7 | 7 | 9 | 6 | 7 |
| Buutsagaan | 8 | 8 | 10 | 7 | 8 |
| Galuut | 7 | 7 | 9 | 8 | 8 |
| Gurvanbulag | 7 | 7 | 9 | 6 | 7 |
| Jargalant | 8 | 7 | 9 | 7 | 7 |
| Jinst | 6 | 6 | 9 | 5 | 7 |
| Zag | 7 | 6 | 8 | 7 | 7 |
| Ulziit | 8 | 7 | 10 | 6 | 7 |
| Khureemaral | 7 | 8 | 7 | 6 | 7 |
| Shinejist | 7 | 8 | 9 | 7 | 8 |
| Erdenetsogt | 7 | 6 | 9 | 7 | 7 |
| Average | 7 | 7 | 9 | 6 | 7 |

| Risk: | Low, 2-3 | Medium, 4-5 | High, 6-7 | Very High, 8-9 | Extremely high, 10 |

Source: TA Consultant's estimate

## 3.     Selenge aimag

29.     Selenge *aimag* is located in the northern part of the country to the north of the capital city Ulaanbaatar. Selenge aimag borders Bulgan and Orkhon aimag to the west, Tuv aimag to the south, Khentii *aimag* to the east, and Russian Federation to the north. The average altitude is 1,100 meters highest point is the Delgerkhan Peak at 1,553.8 m while the lowest point is the area on the confluence of the Orkhon river at 601 m and Selenge river at 594 m and covers 41,152.63 km² area which is 2.6% of the Mongolia territory.

30.     **Population:** The population of the Selenge Aimag was 107.341 as of 2022. It is divided into 17 soums and 57 bags. The number of households was 29,966. About 34% of the total population live in Aimag center and villages, 65% in rural areas ().

31.     **Ethnic groups:** The population of Selenge Aimag is ethnically homogeneous, consisting almost entirely of Khalkh Mongols accounting for 85.4%, Bayad - 3.4%, Durvud 2.9%, Khoton and Buryad -1.7 each, Kazakh 0.9 %, and other –6.5% of the population.
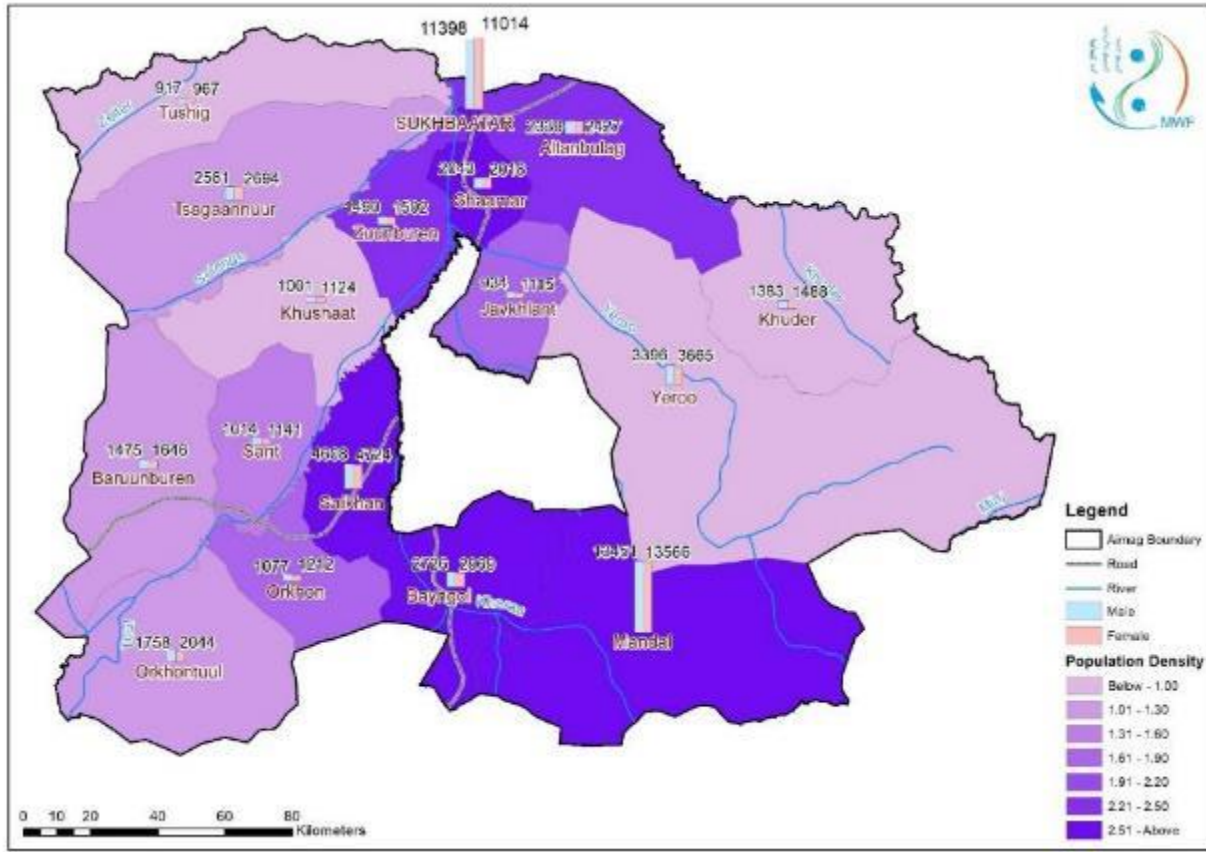
**Figure 5. Selenge *aimag* population and density by *soums***
Source: Based on Selenge *aimag* statistics

32.    **Economy:** Selenge *Aimag's* economy is predominantly driven by its agriculture sector, as per the 2022 statistics. Out of the total GDP of 1,220.7 trillion MNT produced by the Aimag, 30.2% came from agriculture, while 48.3% came from industry and 21.5% from the service sector. Selenge Aimag contributes 2.3% to the national GDP.

33.    All *soums* of the aimag are fully connected to the power grid. The *aimag* center Sukhbaatar city or Sukhbaatar soum is 321 km from the capital city and connected to Ulaanbaatar by a paved road and Ulaanbaatar-Sukhbaatar railway. The Mandal, Altanbulag, Bayangol, Khuder, Yeruu, Orkhontuul *soums* are connected by paved road to Ulaanbaatar and *aimag* center.

34.    The Selenge aimag is the important place of country's rail as well as road network. The Trans-Mongolian Railway connects the Trans-Siberian Railway from Ulan Ude in Russia to Erenhot and Beijing in China goes through the Selenge *aimag*. For domestic transport, daily trains run from Ulaanbaatar to Sukhbaatar the *aimag* center.

35.    The Selenge *aimag* is on linkage to Asian Highway Network of AH-3 route. The AH-3 route starts from Tanggu harbour in Tianjin, P.R.C passing Beijing – Ulaanbaatar – Ulaan Ud, Russian Federation. The section of AH-3 in Mongolia is 1041 km road from Russian Border –Altanbulag – Darkhan – Ulaanbaatar – Nalaikh – Choir – Sainshand– Zamiin Uud – P.R.C border and is a main vertical altitude road.

36.     **Vulnerable groups:** The pilot project Mandal soum and *aimag* center have the highest number of households with more than 4 children, woman headed households and unemployment. The Mandal *soum* has the highest number of herder households. The percentage of household with more than 4 children varies from 1.0-28.0%, woman headed households – from 1.0-26.0%. Unemployment is less than 10% in all *soums* except *aimag* center (13.0%). The population growth rate for the last 10 years is 1.7-8.6% except Sukhbaatar (21.0%) and Mandal (25.1%) *soums.* The *soums* where the pilot project will be implemented highlighted by light yellow.

**Table 5. The vulnerable groups in Selenge aimag**

| Soums | Households with more than 4 children | Woman headed household | Herder household | Unemployment | Households with more than 4 children | Woman headed household | Herder household | Unemployment | Population growth 2010-2020 |
|---|---|---|---|---|---|---|---|---|---|
| | Numbers | | | | Percentage to total households | | | | |
| Altanbulag | 95 | 116 | 239 | 35 | 7.5 | 9.2 | 18.9 | 0.7 | 0.8 |
| Yeree | 103 | 110 | 307 | 34 | 5.4 | 5.7 | 16.0 | 0.5 | 0.7 |
| Zuunburen | 56 | 46 | 314 | 19 | 6.9 | 5.7 | 38.8 | 0.7 | 1.9 |
| Mandal | 649 | 375 | 807 | 103 | 9.3 | 5.4 | 11.6 | 0.4 | 0.9 |
| Orkhon | 57 | 31 | 237 | 27 | 8.3 | 4.5 | 34.5 | 1.1 | 1.1 |
| Sant | 40 | 23 | 288 | 20 | 6.0 | 3.5 | 43.2 | 0.9 | 1.4 |
| Tsagaannuur | 108 | 64 | 418 | 35 | 8.0 | 4.7 | 30.9 | 0.7 | 2.9 |
| Saikhan | 50 | 107 | 246 | 39 | 1.8 | 3.9 | 9.0 | 0.4 | 1.8 |
| Bayangol | 124 | 74 | 532 | 25 | 7.5 | 4.5 | 32.3 | 0.4 | 0.9 |
| Orkhontuul | 131 | 39 | 442 | 29 | 12.3 | 3.7 | 41.5 | 0.8 | 0.4 |
| Baruunburen | 99 | 21 | 513 | 26 | 11.5 | 2.4 | 59.5 | 0.8 | 1.3 |
| Shaamar | 76 | 72 | 97 | 39 | 6.7 | 6.4 | 8.6 | 1.0 | 0.5 |
| Khuder | 29 | 5 | 117 | 27 | 4.1 | 0.7 | 16.4 | 1.4 | 3.1 |
| Sukhbaatar | 530 | 419 | 165 | 73 | 9.2 | 7.2 | 2.9 | 0.3 | 1.5 |
| Javkhalant | 29 | 32 | 165 | 18 | 5.0 | 5.6 | 28.7 | 0.8 | 0.9 |
| Tushig | 100 | 70 | 165 | 14 | 17.2 | 12.0 | 28.3 | 0.7 | 2.0 |
| Khushaat | 65 | 23 | 279 | 16 | 11.3 | 4.0 | 48.6 | 0.6 | 1.5 |
| **Total** | **2338** | **1631** | **5451** | **579** | | | | | |

Source: Based on Selengei aimag statistictics.

37.     **Poverty:** About one third of the population of all *soums* are living in poverty showing that all these people is vulnerable to negative impacts of climate change. Among the *soums* the Sant is at highest poverty with almost half of the population living at poverty level. The pilot project *soum* Yeree is ranked at 5 out of 17 soums, Shaamar-11, Bamdal-12, Bayangol-13 and Sukhbaatar -17.
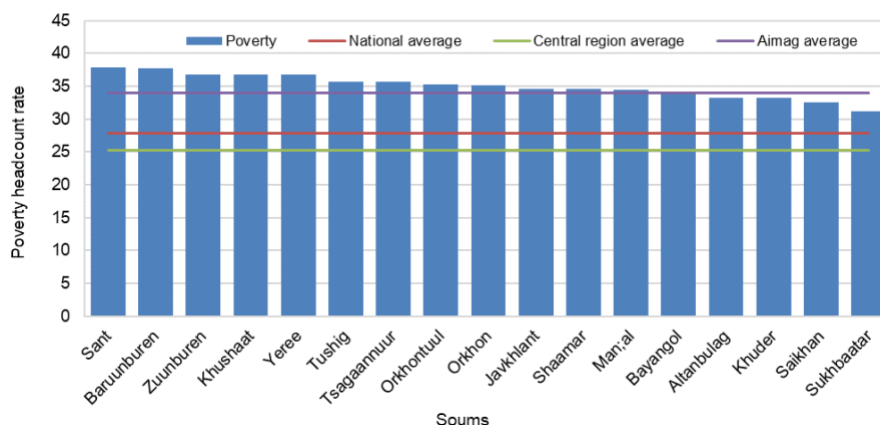
**Figure 6. Arkhangai aimag poverty at soum level**

Source: National statistics Office, 2020

38.      **Risk to climate change**: According to the climate risk assessment the *soums* where the pilot projects to implement certain adaptation measures such as Altanbulag, Yeree, Mandal, and Shaamar are at **high to very high risk** to climate change (Table 6).

**Table 6. Socia-economic risk to climate change in Selenge aimag**

| Project sites | Households with more than 4 children | Woman headed household | Herder households | Cropland area | Average population growth |
|---|---|---|---|---|---|
| Altanbulag | 7 | 8 | 6 | 7 | 3 |
| Yeree | 8 | 8 | 7 | 9 | 3 |
| Zuunburen | 7 | 7 | 7 | 8 | 7 |
| Mandal | 9 | 8 | 7 | 8 | 3 |
| Orkhon | 8 | 7 | 7 | 7 | 4 |
| Sant | 6 | 5 | 6 | 5 | 5 |
| Tsagaannuur | 9 | 8 | 8 | 10 | 10 |
| Saikhan | 7 | 8 | 7 | 9 | 6 |
| Bayangol | 8 | 8 | 8 | 8 | 9 |
| Orkhontuul | 9 | 6 | 7 | 7 | 2 |
| Baruunburen | 10 | 7 | 9 | 8 | 5 |
| Shaamar | 8 | 7 | 6 | 6 | 5 |
| Khuder | 7 | 6 | 6 | 7 | 10 |
| Sukhbaatar | 5 | 7 | 5 | 5 | 5 |
| Javkhalant | 6 | 7 | 6 | 7 | 9 |
| Tushig | 10 | 9 | 6 | 7 | 7 |
| Khushaat | 8 | 6 | 6 | 8 | 5 |
| Average | 8 | 7 | 7 | 7 | 6 |

Risk:  Low, 2-3  Medium, 4-5  High, 6-7  Very High, 8-9  Extremely high, 10

Source: TA Consultant's estimate

## D.      Issues Related to Social Safeguard

### 1.      Meeting with local government authorities

39.      During the site visit the team met the authorities of the *aimag* and *soum* governments and following have been discussed
- the selected pilot projects in the *aimag*, and works to be implemented,

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- whether the activities of the selected projects will have negative impact on ethnic minority,
- whether the project activities meet the national relevant laws and ADB environment and social safeguards.
- whether the projects have some issues of involuntary resettlement.

## 2.      Results of the due diligance

40.      The selected 28 pilot projects in Arkhanagi, Bayankhongor and Selenge *aimags* are proposed to be **categorized C for social safeguards**. The projects are not expected to impact vulnerable groups, ethnic minorities and business/livelihood activities of the local people. This report presents the due diligence review for all the project sites. The project implementation will enhance the capacity of local entities to carry out climate change adaptation activities by implementing small projects. The project sites will have no adverse impact on people living on land or natural resources. During the visit the team informed and discussed the projects with local authorities, and members of the communities that will be involved in the implementation of the projects.

41.      The proposed projects will only support climate adaptation activities in 6 soums of Arkhangai *aimag*, 4 *soums* in Bayankhongor aimag and 5 *soums* in Selenge *aimag* to reduce the vulnerability and risk to climate change in the *soums* (see table 2, 4 and 6). The project will also support businesses and livelihood for community development. The pilot project will contribute to the implementation of adaptation targets identified in NDC such as improve sustainable pasture management, increase irrigated cropland, maintain availability of water resource by protecting water source, and increase efficiency of reforestation actions. The project proposals on building or establishment of new tree nursery will also support the target of National programme "One Billion Tree" an addition to the adaptation target of increasing of reforestation.

42.      In Mongolia protection of natural spring headwaters is one of the priority considerations in the environmental conservation perspective. The local initiative to protect natural spring headwaters protection has become one of the recent successful major water conservation efforts and Nature Based Solution (NbS) in the region with regards to Climate warming in Mongolia. The initiative to protect the headwaters of natural springs is being actively supported by the central and *local* government and participated by local communities. Protected natural spring headwaters contribute to increased water discharges and runs-off and nourishes the environment increased water supplies for wild and domestic animals in the areas. The widely accepted method to protect a headwater of spring is fencing of the headwaters of the natural spring to prevent from degradation of water source and pollution by livestock. The size of the fence depends on size of the spring headwater. The example of protection of headwaters of the spring is shown in **Error! Reference source not found.**.

**Figure 7. Example of protection of natural spring by fencing the headwaters of the spring (near Arkhangai aimag Center)**

Source: TA Consultants, September 2023.

43.     **Social impacts.** The projects will not result in any restriction of access to project sites of persons and communities. Project Rapid Social Assessment Checklist was filled with the involvement of the project coordinators, *soum* government officials and representatives of local people when possible. The results of the projects of the three *aimags* are compiled and presented below:

**Table 7. Project Rapid Social Assessment Checklist**

| 3. Social impacts | | Arkhangai 11 projects | | Bayankhongor: 7 projects | | Selenge: 10 projects | |
|---|---|---|---|---|---|---|---|
| | | Yes | No | Yes | No | Yes | No |
| **1** | Do ethnic minorities live in the project area? (This includes Kazakh, Tuva, and Tzaatan citizens) | | + | | + | | + |
| **2** | Do these people live using the local natural resources? | | + | | + | | + |
| **3** | If so, the planned activities of the project are: | | + | | + | | + |
| | *-Will it have a negative impact on their traditional culture, religion and behavior?* | | + | | + | | + |
| | *-Will it have a negative impact on their life and livelihood?* | | + | | + | | + |
| | *-Will there be a need to use the cultural heritage and knowledge of those groups of people for commercial purposes within the scope of the planned work of the project?* | | + | | + | | + |
| | *-Will there be a need to relocate those people from the land they used to live and use?* | | + | | + | | + |
| **4** | Have you consulted with local people and herders about the implementation of the project? | | + | | + | | + |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **5** | Due to project implementation: | | + | | + | | + |
| | *-Will there be a dispute regarding the ownership of the land where the project will be implemented?* | | + | | + | | + |
| | *-Will there be a need for local residents to vacate their land?* | | + | | + | | + |
| | *-Will local people lose their property and homes?* | | + | | + | | + |
| | *-Will people's business activities be disrupted and their sources of income lost?* | | + | | + | | + |
| | *-Will there be a change in lifestyle?* | | + | | + | | + |
| | *-Will people lose access to natural resources?* | | + | | + | | + |
| | *-Will it make it difficult to get social services from the government?* | | + | | + | | + |
| **6** | Do you have permission from the *soum* and bag governor to implement the project? | + | | + | | + | |
| **2. Social impact classification** | | | | | | | |
| | **Category A:** A project that may have a significant negative impact on society, community, and citizens. Projects of this category will not be funded under the project. | | + | | + | | + |
| | **Category B:** A project that may have some negative impact (less than category A) on society, local community, and citizens. Develop a plan for mitigation/support of ethnic minorities and estimate the necessary costs for its implementation. | | + | | + | | + |
| | **Category C:** A project that does not have a negative impact on society, community, and citizens. No action is required | + | | + | | + | |

Source: Compiled by TA Consultant

44. **Involuntary Resettlement:** The project is classified by ADB **as category C on involuntary resettlement** according to ADB's Safeguard Policy Statement (2009). The project is not expected to involve involuntary resettlement. All civil works will be implemented on state-owned lands and will not involve acquisition of non-state lands, physical or economic displacement, or restriction on land use. Since the Project will use limited government land without involuntary resettlement impacts, the preparation of Resettlement Planning (RP) document is not necessary. There are no IR impacts as there is no LA and displacement of individuals by the Projects. The checklist is attached in Appendix 1.

45. **Indigenous Peoples**: The projects are **classified as category C** on indigenous peoples according to ADB's Safeguard Policy Statement (2009). The project is not expected to impact distinct and vulnerable communities of indigenous peoples or ethnic minorities that would trigger ADB's SPS requirements on indigenous people. None will be negatively impacted by the project and all will directly benefit from the projects. No adverse impacts to Indigenous Peoples groups including dignity, human rights, livelihood systems, culture or territories, or natural or cultural resources that they own, use, occupy, or claim as an ancestral domain or asset, are anticipated. Therefore, Indigenous Peoples Plan is not required for this project. The checklist is attached in Appendix 2.

## 4. Adaptation pilot projects' brief

### 4.1 Pilot projects in Arkhangai *aimag*

46. There have been selected 11 adaptation pilot projects in Arkhabgai *aimag*. The brief of the project and direct and indirect beneficiaries stated in the project document are presented in **Table 8**. Some photos of the site visit are in Appendix 3.

**Table 8. The Progress of the activities planned for the final period**

| # | Name of the project | Soum name of the project | Implementation organisation | Brief of the proposed adaptation activities and capacity building | Beneficiaries stated in project document | Involuntary Resettlement Impacts |
|---|---|---|---|---|---|---|
| | Disseminate of good practice in biodiversity initiated by the local people | Khashaat | Daatstai Khugjiliin Ireedui NGO | 1.Conduct training to representatives of the CSOs in Khashaat, Ugiinuur, and Khotont *soums* to disseminate the good practice 2.Disseminate the good practice by media 3.Protect the headwater of the springs to improve the quantity and quality of the water source. 4.Prepare document to designate the Nomgon Ull to local protection and submit to soum Government for approval | 37 herder family, Rangers of protected area and environmental groups in project soums. At least 40% of the participants in training will be a woman Indirect beneficiaries are all people watchers and readers of media. The project coordinator is woman. | None. |
| 2 | Protection of water source | Khashaat | Ungut Urguu LLC | 1.Protect three springs for drinking 2.rehabiliate 1 spring for livestock watering. Please see paragraph 42 and Figure 7 for typical protection of headwater of springs. | Direct beneficiaries are herders in in three baghs in Khashaat soum, Indirect beneficiaries are all inhabitants as the project is improving water sources | None expected. Will be reconfirmed in updated DDR before construction. . |
| 3 | Improvement of pasture management | Ugiinuur | Ar Altan Tulga Headers Community | 1. Provide training for herder to fence the pasture | Direct beneficiaries are 189 herder family of the Doit bagh. The project will engage 8 young people from16 to 30 ages. In direct beneficiaries are the herder from Ugii bagh in eco-tourism. | None expected. Will be reconfirmed in updated DDR before construction. |
| 4 | Protection of water source | Khotont | Esen Mend Amarjijui NGO | 1.Protecting three springs 2. rehabilitation one spring. | The project was proposed by the woman herders. 320 people in 99 herder families | None expected. Will be reconfirmed in updated DDR before construction. |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | Please see paragraph 42 and Figure 7 for typical protection of headwater of springs. | with 24,000 livestock that live near to the spring to be protected.<br><br>The project will engage young herders and unemployed in soum center in protection of springs.<br><br>The project coordinator is a woman | |
| 5 | Greenhouse for tree nursery for endemic species for the region | Tsenkher | Nomin Khangai Tugul LLC | Build greenhouse for nursery for endemic species of the region.<br><br>Provide training as required | The woman headed household, unemployed in *soum* center will be involved in training on establishment of tree nursery | Nursery will be built on 1 ha government land, therefore, no IR impact. |
| 6 | Training on manure fertilizer | Tsenkher | Mend Usukh NGO | 1.Conduct needs assessment for the training<br>2.Prepare handout for training on manure fertilizer<br>3.Conduct training for representatives of 5 soums: Tsenkhser, Khotont, Erdenebulgan, Bukgan, Tuvshruulekh | The staff of tree nursery companies, Forest professional organization, Forest communities, and individuals, herders in project *soums*, who are interested in improving soil quality by natural manure fertilizer.<br><br>The project manager is woman. | No civil works involved, therefore, no IR impacts |
| 7 | Conduct water safety assessment of the water source of the Erdenebulgan soum. | Erdenebulgan | Us, ecologiin orchin NGO | 1.Conduct water safety assessment of the water source<br>2.Provide training on water safety<br>3.Prepare recommendation to improve the water safety | Staff of Ar Us Undraga Water Utility Company, River Basin Administration and Counsel, Aimag and soum Governor office, representatives of Environmental CSOs and herders and other households.<br><br>Indirect beneficiaries are all citizens in Arkhangai *aimag* center. | No civil works involved, therefore, no IR impacts |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | The project coordinator is woman. | |
| 8 | Protect Jamgan Spring | Erdenebulgan | Olz mod LLC | Protect the Jamgan spring by fencing and planting trees | People live around the spring who use water from the spring. | On government land. No IR impact expected. Will be reconfirmed in updated DDR before construction. |
| 9 | Protection of biological diversity through ptrotection of "Jamgan Spring", | Erdenebulgan | Olz mod LLC | Protect biodiversity around the Jamgan spring by planting soil water-protecting trees | People live around the spring who use water from the spring.<br><br>Woman and youth will be involved planting trees and will be provided seeds of local tree. | None expected. Will be reconfirmed in updated DDR before construction. |
| 10 | Eco Khorgo | Tariat | Baga Mukhar herder community | 1.Develop and implement an "eco-tourism model that is appropriate for local environment including advertising local dairy product brand with special package,<br>2.Develope map for hiking and horse riding,<br>3.Protection of spring head water by fencing.<br><br>Please see paragraph 42 and Figure 7 for typical protection of headwater of springs. | Woman of the herder families of the group will play major role in producing local dairy product brand.<br><br>The young people will be responsible for running the ger camps and hiking, horse riding.<br><br>The other herder and environmental groups will benefit from the good practice.<br><br>The project coordinator is woman. | None expected. Will be reconfirmed in updated DDR before construction. |
| 11 | Reproduction of treated fish | Tariat | Chuluut Timan NGO | Reproduction of regionally treated species of Brachymystax lenok and Thymallus arcticus in the Altai tributary of Chuluut river | Local people that benefits from local natural resources, local government, research and training organizations. | No civil works involved, therefore, no IR impacts |

Source: Compiled by TA Consultant

## 4.2. Pilot projects in Bayanhongor *aimag*

47. There have been selected 7 projects in Bayankhongor aimag. The team has visited sites of all 7 projects. Below Table 9 provides brief of the projects and direct and indirect beneficiaries in the project document. Some photos of the cite visit are in Appendix 3.

48.     Jaran Bogd pasture user unit proposed to improve pasture use by establishing traditional water source (#4 in Table 9). In gobi in Mongolia the high mountain streams usually do not reach to the open pasture. Thus, there is a traditional method to improve the pasture water supply. The technique is placing a small cement "ring" in the middle of stream before the stream gets into the ground. The ring is filled with water during warm season and serve as a well or small water storage. Then from the "well" water flows by gravity through plastic pipes to the open pasture. The pipe is buried into the ground to protect from damage. At the most appropriate place of the open pasture a water container/tank is placed and leaves a hydrant of the water container open to make water available any time to livestock and wildlife. This kind of water supply is used for only warm season. Figure 8 illustrates such a traditional method to improve the pasture water supply established in Bogd soum.



**Figure 8. Traditional water supply improvements in pasture**
Source: TA Consultant during field visit, September 2023.

**Table 9. List of projects selected in Bayankhongor *aimag***

| # | Name of the project | Soum name of the project | Implementation organisation | Brief of the proposed activities | Beneficiaries stated in project document | IR Impacts |
|---|---|---|---|---|---|---|
| 1 | Tree planting | Bayanlig | Une tegsh duuren Cooperative | 1. Fencing the area<br>2. Planting trees | 280 households of the soum.<br><br>Youth will be directly involved in tree plating and building the fence.<br><br>The project coordinator is woman. | On government land. No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 2 | Protection of Orog Lake from sand movement | Bogd | Association of Environmental Communities | 1.Fencing the area<br>2. Planting trees | Member of the "Tavan Erdene" Herder community.<br><br>Members of the Environmental association.<br><br>25 Herder families live near to the area.<br><br>Local government | On government land. No IR impact expected. Will be reconfirmed in updated DDR before construction.. |

|   |   |   |   | The project coordinator is woman. |   |
|---|---|---|---|---|---|
| 3 | Improve the development of eco-tourism in the Ikh Bogd Khairkhan | Bogd | Bayankhongor-Khun uuslyin Ulgii" Tourism Association | 1.Develope Eco-tourism map<br>2.Provide training to local people on eco-tourism<br>3.preparation and approved of local government documents to support eco-tourism development | The target group of the training is herder, woman headed households and youth of under 30 ages.<br><br>Local government. | No civil works involved, therefore, no IR impacts |
| 4 | Establishment of traditional water source for pasture use improvement | Bogd | Jaran bogd pasture utilization community | 1. Build of traditional water source to improve pasture use<br>2. install water intake at small stream at high mountain<br>3. install pipe for 5.6 km to bring water to dry pasture<br>4.Install water tank with 5 tons to store water | 160 people of 41 families of the "JaranBorg: pasture user groups, in which 33 people of 33 years old, 27 people of 36-50 years old, and 19 people older than 50 years.<br><br>49% of the member are woman. | On government land.<br><br>Please see the paragraph 48 and Figure 8 for traditional water resources improvement established in neighboring bagh of Bogd soum<br><br>No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 5 | Protect drinking water sources from sand movement | Bogd | Zuun Bogd Buyant Sureg" LLC | 1.Establish tree break along the sand movement direction.<br>2.build fence in 0.5 hectare are along the sand movement area.<br>3.Plant locally adapted trees, bushes and medical plants from seed in 1 ha area. | About 1500 people of 38 households of the *soum* center. People of 18 herder families live near to the water source.<br><br>Will provide work space to 10 unemployment in the soum center.<br><br>The project coordinator is woman. | On government land. No IR impact expected. Will be reconfirmed in updated DDR before construction.. |

| 6 | Protect "Haliut" mineral water spring | Zag | Zagyin Unaga LLC | Protect the Heads of mineral spring for traditional medical value by planting trees and improve camping area. | Members of Ikher Khurga herder community.

28 herder families of the "Ulaan" bagh of the soum.

Visitors of the mineral spring

The project coordinator is woman. | On government land . No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 7 | Rehabilitate the irrigation channels | Buustagaan | Baigal Eejyin Ireedui NGO | 1.clean and rehabilitate the main and water distribution channels 2.rehabiltate the water storage | 61 members (43 male, 18 woman) of the "Bayansadgai" cooperative.

Herder families live near to the irrigation scheme

The project coordinator is woman. | No IR impact expected. Will be reconfirmed in updated DDR before construction.. |

Source: Compiled by TA Consultant

## 4.3.  Pilot projects in Selenge aimag

49.      There have been selected 10 projects in Selenge aimag. The team visited the project sites during 23-29 August 2023. Below Table 10 provides brief of the projects and and direct and indirect beneficiaries in the project document. Some photos of the cite visit are in Appendix 3.

**Table 10. List of projects selected in Selenge aimag**

| # | Name of the project | Soum name of the project | Implementation organisation | Brief of the proposed activities | Beneficiaries stated in project document | IR Impacts |
|---|---|---|---|---|---|---|
| 1 | Establish tree nursery | Mandal | Tsaramt Community | 1. Fencing the area 2. Planting trees in 3 ha area | Members of the "Tsaramt" community

Local people, especially the young will benefit involving in tree planting and building a fence and also will gain experience by doing.

The project coordinator is woman | The 30018 ha land possessed by the community members for 30 years since 3 May 2022.

The Certificate # 0000069565.

No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 2 | Establish tree nursery and fruit tree | Bayangol | Selenge Tavan Khan LLC | 1.Extend the planting area 2. Plant trees along the wind side to protect from wind and sand movement | Local people by involving in fruit tree planting and harvesting. | The 98942 m$^2$ land possessed by the company for 60 years since 13 Jule 2011 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | planting in Bor tolgoi | | | 3.Plant fruit trees. | Local people will benefit from an increased supply of eco-products. | The Certificate # 000143041. <br><br> No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 3 | Develop fruit trees using water-saving technology in the Kharaa river basin | Bayan gol | Bagabuurag chin LLC | 1. plant a fruit trees, 2.use water saving technologies, | Local people by involving in fruit tree planting and harvesting. <br><br> Local people will benefit from an increased supply of eco-products. <br><br> The national and local government by fulfilling the billion-tree target and improving food security. | The land is leased by the company to be used for fruit tree planting. <br><br> No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 4 | Establishm ent of tree wind break | Yeree | Bayan shugui NGO and Khuvch Forest Community | 1. Build and rehabilitate the fence. 2. Plant tree for wind break along the wind direction sides to protect soil erosion. 3.Plant trees including regionally Endangered Sibirian Fir (listed in Red Book as Very Rare) | Member of the "Bayan shugui" NGO and "Khuvch Forest" Community. <br><br> Local herders will benefit from increased feed to livestock. <br><br> The project coordinator is woman | 84829 m$^2$ land possessed by the members of forest community for 20 years since 29 March 2010. <br><br> The Certificate # 0000027607. <br><br> No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 5 | Restoratio n/reforestat ion of 3 ha forest | Yeree | Bugant Nomin LLC | 1.Restoration of Siberian Pine in 3 ha of forested area in Yeree soum | Local people, especially the young will benefit from being involved in tree planting and will gain experience by doing. | Restoration of forest will be on government land. <br><br> No IR impact expected. Will be reconfirmed in updated DDR before construction... |
| 6 | Establish tree nursery | Yeree | Lhachimbu Community Cooperative | 1.Fencing the area 2. Establish tree nursery | Local people, especially the young will benefit from being involved in tree planting and will gain experience by doing | Nursery will be on 1 ha government land within the National programme for "One Billion Tree". <br><br> No IR impact expected. Will be reconfirmed in updated DDR before construction... |

| | | | | | |
|---|---|---|---|---|---|
| 7 | Promote eco-tourism and improve knowledge of local herders in eco-tourism | Yeree | "Buyant Buman Nars" LLC | 1. Replace the peat latrines by eco-toilet that meets the national standard 2015. 2.Build capacity of local herders in ecotourism by conducting training. 3.Conduct public awareness in eco-tourism. | Local herder by diversifying the income from eco-tourism. Tourist from improved sanitation service. | On government land, where herders move in summer time No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 8 | Improve facilities and environment for ecotourism in "Eej Mod" cultural area | Shaa mar | Eco future development center NGO | 1.Clean the waste of the area 2.Build 2 Gazebos 3.Build one way trail 4.planting tree in 0.4 ha area 5.Trainings and public awareness for behavior changes | The "Eej Mod" is a national cultural/religious heritage where thousands of people visit each month from various corners of Mongolia, Thus, the visitors are the direct beneficiaries of improved condition. | This is cultural/religious heritage site. No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 9 | Biodiversity conservation | Shaa mar | Eco future development center NGO | 1.Establish 3 cameras each in two bridges along the railway, 2. Monitor the movement of wildlife, 3.Prepare document with recommendations to conserve wildlife conservation. | The Government of local government from the contribution of implementation of national biodiversity programme and adaptation measures. | The area is on government land, No IR impact expected. Will be reconfirmed in updated DDR before construction.. |
| 10 | Water Resources Conservation | Sukhb aatar | Eco future development center NGO | 1.Build fence for 100 m 2.Build two Gazebos 3.Install waste bins 4.Clean waste of the area | This is one of most visited area of the *aimag* center. Thus, the visitors are the direct beneficiaries of improved conditions. People living in the 5 and 8th bagh where is the project site | On government land. No IR impact expected. Will be reconfirmed in updated DDR before construction. |

Source: Compiled by TA Consultant

## E.    Grievance redress mechanism

50.    A project grievance redress mechanism (GRM) has been introduced in compliance with ADB's Safeguard Policy Statement (2009) requirement to address environmental, health, safety, and social concerns associated with project. The GRM is introduced to the members of the projects to achieve the following objectives: (i) provide channels of communication for local communities to raise concerns about environmental and social-related grievances which might result from the project; (ii) prevent and mitigate adverse environmental and social impacts to communities caused by project construction and operation; and (iii) contribute to cooperation between the project implementation agencies and communities.

51.    A project GRM will be established at the project implementing entities under ADB requirements and GoM practices to address complaints related to environmental and social

issues of the subproject. The small project implementer will be the key person to deal with the subproject GRM. The basic stages of the project GRM are as follows:

- **Stage 1:** If a concern related to the environment, health of local community arises during the project implementation, the affected person addresses the issue of concern directly to the Project implementing entity (CSO/community or company). If the issue is successfully resolved, no further follow-up is required.

- **Stage 2**: If not successful, the affected person can submit an oral or written petition and/or complaint to the project implementing NGO, Mongolian Water Forum Uskhelts (MWF). For an oral complaint, the subproject implementing NGO must make proper written records and provide a clear reply within 2 weeks to the affected person.

- **Stage 3**: If the affected person is still not satisfied with the reply of the MWF, he and/or she can appeal to the CCRCC after receiving the reply in Stage 2. The CCRCC must report to ADB as soon as the complaint is recorded by submitting relevant documents, and prepare a clear reply in consultation with ADB. The CCRCC must give the reply to the affected person within 30 days.

52.     All project implementing entities have agreed to implement their complaint procedure to be in alignment with the ADBs requirements. The GRM is also included in the Environmental Implication Report.


## APPENDIX 1

## INVOLUNTARY RESETTLEMENT IMPACT CATEGORIZATION CHECKLIST

| Company name: | CSO, environmental communities, herder communities, cooperatives, and companies |
|---|---|
| Operation/activity direction: | Adaptation measures in water resources management, biodiversity conservation and ecosystem restoration and development of eco-tourism |
| Amount: | 240 US$ |
| Location of subproject: | in the project *aimags*: Arkhangai, Bayankhongor and Selenge |
| Project's objective: | 28 small projects to implement adaptation measures by the CSO, environmental communities, herder communities, cooperatives and companies |

| Probable Involuntary Resettlement Effects | Yes | No | Not Known | Remarks |
|---|---|---|---|---|
| **I.     _Involuntary Acquisition of Land_** | | | | |

| | | | | |
|---|---|---|---|---|
| 1.  Will there be land acquisition? | | **+** | | There will be no displacement or land acquisition. The small projects will be implemented within lands possessed or owned by the implementing entities and/or government. A certificate on land possession was issued to companies that will establish tree nursery |
| 2.  Is the site for land acquisition known? | | | | Not applicable |
| 3.   Is the ownership status and current usage of land to be acquired known? | | | | Not applicable |
| 4. Will easement be utilized within an existing Right of Way (ROW)? | | | | Not applicable |
| 5. Will there be loss of shelter and residential land due to land acquisition? | | | | Not applicable |
| 6. Will there be loss of agricultural and other productive assets due to land acquisition? | | | | Not applicable |
| 7. Will there be losses of crops, trees, and fixed assets due to land acquisition? | | | | Not applicable |
| 8. Will there be loss of businesses or enterprises due to land acquisition? | | | | Not applicable |
| 9. Will there be loss of income sources and means of livelihoods due to land acquisition? | | | | Not applicable |
| **II.   Involuntary restrictions on land use or on access to legally designated parks and protected areas** | | | | |
| 10.   Will people lose access to natural resources, communal facilities and services? | | **+** | | Not applicable |
| 11.  If land use is changed, will it have an adverse impact on social and economic activities? | | **+** | | Not applicable |
| 12.   Will access to land and resources owned communally or by the state be restricted? | | **+** | | Not applicable |
| **III.   Information on Displaced Persons:** | | | | |

| |
|---|
| Any estimate of the likely number of persons that will be displaced by the Project?<br><br>     [ **+** ]  No     [   ]  Yes<br><br>If yes, approximately how many?  __ **No** people will be physically or economically displaced ___ |
| Are any of them poor, female-heads of households, or vulnerable to poverty risks?<br><br>     [ **+** ]  No     [   ]  Yes |
| Are any displaced persons from indigenous or ethnic minority groups?<br><br>     [ **+** ]  No     [   ]  Yes |
| ***Conclusion*** |
| The subproject will not require any physical and economic displacement or land acquisition. Thus this subproject has been **categorized as "C" for Involuntary resettlement** impact under the ADB safeguard policy. |

Prepared by:  B.Altanchimeg, Social and gender consultant,

Date:  September 2023

# APPENDIX 2

## ETHNIC MINORITIES IMPACT SCREENING CHECKLIST

| Company name: | CSO, environmental communities, herder communities, cooperatives, and companies |
|---|---|
| Operation/activity direction: | Adaptation measures in water resources management, biodiversity conservation and ecosystem restoration and development of eco-tourism |
| Loan amount: | 240 US$ |
| Location of subproject: | in the project *aimags*: Arkhangai, Bayankhongor and Selenge |
| Project's objective: | 28 small projects to implement adaptation measures by the CSO, environmental communities, herder communities, cooperatives and companies |

| KEY CONCERNS (Please provide elaborations on the Remarks column) | Yes | No | Not known | Remarks |
|---|---|---|---|---|
| **A. Ethnic Minorities Identification** | | | | |
| 1. Are there socio-cultural groups present in or use the project area who may be considered as "tribes" (hill tribes, schedules tribes, tribal peoples), "minorities" (ethnic or national minorities), or "ethnic communities" in the project area? | | + | | Ethnic minorities are not using the project areas and residents will not be affected by planned activities. |
| 2. Are there national or local laws or policies as well as anthropological researches/studies that consider these groups present in or using the project area as belonging to "ethnic minorities", scheduled tribes, tribal peoples, national minorities, or cultural communities? | | + | | |
| 3. Do such groups self-identify as being part of a distinct social and cultural group? | | + | | |
| 4. Do such groups maintain collective attachments to distinct habitats or ancestral territories and/or to the natural resources in these habitats and territories? | | + | | |
| 5. Do such groups maintain cultural, economic, social, and political institutions distinct from the dominant society and culture? | | + | | |
| 6. Do such groups speak a distinct language or dialect? | | + | | All population in the project areas speak Mongolian. |
| 7. Has such groups been historically, socially and economically marginalized, disempowered, excluded, and/or discriminated against? | | + | | |

| KEY CONCERNS (Please provide elaborations on the Remarks column) | Yes | No | Not known | Remarks |
|---|---|---|---|---|
| 8. Are such groups represented as "Indigenous Peoples" or as "ethnic minorities" or "scheduled tribes" or "tribal populations" in any formal decision-making bodies at the national or local levels? | | + | | |
| **B. Identification of Potential Impacts** | | | | |
| 9. Will the project directly or indirectly benefit or target ethnic minorities? | | + | | |
| 10. Will the project directly or indirectly affect ethnic minorities' traditional socio-cultural and belief practices? (e.g. child-rearing, health, education, arts, and governance) | | + | | |
| 11. Will the project affect the livelihood systems of ethnic minorities? (e.g., food production system, natural resource management, crafts and trade, employment status) | | + | | No ethnic minority communities are located in the area of the projects |
| 12. Will the project be in an area (land or territory) occupied, owned, or used by ethnic minorities, and/or claimed as ancestral domain? | | + | | The projects will not operate in an area owned, occupied or used by ethnic minority people. |
| **C. Identification of Special Requirements** | | | | |
| *Will the project activities include:* | | | | |
| 13. Commercial development of the cultural resources and knowledge of ethnic minorities? | | + | | No ethnic minority communities are located in area of the projects. |
| 14. Physical displacement from traditional or customary lands? | | + | | There will be no activities resulting in physical displacement. |
| 15. Commercial development of natural resources (such as minerals, hydrocarbons, forests, water, hunting or fishing grounds) within customary lands under use that would impact the livelihoods or the cultural, ceremonial, spiritual uses that define the identity and community of ethnic minorities? | | + | | |
| 16. Establishing legal recognition of rights to lands and territories that are traditionally owned or customarily used, occupied or claimed by ethnic minorities? | | + | | |
| 17. Acquisition of lands that are traditionally owned or customarily used, occupied or claimed by ethnic minorities? | | + | | |

**D.      Anticipated project impacts on Ethnic Minorities**

| Project component/ activity/ output | Anticipated positive effect | Anticipated negative effect |
|---|---|---|
| 1. Procure materials for small civil work, | | No specific impact is |

| | | |
|---|---|---|
| 2. Develop cooperation with herders on procurement of material,<br>3. Procure and install new machineries,<br>4. Intensify marketing and sales activities, and<br>5. Implement HRM and EMP measures. | No specific impact is identified to ethnic minority people. | identified to ethnic minority people |

## *Conclusion:*

There will be no impact on ethnic minority people and **categorized as "C" for Ethnic minority people** under the ADB safeguard policy. The subproject area does not have any ethnic minority community and thus there is no impact on their lives/livelihood*.*

Prepared by:  B. Altanchimeg Social and gender consultant, ARDP AF

Date: September 2022

**APPENDIX 3**

**SOME PHOTOS BASED ON SITE VISITS**

**Projects in Arkhangai *aimag***

| # | Name of the project | Soum name of the project | Implementation organisation | Photos of the project sites | |
|---|---|---|---|---|---|
| | Disseminate of good practice in biodiversity initiated by the local people | Khashaat | Daatstai Khugjiliin Ireedui NGO |  |  |
| 2 | Protection of water source | Khashaat | Ungut Urguu LLC |  |  |
| | | | |  |  |
| 3 | Improvement of pasture management | Ugiinuur | Ar Altan Tulga Headers Community |  |  |
| 4 | Protection of water source | Khotont | Esen Mend Amarjijui NGO |  |  |
| | | | |  |  |

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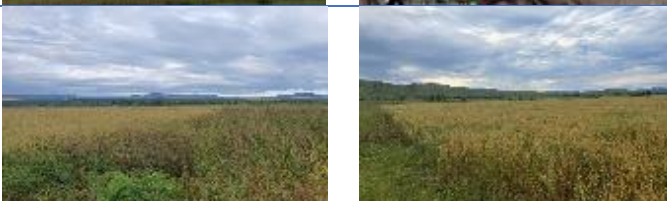| 5 | Greenhouse for tree nursery for endemic species for the region | Tsenkher | Nomin Khangai Tugul LLC |  |  |
|---|---|---|---|---|---|
| 6 | Training on manure fertilizer | Tsenkher | Mend Usukh NGO | The training will be provided in different all project soums | |
| 7 | Conduct water safety assessment of the water source of the Erdenebulgan soum. | Erdenebulg an | Us, ecologiin orchin NGO |  |  |
| 8 | Protect Jamgan Spring | Erdenebulg an | Olz mod LLC |  |  |
| 9 | Protection of biological diversity through ptrotection of "Jamgan Spring", | Erdenebulg an | Olz mod LLC | | |
| 10 | Eco Khorgo | Tariat | Baga Mukhar herder community |  |  |
| 11 | Reproduction of treated fish | Tariat | Chuluut Timan NGO |  |  |
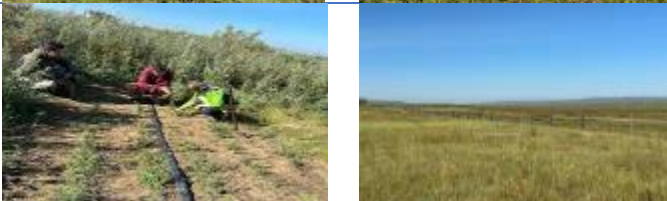
Source: Compiled by TA Consultant

**Projects in Bayankhongor *aimag***

| # | Name of the project | Soum name of the project | Implementation organisation | Photos | |
|---|---|---|---|---|---|
| 1 | Tree planting | Bayanlig | Une tegsh duuren Cooperative |  |  |
| 2 | Protection of Orog Lake from sand movement | Bogd | Association of Environmental Communities |  |  |
| 3 | Improve the development of eco-tourism in the Ikh Bogd Khairkhan | Bogd | Bayankhongor-Khun uuslyin Ulgii" Tourism Association |  |  |
| 4 | Establishment of traditional water source for pasture use improvement | Bogd | Jaran bogd pasture utilization community |  |  |
| 5 | Protect drinking water sources from sand movement | Bogd | Zuun Bogd Buyant Sureg" LLC |  |  |
| 6 | Protect "Haliut" mineral water spring | Zag | Zagyin Unaga LLC |  |  |
| 7 | Rehabilitate the irrigation channels | Buustagaan | Baigal Eejyin Ireedui NGO |  |  |

Source: Compiled by TA Consultant

**Projects in Selenge aimag**

| # | Name of the project | Soum name of the project | Implementation organisation | Brief of the proposed activities | |
|---|---|---|---|---|---|
| 1 | Establish tree nursery | Mandal | Tsaramt Community | | |
| 2 | Establish tree nursery and fruit tree planting in Bor tolgoi | Bayangol | Selenge Tavan Khan LLC | | |
| 3 | Develop fruit trees using water-saving technology in the Kharaa river basin | Bayangol | Bagabuuragchin LLC | | |
| 4 | Establishment of tree wind break | Yeree | Bayan shugui NGO and Khuvch Forest Community | | |
| 5 | Restoration/refore station of 3 ha forest | Yeree | Bugant Nomin LLC | | |
| 6 | Establish tree nursery | Yeree | LhachimbuCommunity Cooperative | Photos get somehow very dark | |

| 7 | Promote eco-tourism and improve knowledge of local herders in eco-tourism | Yeree | "Buyant Buman Nars" LLC | The site will be different depending on the herder families to be involved in the project |  |
|---|---|---|---|---|---|
| 8 | Improve facilities and environment for ecotourism in "Eej Mod" cultural area | Shaamar | Eco future development center NGO |  |  |
| 9 | Biodiversity conservation | Shaamar | Eco future development center NGO |  |  |
| 10 | Water Resources Conservation | Sukhbaatar | Eco future development center NGO |  |  |

Source: Compiled by TA Consultant