



**SUSTAINABILITY**

EAST ASIA LLC

**Swiss Agency for Development and Cooperation**

Report on the Civil Society Sector Needs Assessment

October 2013

SDC Report\_Rev1



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## **1. INTRODUCTION**

### **1.1 BACKGROUND**

The Swiss Agency for Development and Cooperation (SDC) started delivering humanitarian aid and subsequently development projects in Mongolia in 2001, with a strong focus on sustainable natural resources use, agriculture and food security. In light of the country's rapidly changing development context, the SDC developed a new Cooperation Strategy for 2013-2016 which sets out to contribute to equitable and sustainable social and economic development in Mongolia. One of the priority domains identified to achieve this strategic goal was State Reform, Local Governance and Civic Participation. Within this priority, SDC intends to foster effective, efficient and fair local governments, satisfied citizens, and genuinely representative and effective Civil Society Organisations (CSOs). In support of this goal SDC commissioned Sustainability East Asia LLC (Sustainability) to conduct an assessment of the current needs in strengthening the civil society sector before commencing its interventions (the Civil Society Sector Needs Assessment or "the Study").

### **1.2 OBJECTIVES**

The aim of the Study is to provide a comprehensive assessment of the civil society sector in Mongolia and the environment within which the sector is situated, including its strengths and weaknesses, impacts to date, and the challenges it faces in terms of further development. The Study also provides recommendations for the planning process of a potential future civil society strengthening project by the SDC.

## **2. OVERVIEW OF PROJECT METHODOLOGY**

### **2.1 PROJECT ORGANISATION**

The Study was conducted by Sustainability between 27 August and 18 September 2013. The team consisted of international and local social sector advisors. The main survey activities were completed by local advisors, Byambabat Munkhtogoo and Solongo Sharkhuu, while the technical review of the final report was conducted by international advisors, Amy Sexton and Catherine Pringle. Refer to the relevant Appendix for full details of interviews and focus group discussions (FGDs).

Project governance was established at project commencement. The survey team held weekly meetings with SDC to review the progress of the Study and share opinions and feedback to ensure mutual understanding and to focus on targeted results. The SDC additionally provided a review of the draft report prior to final submission. Additionally, NGO representatives (Democracy Education Centre, Association of Parents with Disabled Children, Princess Center and Service for Peace) provided guidance on CSO leaders who may volunteer their involvement in the interviews and FGDs.

### **2.2 METHODOLOGY**

The methodology of the assessment was based on the Terms of Reference provided by SDC and is described below.

### 2.2.1 Literature Review

Research for this literature review commenced with the sourcing of documentation and publications relevant to the civil society sector in Mongolia (see Appendix A: Documentation List). There is extensive literature on the civil society sector in Mongolia, which is complemented by an even broader international selection of literature on the roles, challenges and opportunities of the sector from a global perspective. Particular reference was made to policy and advocacy papers from civil society, reports of current and completed donor projects, as well as a *Civil Society Training Needs Assessment* (2012) conducted by the Mongolian Centre of Development and Studies LLC and the "Gender Centre for Sustainable Development" Non-Government Organisation (NGO). The literature review also provided material for case studies, organisational web pages, and monitoring reports relating to CSO's "watchdog function".

The findings from the literature review were discussed in the FGDs to verify the key issues and recommendations for the strengthening of the civil society sector and also contribute to the body of information in this Assessment Report. These are covered in Section 4 (Key Findings).

### 2.2.2 Stakeholder Analysis

A stakeholder analysis (see Appendix B) was conducted to assist in identifying which CSOs to interview, how many to interview, what their interests, influences and roles are, and how they could contribute to and benefit from the Study. The SDC model for conducting a stakeholder analysis was applied<sup>1</sup>, with input from NGO representatives and SDC. This process revealed four (4) key categories of CSOs. These categories provided a logical way for Sustainability to organise the subsequent interviews and FGDs. The key categories and the definitions thereof are:

- Youth-led CSO: Led by youth, defined as under the age of 35;
- Newly established CSO: Established within the previous two years;
- Umbrella CSO: Perform a coordinating and representative function and provide technical and financial support to grassroots CSOs; and
- Experienced CSO: Have been operating sustainably<sup>2</sup> for over five years.

Additionally, across all categories, CSOs can be considered along a spectrum of how 'active'<sup>3</sup> they are, from 'highly active' through to 'inactive'. This framework helps to place CSOs according to broad groupings and more effectively determine their needs.

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<sup>1</sup> SDC How-to-do-Note Stakeholder Analysis

<sup>2</sup> While there is not an official definition it is intended to describe factors such as continuous operations and activities and no lapse in CSO registration with the Ministry of Justice over a number of years

<sup>3</sup> Again while there is no official definition of what constitutes an 'active' CSO, it intends to describe whether the CSO is involved and participates in: the areas (projects or functions) described by the CSO's constitution/organisational vision; participate in and contribute to sectoral events and working groups; the organisation is operational and that the CSOs are recognised by their peers as professionals in their nominated area of work. This project worked with 'active' CSOs, so a limitation is being able to analyse barriers to participation and activity of those moderately active or inactive CSOs.

Additionally the Stakeholder Analysis process revealed through mapping of interest and influence, that the role of Donor agencies is dependent on their program areas in terms of roles, areas of potential support and interest to CSOs. Within the context of the Matrix in Appendix B, Figure 1, it can be seen that 'donors', like CSOs themselves, fall in to a number of quadrants. This indicates that grouping stakeholders at too high a level can be counterproductive and may not reveal whether subgroups within the donor category will have the same level of interest/influence as others (e.g. their programming area may or may not cover social accountability or technical assistance for capacity building, or other areas of identified need). For this reason, a targeted and more detailed donor analysis would be beneficial.

### **2.2.3 Interviews with Key Stakeholders / Focus Group Discussions**

**Interviews:** The stakeholders involved in the interviews were active and currently involved in the civil society sector. The selection of key stakeholders for the interviews was suggested by SDC and NGO representatives. Interviews with key stakeholders were held by Sustainability (including representatives of Government, Donor Agencies, Private and Civil Society Sectors) to document dialogue and their suggestions and recommendations on how the civil society sector should be developed (see Appendix C for outline of interviews and Appendix D for list of interview participants).

**FGDs:** Sustainability's survey team conducted two FGDs with CSO representatives. The purpose of the FGDs was to identify the main barriers encountered by the CSOs in the development of the civil society sector in Mongolia and to propose options for sustainable mechanisms to support the development of the sector. Sustainability used FGDs as a participatory approach to allow for discussion within similar categories of CSOs on specific and common issues.

Participants in the FGDs were selected from active CSOs. Sustainability contacted 50 CSOs and informed them of the Survey through phone calls to encourage their participation. Thirty-four (34) CSOs confirmed their attendance in the FGDs. In total, 19 CSO representatives participated in the FGDs (see FGD Participants List in Appendix CE and Appendix F for Key Question for FGDs). One (1) FGD was for umbrella and experienced CSOs (8 participants), and the other for youth-led and newly established CSOs (11 participants).

## **3. SITUATION ANALYSIS OF THE CSO SECTOR IN MONGOLIA**

### **3.1 OVERVIEW**

Most contemporary analysts consider the development of Mongolia's civil society to have commenced in the 1990s during the period of democratic transition.<sup>4</sup> Mongolian civil society has grown considerably in number and has diversified with respect to areas of activity in the past twenty years. The civil society sector in Mongolia is mainly composed of NGOs whom are registered now with the State Registration office (previously this was the Ministry of Justice of Mongolia).

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<sup>4</sup> State of Civil Society in Mongolia (2004-2005), CIVICUS Civil Society Index Report for Mongolia, by Centre for Citizens Alliance.

### 3.2 DEFINING CIVIL SOCIETY IN MONGOLIA

The Mongolian term for civil society literally translates as “citizens” society.” As such, it is fundamentally political in that it asserts the primacy of citizen’s wellbeing, his/her rights and interests over the interests of the Government and describes a society wherein this principle is a reality. This term came to be used in the early 1990s with the inflow of donor support for the development of NGOs as part of the democratisation process, replacing the term “mass (or public) organisations” that was used in the socialist period. In the late 1990s donor organisations began to actively use the term “civil society.”<sup>5</sup>

*The Concept of the Development of Civil Society* is a document that was developed in 2005 based on the discussion of the broad definition of “civil society” as “...activities carried out locally, sector-wide or nationally by individuals or formal and informal groups of individuals who have united voluntarily on the basis of common views or interests, for the purpose of contributing to political, economic, social and cultural development.” The *Concept* was discussed among CSOs in 21 provinces and approved by the National Forum for CSOs and then by the previous Government on 5 April 2012. The new Parliament (elected in June 2012) has delayed the approval of the document. During the FGD and interviews, the majority of participants agreed to the definition of civil society as defined above in the *Concept of the Development of Civil Society*, and considered that recognition of this agreed definition is important to ensure the common understanding between the Government and civil society and to foster an external environment that supports both Government and CSOs.<sup>6</sup>

### 3.3 KEY AREAS OF ACTIVITY

The way CSOs play their development roles in Mongolia is shaped by their nature, the interests and constituencies they represent, and the capacities and resources at their disposal. Their role is also strongly influenced by the context within which they operate, in particular the degree of convergence (or divergence) with the Government. Mongolia’s relatively young civil society sector has undergone a rapid self-discovery process in the last 20 years, which has paralleled the democratic learning process of the Mongolian state and society. The key areas of activity in the sector, and indeed the challenges facing this sector, reflect its youth.

Namely, there is a predominance of cause-specific CSOs, focusing on specialised areas. As identified by the CSOs in the FGDs and interviews, the main specialised areas are: democracy, human rights protection and promotion, environment, women and citizen’s participation, education, health education, community mobilisation, provision of social welfare services, capacity building training and social accountability. CSOs activities are targeted to all different groups such as youth, women, people with disabilities, elders, women headed households, herders, artisanal miners, sexual minority and other vulnerable groups.

Youth participation (especially forming voluntary groups for public benefit and protection of women rights) has increased in the civil society sector. Key focus areas of youth-led and inexperienced CSOs tend to be cause-specific and not directed at the broader function of serving as a community “watchdog” and/or social accountability role.

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<sup>5</sup> CSI Country Report – Mongolia, 2005 *State Of Civil Society In Mongolia* Final Draft Country Report

<sup>6</sup> The “CIVICUS Civil Society Index Report for Mongolia” indicated that the external ENVIRONMENT of Mongolia’s civil society is largely disabling. The rather hostile political context marked by the domination and repression of society by the state, excessive centralization, widespread corruption in the government and the strong entrenchment of oligarchic power constitute the main obstacles to civil society’s development.

Experienced and umbrella CSOs tend to have greater capacity for and increased focus on monitoring and social accountability (emerging “watchdog” role) than youth-led or newly established CSOs.

In addition, many of the CSOs play a passive rather than pro-active role within the community. However, it is hard to estimate the actual percentage of CSOs that are operating actively because there are no official statistics or up to date, comprehensive and reliable data on CSO numbers and activities.<sup>7</sup>

### 3.4 COOPERATION AND COLLABORATION

Approaches to cooperation and collaboration differ by CSO category. In recent years, experienced and umbrella CSOs have improved their cooperation with international organisations to expand their activities at an international level. Additionally, the number of CSOs (either experienced or inexperienced CSOs) joining forces as networks or in partnerships has increased, thereby allowing CSOs to present a publicly united voice. Within the activities of social accountability and outsourcing of government services, there are some civil society networks that have been established at local and national levels for joining forces and building their capacity (examples of these networks include, but are not limited to: “Partnership for Social Accountability”, “Citizens’ Oversight of Budgets” and “Partnership for Public Procurement”)<sup>8</sup>.

### 3.5 CHALLENGES

Despite the substantial achievements of CSOs in the 20 years since Mongolia’s transition, the sector still faces a number of challenges, which were highlighted by the participants in the FGDs and interviews. Challenges differed based on CSOs category: newly established /youth-led CSOs or umbrella/experienced CSOs. The youth-led CSOs listed that the main challenges for them are limited financial resources, unstable human resources and a lack of capacity.

Umbrella or experienced CSOs identified that the urgent issues that they face are a lack of an effective legislative environment, inadequate tax relief<sup>9</sup>, a lack of high level cooperation with the government that would support the development of the sector, lower funding potential due to fewer donor agencies, and a lack of expertise in operating in and competing at an international level.

#### Summary of Main Challenges Faced by CSOs

- Lack of effective legislation;
- Lack of tax relief policy;
- Lack of adequate government policy support;
- Lack of required high level partnership with the government that would support CSOs and their activities;
- Limited financial resources of CSOs;
- Lack of capable and stable staff;
- Geographic area of CSOs activities is centralised in Ulaanbaatar city; and
- Public perception of civil society is low (ie perceptions of corruption and collusion especially in relation to CSOs that are fund-driven / owned by Government officials).

<sup>7</sup> The Open Society Forum developed a CSO database which included all officially registered CSOs in 2002 and published it for public use in 2003. The database has not been updated since that date.

<sup>8</sup> During the interview, interviewees mentioned these network activities.

<sup>9</sup> Tax relief may include tax benefits for: CSO employees to enable an overall employment package that constitutes a living wage; private sector donors to encourage philanthropic giving; provide office or working space for CSOs or some allowance for renting the office to run sustainable activities.

## 4. KEY FINDINGS

Key findings from the literature review, FGDs and interviews with key stakeholders are presented below and summarised in Table 4.1.

### 4.1 NUMBER OF CSOS

According to the State Registration Office, there are 22,177 registered CSOs<sup>10</sup> as of July 2013. There are 15,538 NGOs, 618 foundations, 2,112 labor unions, 722 religious organisations and 3,187 media organisations. There has been significant growth within the civil society sector in Mongolia, from 5,077 CSOs registered at the Ministry of Justice and Home Affairs on 1 September 2005<sup>11</sup>, to 22,177 registrations in 2013. This growth may indicate that the process for registering entities has become easier and more inclusive for interested individuals and groups, or that there are perceived or actual benefits that can be realised from registering a CSO.

However, while this number is impressive for a country with a small population, it may not reflect the true picture of civil society in Mongolia. Within the *CSO's Training Needs Assessment of 2012*, data on CSOs was collected from the State Registration Offices of each aimag. This data was then delineated in terms of active and inactive CSOs and as result, only 404 CSOs were found to be active.<sup>12</sup> The term of active CSOs is described in this interview that they have regular and sustainable activities.

According to the *CSOs' Training Needs Assessment*, 78.9% of total participant CSOs (209 CSOs) were established based on local needs and their own initiatives and as local branch organisations of the umbrella CSOs. Based on the Law on NGOs, there are two types of NGOs: one is for member benefit and another one is for public benefit. 'Public benefit NGO' shall mean an NGO that operates for the public benefit in the fields of culture, art, education, science, health, sport, health, nature and environment, community development, human rights, protection of the interests of specific subsets of the population, charity and other such fields. 'Member benefit NGO' shall mean an NGO other than a public benefit NGO that operates primarily to serve the legitimate interests of its members.

Both types of NGOs still need to mobilize their resources and involve more volunteers in their daily activities in order to meet their target community needs and expand their activities in cost-effective way. CSOs encompass a very broad range of types and serve an array of constituencies. However, one common feature is that their roots lie in volunteerism.

According to the response from 79 NGOs surveyed in *the Situation Analysis and Recommendations on Promoting Volunteerism*, there were 20,136 volunteers formally volunteering within an organisational framework and 2,737,000 hours of volunteer time spent in the social development of Mongolia in 2012. This is a significant indicator that shows the strength of volunteerism in Mongolia.

### 4.2 LEGAL FRAMEWORK

The main laws guiding the civil society sector are: Law on NGO, Civil Code, Law on Economic Entity Income Tax, Law on Social Insurance and Law on Social Welfare.

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<sup>10</sup> Statistics are taken from the official website of the State Registration Office. (<https://burtgel.gov.mn>)

<sup>11</sup> "NGOs in Mongolia" Survey report published by DEMO in 2005

<sup>12</sup> Interview with MCDS

The first Law on NGO was approved in 1997 and is still in effect. The central problem associated with this Law is that it is not reflective of the current context in Mongolia. Legal and practical rationales, which are included in concept of amendment to the Law on NGO, were identified by the previous working group established for the purpose of amending the Law. This was mentioned by many of the key stakeholders interviewed and by FGD participants. Even though a working group was established and several discussions held about the amendment of the Law on NGO in recent years, the process for the amendment of laws is slow at the decision-making level. It is anticipated that a new working group<sup>13</sup> will be established shortly and coordinated by the Ministry of Justice.<sup>14</sup><sup>15</sup> Currently, there are three (3) new draft laws (Law on Volunteering, Law on Performance Management and Control, Law on Public Benefit Activities) which are relevant to civil society sector and are being discussed through the different working groups.<sup>16</sup> The three different working groups formed under the Office of the President have drafted these laws. Further findings from the interviews and FGDs in relation to the legal framework include:

- CSOs want financial support for policy advocacy in order to lobby for approval on the amendment of relevant laws. Key stakeholders mentioned that the fostering of an enabling legal environment is a very important step to enable CSOs to work independently and further establish sustainable activities, However it should be noted that conflict of interest<sup>17</sup> was not raised in the discussions;
- the *Concept of the Development of Civil Society* document should be reviewed and endorsed, and thereafter be approved by the Parliament and Government of Mongolia;
- corporate support for CSOs is low because there is no policy or law on tax relief for companies which support CSOs; and

### **4.3 PARTNERSHIPS BETWEEN GOVERNMENT AND CSOS**

CSO partnerships with the Government are largely dependent on the interventions and status of the incumbent Government of Mongolia.<sup>18</sup> A strong partnership is still emerging between civil society and all levels of Government. This is due to a lack of mechanisms available for CSOs to partner with the Government in a constructive way. The Government of Mongolia agrees that there is a need to develop cooperative mechanisms, establishing new strategy and approach for liaising with CSOs.<sup>19</sup> It is because the Government understand the importance of CSOs involvement in the further development. For example: the CSOs have worked in the more broaden areas: specially in the improvement of social welfare services, effectiveness of intervention to meet vulnerable groups needs, fostering the social accountability and increasing citizens participation in the discussion of local development issues and decision-making levels.

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<sup>13</sup> The new working group will consist of previous working groups members and plus few new members

<sup>14</sup> Interview with Ms.Sosormaa (Advisor to the President of Mongolia)

<sup>15</sup> Interview with Ms.Zanaa (Chairperson of the "Citizens Alliance Center" NGO)

<sup>16</sup> Interview with Ms.Sosormaa (Advisor to the President of Mongolia)

<sup>17</sup> i.e. participants did not recognise that potentially receiving Government funds to lobby Government may corrupt their ability to act independently and effectively as lobbyists.

<sup>18</sup> Observation on the current situation in the Civil Society Sector is based on the information from the FGDs and stakeholder interviews.

<sup>19</sup> Page 6, *CSOs Training Needs Assessment report* (2012)

Notwithstanding the above, the following levels of partnership do exist in Mongolia. These are often keenly established however in some instances, implementation is slow to take off:

**National level:** CSOs have experienced significant achievements through partnering with the Government. For example:

- In 2008, a Civil Society Council (CSC) was established based on the decision of a National Forum of more than 100 CSOs. This Council works voluntarily and aims to influence Government policies on common issues faced by CSOs. As a result of Civil Council activity, the 93rd Government Decree on Liaising with NGOs was approved by the Government of Mongolia in March 2008. Consequently, CSOs are provided the opportunity to engage actively with communities and Government at a local level. The organisational structure of the CSC comprises four Sub-Civic Councils (CCs) and one Working Group (WG) for different sectors. These are the CCs for: Environment, Education, Culture and Science, Health, Defense, and the Social Welfare and Labour Working Group. These CCs were formed in different times and each CC is headed by the Council Director and has its own government counterpart and CSO membership based on its sectoral interest. The CSC's representative, networking and coordination functions are limited and not well presented at nationwide. These CSCs have lack of capacity in terms of financial and human resources<sup>20</sup> to run broaden activities and raise citizens' voices at wider level. Currently, Civil Society Council has no leadership or ownership to continue its initiatives.
- The "Strategic Policy Paper on Decentralization based on Direct Democracy and Citizens' Participation over the medium to long term 2012-2022": Adopted by the Presidential Decree No. 176 on 21 September 2012, the Strategy Policy Paper is based on the Constitution of Mongolia, Article 3 stating that "the Mongolian people shall exercise their rights through their direct participation in state affairs as well as through the representative bodies of the State authority elected by them." The implementation strategy involves developing a favorable legal framework for formalization of citizen participation and requisite state systems and supportive organizational structure and organizing public information dissemination campaigns, aimed at citizen education about the importance of participation and how to participate. Promoting active participation by different groups of citizens is laid out including "creating a nationwide network of voluntary groups that will spread the values of direct democracy, promote citizen participation".<sup>21</sup> Any nationwide network of voluntary groups has not yet been established.
- The 31<sup>st</sup> of January is "Civil Society Day" in Mongolia and has been celebrated as a commemorative day since 2009 with approval from the Government of Mongolia. On this day, CSOs raise awareness on urgent or priority issues of the civil society sector and conduct policy advocacy activities.

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<sup>20</sup> Situation Analysis and Recommendations on Promoting Volunteerism in Mongolia

<sup>21</sup> Situation Analysis and Recommendations on Promoting Volunteerism in Mongolia

**Local level:** Effective partnerships have been fostered at a local level since 2006.<sup>22</sup> Despite, positive emerging partnerships between local government and local-level CSOs, these partnerships are deeply dependant on the attitudes of the Government officials and are often subject to the interests of the incumbent political representatives. In general, the partnerships between local government and CSOs differ both between and within aimags as there is a lack of official mechanisms that structure and define the partnerships parameters between Government and CSOs.<sup>23</sup>

From the above observations, it can be concluded that partnerships between Government and CSOs are in the process of strengthening. The Government increasingly involves CSOs in the process of decision-making and policy development at each level of Government. However, the CSOs participating in the interviews and FGDs mentioned that their involvement and influence at the higher levels of Government is still not sufficient for CSOs and that often this relationship feels more symbolic than anything else.

The main issues highlighted as part of the FGDs and interviews include:

- mechanisms for civic engagement are essential. Civic engagement issues are identified in some laws (for example, the Law on Budget and Law on Environmental Impact Assessment, etc.), yet no practical mechanisms for engagement have been developed;
- Reinforcing of Government officials capacity is needed. The Government officials have limited understanding on their role in relation to the CSOs. Generally, the Government perception on the role of civil society especially in the area of watchdog function is low. This influences negatively to strengthen partnerships between the Government and CSOs at all levels; and
- engagement and consultation mechanisms are needed to improve partnerships and dialogue between Government and CSOs and to enhance the sustainability of partnerships.

It should be noted that CSOs also reflected on their own weaknesses across the sector. These included that CSOs have limited financial resources to join force in order to unite their voices and reach common views in each sector.

#### **4.4 FUNDING CONTEXT**

CSOs depend largely on funds obtained from donors and Government projects. Generally, the main sources of funding for the CSOs are the following<sup>24</sup>:

- membership fees and (voluntary) contributions of individuals and organisations;
- income generated by mission-related profit activities;
- borrowed or inherited funds;
- funds allocated from the Government budget for project implementation; and
- funds from donor and international organisations.

<sup>22</sup> "NGO participation in the decision-making and policy development level" by Ya.Byambajav

<sup>23</sup> NGO participation in the decision-making and policy development level" by Ya.Byambajav

<sup>24</sup> During the Focus Group Discussion and Interviews with CSOs

Government tenders and philanthropic donations for CSOs are limited and sometimes the funding process is not open, transparent or well understood by CSOs.

The main findings regarding CSO funding as identified during the FGDs and interviews are:

- Government and international organisations (such as Asia Foundation, Mercy Corps, ADRA and etc) are directly implementing donor projects. This means that the funding opportunities for local CSOs are becoming more limited in Mongolia because the number of donor agencies to provide grants for CSOs is fewer. Therefore, the majority of local CSOs need to improve their capacity to compete for limited funding opportunities;
- CSOs have a lack of capacity for fundraising and advocacy. This impacts on CSOs that cannot raise the contribution from other financial resources;
- mechanisms for ensuring the transparency of information are weak and related to this, information dissemination by Government and Donors' with respect to their bid processes, is inadequate;
- the Government funding issue is being discussed under the *Concept of the Development of Civil Society*. This is a very important issue for further civil society development and helps CSOs to work independently. For example: USA has extensive experiences on providing financial support to CSOs based on citizens' evaluation. The USA entered code system.<sup>25</sup> According to the Government action plan for 2012-2016, it included to develop new funding mechanism for CSOs and approve the draft law on Public Benefit Activity.
- The Government is currently working on the creating environment for CSOs to be partner with the Government as service providers.<sup>26</sup> According to the Government action plan for 2012-2016, the Government will implement activities truly by outsourcing its services to NGOs and professional unions through the contracting out.; and
- tax relief, which was already ineffective in 1999 with the first Law enabling this status, needs to be discussed and reviewed in order to seek an opportunity for alternatives. According to the current law on Economic Entity Income Tax, NGOs are not tax exempted in Mongolia (except NGOs established for people with disabilities)<sup>27</sup>.

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<sup>25</sup> Few CSOs representatives mentioned this USA experiences during the interviews.

<sup>26</sup> Interview with Ms.Sosormaa, an Advisor to the President of Mongolia

<sup>27</sup> Law on Economic Entity Income Tax

**Table 4.1 Summary of Key Findings by Category**

	<b>Newly established CSOs</b>	<b>Youth-led CSOs</b>	<b>Experienced CSOs</b>	<b>Umbrella CSOs</b>
<b>Operational</b>	<ul style="list-style-type: none"> <li>· Rent offices;</li> <li>· Lack of human resources who understand and have experience in the civil society sector;</li> <li>· Lack of experience in and knowledge of organisational management;</li> <li>· In order to access funds, implement donor fund-driven activities which are often not relevant or directed to their vision/mission;</li> <li>· Often operate outside their areas of expertise;</li> <li>· Have barriers to develop proposals; and</li> <li>· No experience on fundraising and social entrepreneurship.</li> </ul>	<ul style="list-style-type: none"> <li>· Rent offices;</li> <li>· Youth participation in CSOs has increased;</li> <li>· Lack of permanent staff who understand the civil society sector;</li> <li>· Lack of experience in and knowledge of organisational management</li> <li>· In order to access funds, implement donor fund-driven activities which are often not relevant or directed to their vision/mission;</li> <li>· Lack of knowledge and experience on advocacy, fundraising and monitoring;</li> <li>· Unsustainable activities and programs due to financial instability; and</li> <li>· No experience on fundraising and social entrepreneurship.</li> </ul>	<ul style="list-style-type: none"> <li>· Rent or own offices;</li> <li>· Trained and stable staff;</li> <li>· Have volunteers/supporters;</li> <li>· Lack of youth involvement;</li> <li>· Implement some fund-driven activities;</li> <li>· Experienced in their field;</li> <li>· Memberships / collaboration with other NGO and CSO networks locally and internationally; and</li> <li>· In-depth knowledge and expertise in specific sector project implementation and sensitivity of needs and demands of communities at grassroots level.</li> </ul>	<ul style="list-style-type: none"> <li>· Rent or own offices;</li> <li>· Have trained and stable staff;</li> <li>· Inadequate human resources;</li> <li>· Lack of youth involvement;</li> <li>· Experienced in their field;</li> <li>· Memberships with other NGO and CSO network locally and internationally; and</li> <li>· In-depth knowledge and expertise in specific sector project implementation and sensitivity of needs and demands of communities at grassroots level.</li> </ul>
<b>Internal Governance</b>	Most CSOs across all categories of CSO have limited knowledge and understanding of the importance of internal management and governance: human resource management, financial management, and sustainable organisational development practices.			
<b>Legal</b>	Amendments were raised across all categories of CSO on aspects requiring an update in the CSO legal framework <sup>28</sup> : <ul style="list-style-type: none"> <li>· Legally recognised CSO categories should be amended and expanded;</li> <li>· Legal arrangements which support different funding opportunities from a range of other sectors to CSOs;</li> <li>· Legislation on tax breaks, tax obligations and status of CSOs; and</li> <li>· Legal arrangements on incentive mechanisms for CSOs staff require clarification.</li> </ul>			
<b>Financial</b>	<ul style="list-style-type: none"> <li>· Financially unstable / vulnerable</li> <li>· Lack of confidence by potential</li> </ul>	<ul style="list-style-type: none"> <li>· Financially unstable / vulnerable;</li> <li>· Lack of financial resources available due</li> </ul>	<ul style="list-style-type: none"> <li>· Heavy dependence on external donors and donor driven programming;</li> </ul>	<ul style="list-style-type: none"> <li>· Heavy dependence on external donors and donor driven</li> </ul>

<sup>28</sup> Legal framework including the Mongolian Law on NGOs (1997, unamended).

	Newly established CSOs	Youth-led CSOs	Experienced CSOs	Umbrella CSOs
	<p>funders due to:</p> <ul style="list-style-type: none"> <li>- little or no experience</li> <li>- language barriers with foreign funding organisations</li> <li>· Low capacity on financial management, budgeting and accounting; and</li> <li>· Limited knowledge on how to access (financial) information.</li> </ul>	<p>to perception by donors of CSOs being young and inexperienced;</p> <ul style="list-style-type: none"> <li>· Low capacity in seeking funding opportunities in Mongolia or abroad;</li> <li>· Lack of capacity to develop financial (and technical) proposals that meet funders' requirements;</li> <li>· Limited knowledge on how to access (financial) information; and</li> <li>· Limited fundraising experience.</li> </ul>	<ul style="list-style-type: none"> <li>· Government and International Organisations not engaging CSOs for program delivery / project implementation;</li> <li>· Donor support declining as Mongolia moves to a middle-income country;</li> <li>· Limited understanding of Government and donor agency procurement processes (opaque tender processes);</li> <li>· Low financial management capacity; and</li> <li>· Lack of fundraising experience.</li> </ul>	<p>programming;</p> <ul style="list-style-type: none"> <li>· No financial policy or support mechanism for umbrella CSOs including national foundations;</li> <li>· No tax and social insurance relief;</li> <li>· Lack of capacity on financial management; and</li> <li>· Lack of fundraising experience.</li> </ul>
<b>Relationship with Government</b>	<ul style="list-style-type: none"> <li>· Lack of experience in dealing with the Government leading to poor mutual perceptions between Government-CSOs, and inability of CSOs to understand and effectively navigate Government processes;</li> <li>· There is no national level institutional mechanism(s) that has sufficient resources and mandate for facilitating CSO-government dialogue and discussion of the mutual challenges and opportunities available to and experienced by Government / CSO cooperation.</li> </ul>		<ul style="list-style-type: none"> <li>· Generally have a good relationship with the Government and its agencies;</li> <li>· Experienced in participating in policy planning and implementation across their respective sectors;</li> <li>· There is no national level institutional mechanism(s) with sufficient resources and mandate to facilitating CSO-Government dialogue, and discussion of the mutual challenges and opportunities available to and experienced by Government / CSO cooperation.</li> </ul>	
<b>Focus area (monitoring, advocacy and programming)</b>	<ul style="list-style-type: none"> <li>· Community development (Child, youth, women and community development, volunteerism and livelihood income generation);</li> <li>· Delivery of social welfare and public benefit services;</li> <li>· Environment protection;</li> <li>· Health and education; and</li> <li>· Human rights protection.</li> </ul>		<ul style="list-style-type: none"> <li>· Community development (Child, youth, women and community development, volunteerism and livelihood income generation);</li> <li>· Delivery of social welfare and public benefit services;</li> <li>· Monitoring/social accountability (emerging 'watchdog' role);</li> <li>· Policy research and advocacy; and</li> <li>· Environment and human rights protection.</li> </ul>	

## **5. CAPACITY AND EFFECTIVENESS OF CSOS**

### **5.1 SOCIAL ACCOUNTABILITY**

There is a public need to monitor and evaluate performance of public institutions and enhance the managerial effectiveness and capacity of CSOs in the local arena. A key theme to emerge from this Study is that an essential way to strengthen CSOs' capacity for advocacy and their public "watchdog" function is by learning new approaches and strategies to monitoring and evaluation, as well as having organisational maturity and high levels of involvement in the sector, coupled with strong analysis skills to be influential in the role. Few CSOs have the analytical skills and capacity that are necessary for research, advocacy and policy dialogue. Youth-led / newly established CSOs indicated that they have no experience in monitoring and evaluation. This means that the number of CSOs working on monitoring need to be increased and their capacity both in the methodology of monitoring and in advocacy increased, due to further demand especially within the activities of local development funds.

In the last five or six years, the number of CSOs with a monitoring and public "watchdog" function has increased. For example: since 2008, the Open Society Forum provided grants to 132 -136 CSOs (duplicated number) to implement monitoring projects on government services within Open Society Forum's governance project.<sup>29</sup> The outcome of the project during the last years is that number of CSOs operating in local areas is increased, and the CSOs who have been involved recently have built their capacity on running monitoring activities.

#### **Case Study - Example of Effective Advocacy**

The Association for Wheelchair Users NGO implemented a monitoring project on the implementation of the standard for building ramps outside of the buildings in 2011. As a result, the NGO influenced building owners and Government control officials on the importance of building their ramps according to the national standard. Now, the number of buildings with ramps has increased in Ulaanbaatar and also in some rural areas.

### **5.2 OPERATIONAL AND INTERNAL MANAGEMENT**

The *CSOs Training Needs Assessment* was conducted by the MCDS in 2012, with the financial support of the SDC. According to this assessment, 51% of the total number of CSOs develop proposals and look for funding sources for their operational purposes. The remaining CSOs said that there is a lack of skills on proposal development and fundraising and that their capacity to conduct fundraising activities needs to be improved. Moreover, the CSOs in this *CSOs Training Needs Assessment* agreed that one of their priority issues is financial sustainability, and the fact that the majority of CSOs do not have a long-term financial plan to solve the issue. Additionally, accounting system or programs to conduct financial reporting are lacking, and analysis on their financial status is rare.

As a part of this Study (in the FGDs and interviews), umbrella and experienced CSO representatives expressed that while they are relatively experienced in proposal development, difficulties are experienced as

<sup>29</sup> Interview with Open Society Forum

some donor and international organisations have no guidelines for proposal development and reporting. This is one reason to CSOs for not directing them as to how requirements are expected to be met.

All CSOs expressed that they are experienced in their areas of expertise and have obtained in-depth knowledge in specific sector project implementation and sensitivity to the needs and demands of communities at a grassroots level. The memberships and collaboration with other NGOs and CSO networks has expanded at both local and international levels. Local CSOs in the most of the provinces have established local Civil Society network in their province to join forces and collaborate with the Local Authorities in the terms of fostering the good governance.

### **5.3 HUMAN RESOURCES**

In many cases, CSOs have a lack of human resources due to the high turnover rate of trained staff, especially young staff. CSOs tend to lose their capable and trained staff due to the organisation's limited financial resources. This directly influences CSOs' capacity to conduct meaningful work. Additionally, CSOs often serve as a 'transfer base', i.e. by developing staff who are then employed by the Government and international organisations. From this perspective, CSOs have also contributed significantly to the general development of human resources in Mongolia. CSO participants in the FGDs expressed an interest in mobilising more volunteers and members to expand their framework but acknowledge that they lack the management skills for coordinating, promoting and mobilising the volunteers.

### **5.4 EFFECTIVENESS OF CSOS**

In recent years, social accountability has become an increasing focus of attention by international donors (who in Mongolia include: World Bank, UNDP, USAID, Open Society Forum, Asia Foundation and Mercy Corps). A number of CSOs have increased their participation in the field of social accountability and have experience in monitoring public services in different sectors. For example various methods were used by the CSOs such as legislative advocacy, public expenditure monitoring, petitioning of public officials for access to information, public demonstrations, and direct negotiation with government agencies. Other examples of social accountability mechanisms used by CSOs include community scorecards and citizen report cards to monitor the health sector<sup>30</sup>. However, there is no integrated or shared data on how many of the monitoring results are being implemented according to the monitoring recommendations. In addition, fewer newly established and youth-led CSOs participate in this framework due to a lack of capacity and their limited access to

#### **Case Study – Partnering for Better Results in the Civil Society Sector**

Democracy Education Centre NGO implemented a monitoring project on the transparency and accessibility of government services (targeted to 3 high schools) in 2013, with 24 local CSOs as a team. This monitoring was financed by The Asia Foundation. Under the framework of this monitoring project, the 3 experts from the "Partnership for Social Accountability" network mentored 24 participating CSOs to implement the monitoring project. Also, the training on "Social accountability and Citizens scorecard approach" was held for representatives of those 24 CSOs and 3 target high schools in order to improve their knowledge and information. As a result, the participating CSOs in a team have obtained experiences in approach and methodology of the monitoring.

<sup>30</sup> The Enabling Environment for Social Accountability in Mongolia, 2007.

information and resources. The limitation of accessing information and resources can reflect to a lack of willingness to work cooperatively within the sector and share lessons between organisations.

The key findings from the interviews and FGDs include:

- **Finance:** There is a clear difference between youth-led / inexperienced CSOs and experienced / umbrella CSOs in relation to the types of challenges they face, the nature of their activities, and the resources available to them. These differences are particularly evident in relation to finance – both from a funding perspective and from an internal financial management perspective. Youth-led / newly established CSOs tend to have limited knowledge of budgeting and fundraising and therefore experience extreme financial insecurity. This leads to a high turnover rate of staff and an unsustainable operational environment. This is highly disadvantageous in a sector that requires long-term, stable activities to foster sustainable development. For experienced / umbrella organisation, the challenge is in navigating international donor financing, budgeting for large, complex projects, and fundraising in an international market;
- **Organisational management:** There is a need for specialised training support for youth-led and newly established CSOs (such as organisational management, advocacy and methodology of monitoring, accounting, establishing the long-term partnership and also building the capacity of social marketing);
- **Effective cooperation and shared learning:** The need for structures and processes for citizen participation and multi-stakeholder dialogue between and among CSOs, governments, elected representatives, donors and the private sector is a key theme expressed across all CSO categories in this Study;
- Related to the above finding is the creation of an enabling environment. To fulfil their roles effectively, CSOs need assistance in developing their own capacities to exercise their rights and responsibilities. However, there is a strong recognition that a sustainable civil society sector requires a set of enabling conditions that support CSOs in strengthening and making effective use of their capacities. Such an “enabling environment” is multi-dimensional; and
- **Governance focus:** The majority of CSOs focus on service provision in the areas of protection and promotion of the rights of disabled people, women and minority groups, environmental protection, youth development and community mobilisation. Very few CSOs, in comparison, deal with issues of good governance of law enforcement agencies, transparency in a decision making process, anti-corruption initiatives, and monitoring of public services and implementation of local development fund.
- **Quality Volunteerism:** Promoting quality volunteerism in Mongolia can be used to address various development challenges and priorities. Volunteerism can enable active civil society participation and socially inclusive and participatory development.

## **6. RECOMMENDED OPTIONS FOR SUSTAINABLE MECHANISMS TO SUPPORT THE CSO SECTOR IN MONGOLIA**

### **6.1 GOVERNMENT POLICY MECHANISMS**

Government policy aims to support CSOs through the creation of an enabling legal environment for further civil society development. This type of environment could be fostered through:

**Legal Framework:** The following existing and new laws, policy and Government Decrees are recommended to be assessed with the aim of amending and improving them to support the development of civil society sector:

- The Civil Code, 1992;
- Law on NGO, 1997;
- Government Decree No. 143 on approving transparency criteria;
- Draft law on Volunteering;
- Law on Performance Management and Control; and
- Draft law on Public Benefit Activities.

**Financial Sustainability:** The following activities in relation to financial support of the CSO sector by the Government and other organisations are recommended or may be included in the amendment of the Law on NGOs:

- clarification of the financial processes in relation Government funding of CSO projects and the monitoring of such funding processes; and
- clarification of policy on tax deductions and exemptions for CSOs, especially for public benefit organisations, donors and donations.

#### **Improvement of Partnership with CSOs:**

- Effective engagement and consultation mechanisms to improve partnerships and dialogue between Government and CSOs need to be developed in order to enhance the sustainability of partnerships and to create an enabling environment for the CSO sector. Mechanisms such as forums to assess and evaluate partnerships and projects (past, future and current) are key to ensuring sustainable and open partnerships. This discussion and review process should happen before the legislative change and the outputs of discussion and workshops become inputs and a stepping stone to getting new legislation passed, as part of the engagement process between stakeholders.

#### **Social Welfare Incentives:**

- Mechanisms to support CSO's human capital are recommended to be explored at a policy level. This may include reward systems, tax or social insurance relief and social protection for CSO staff as a way to acknowledge their contribution for the society without seeking profit. This could also assist in balancing human capital growth in the CSO sector and to mitigate against large numbers employees of the civil society sector migrating to more lucrative jobs in the private and Government sector.

### **Reinforcing Mutual Understanding between the CSO Sector and Government:**

- This aims to increase the capacity, improve the attitude and encourage mutual understanding between Government officials and CSO staff. These activities should include capacity building training, meetings and experience sharing tours for the Government officials whose roles and responsibilities are connected to CSOs activities, and vice versa, to understand the context in which the other operates.

## **6.2 CSO CAPACITY BUILDING MECHANISMS**

It is important to continue supporting technical assistance for CSOs to strengthen their structural, financial, and technical and management capacity, apply principles of democracy within CSOs, and improve the analytical and monitoring skills of CSOs.

Mechanisms that go beyond the technical enablers of the civil society sector – i.e. that look at power dynamics, effective relationships and interactions across all relevant actors as well as at the incentives and levers that could induce different practices are recommended.

Specifically, these mechanisms may include enhancing common sector understanding and evidence to improve learning on what works and what does not work in Mongolia. This could be achieved through integrating CSO performance into sector and project reviews and thematic evaluations.

## **6.3 MECHANISMS FOR STRENGTHENING CITIZENS' RIGHTS**

The strengthening of citizens' rights is an important way in which direct democracy and civic engagement is fostered. The following activities are recommended to be included within this framework:

- provide increased opportunities for citizen access to information (for example: by building on the proposed Freedom of Information act);
- enhance activities and functions of Citizens' Halls<sup>31</sup>;
- develop the mechanisms for CSOs or citizens to monitor CSOs' activities and their alignment with their intended vision and mission, and responsibilities to the public, including through encouraging reflection and review as part of organisational development support;
- The establishment of grievance and feedback mechanisms and transparency of information in the information centre of "11-11"<sup>32</sup> are ways in which this can be achieved; and
- use the media as a key mechanism to contribute to building awareness, amongst the broader public of what civil society strengthening means and how the civil society sector can and could continue in future contribute to societal change and development.

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<sup>31</sup> While the primary purpose of the Citizens' Hall is to gauge citizen concern on legislation, it also has some wider objectives; to instigate citizen deliberation and improve the quality and culture of democratic deliberation, and thus participation in general.

<sup>32</sup> Government public contact centre named "11-11" is supposed to provide feedback and information to the Government service information from its citizens.



## **7. RECOMMENDED OPTIONS FOR DONOR FUNDED SUPPORT TO A FUTURE CSO STRENGTHENING PROJECT**

Based on this Study, the following options are proposed for donor funded support to a future CSO strengthening project.

### **7.1 TARGETED SUPPORT BY CSO CATEGORIES**

#### **7.1.1 Financial Management and Capacity Building for Youth-Led and Inexperienced CSO's**

Training aimed at impressing on participants the importance of developing and implementing fixed financial procedures to promote sound operational performance, transparency, organisational credibility, and good governance is recommended. This could take the form of short workshops or a tailored training course on the basic principles of financial management, accounting and budgeting, and principles of fundraising for entrants into the civil society sector.

From an internal organisational management perspective, training on internal auditing, and bid / proposal development (both technical and financial aspects) would also be of value.

Ongoing coaching and mentoring across all / any of these functions would enable 'on the job' support to practice lessons of training courses. Partnerships with training providers in the delivery of training, coaching and mentoring would facilitate a sustainable, locally supported program.

#### **7.1.2 Financial Management and Capacity Building for Experienced and Umbrella CSOs**

This could take the form of a short, tailored course pitched at an advanced level for established CSOs who operate or aspire to operate at a high level of complexity (ie in international partnerships and/or by performing a coordinating and representative function). The types of topics recommended to be covered include budgeting for large projects, advanced financial management, donor financing systems and norms, partnerships/joint ventures and fundraising on an international scale. This training would specifically address the challenges voiced by more experienced and umbrella CSOs including navigating international donor financing, and budgeting for complex projects thereby increasing the capacity for these CSOs to operate sustainability and comparably to their international counterparts.

Organisational development support in the financial context could also address coaching on creative fundraising opportunities to help CSOs look beyond Government and international donor-driven funding. This may take the form of a Business Development coach for one-to-one or small group support/workshops.

## **7.2 SECTOR LEVEL SUPPORT**

### **7.2.1 Multi-Stakeholder Research Forum for an Enabling CSO Environment**

As discussed above, to fulfil their roles, CSOs require an enabling environment that includes recognition of their development role, entry into development policy processes and access to information. The creation of an enabling environment in Mongolia is a key theme that emerged from this Study across all categories of CSOs. To this end, further research is recommended. Research could take the form of facilitating a multi-stakeholder research forum, including stakeholders from Government, private sector and civil society. Focus areas may include:

- promoting a common understanding of challenges;
- good practices and minimum standards regarding an enabling environment;
- donor models of support for CSO development effectiveness.
- structures and processes for CSO participation and multi-stakeholder dialogue between and among CSOs, governments, elected representatives, donors and the private sector;
- CSO-specific policies and legislation;
- taxation regulations, including charitable status provision and tax benefits to promote individual and corporate philanthropy; and
- regulations and norms to promote CSOs transparency and accountability to their constituencies.

Ideally such a forum would occur prior to and would input to legislative change actions.

### **7.2.2 Baseline Study - Status of the Civil Society Sector on Mongolia**

The conduct of a baseline survey of the sector is recommended as a priority to establish a detailed understanding of the sector as a whole, with particular reference to:

- registered and active / inactive CSOs,
- main donors / funders;
- CSO employee demographics;
- main areas of experience or specialisation;
- networks / memberships;
- organisation mission;
- challenges associated with the civil society sector;

A baseline study would provide a valuable indication of the civil society sector at a particularly important stage of Mongolia's development. This would be a timely action to update the 2002 Open Society data, as Mongolia moves from a low-income country to a middle income country. It would also allow for a more accurate picture of the sector to emerge, as currently baseline information is inadequate and often outdated due to the major growth in the sector in recent years and the changes in Mongolian society at large, and get a clear picture for the motivations and activity levels for CSO establishment.

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### **7.2.3 Monitoring and Evaluation Capacity Building**

As evidenced in this Study, the competition for available aid / donor resources is high in Mongolia. The capacity for CSOs to assess their own impact and effectiveness and to use such evidence to justify their own existence is therefore of great value for CSOs, together with their capacity to pursue suitable survivability and sustainability strategies. As such, there is a need for mentoring programs on monitoring and evaluation techniques and best practices. This could take the form of workshops, or mentoring partnerships to build internal capacity of CSOs.

## APPENDIX A:

### DOCUMENTATION LIST FOR LITERATURE REVIEW

#	Document	Author	Date	Language	Include Y, N/A
<b>Overview</b>					
1	A Network Approach to NGO Development: Women's NGOs in Mongolia	D.Byambajav /A publication of the International Centre for Not-for-Profit Law/	March 2013	English	Y
2	Concept of The Development of Civil Society	Submitted to SGH	2012	English /Mongolian	Y
3	Situation Analysis and Recommendations on Promoting Volunteerism in Mongolia	UNV, VSO and NMVO	2012	English	Y
4	How Mongolian NGOs influence in the Government policy	G.Urantsooj	2010	Mongolian	Y
5	NGO Catalogue	DEMO	2008	Mongolian	Y
6	Essence of Pluralism, journal	DEMO	No 6, 2008	Mongolian	Y
7	NGO management toolkit	Ch. Sosormaa	2007	Mongolian	Y
8	Comparative survey on Civil Society Development of China, Kazakhstan, Vietnam and Mongolia	Centre for Citizen's Alliance	2007	Mongolian	N/a
9	NGO participation in the decision –making and policy development level	Ya.Byambajav	2007	Mongolian	Y
11	Essence of Pluralism, journal	DEMO	No 5, 2006	Mongolian	Y
12	NGOs in Mongolia: A crucial factor in Mongolian society and politics	D.Byambajav /The Mongolian Journal of International Affairs/	No13, 2006	English	Y
13	State of Civil Society Development in Mongolia	T.Undarya /The Mongolian Journal of International Affairs/	2005	English	Y
14	Essence of Pluralism, Journal	DEMO	No 4, 2005	Mongolian	Y
15	State of Civil Society Development in Mongolia /CIVICUS Civil Society Index Report for Mongolia/	Centre for Citizen's Alliance and Open Society Forum	2004-2005	English/ Mongolian	Y
16	NGOs in Mongolia	DEMO and Open Society Forum	2005	English/ Mongolian	Y
17	State Civil Society in Mongolia	CSI Country Report	2005		Y
18	Survey report on fostering Civil Society participation in the state budget process	UNDP and Gender Centre for Sustainable Development	2005	Mongolian	Y
19	NGO and TAX	Open Society Forum	2004	English	Y

#	Document	Author	Date	Language	Include Y, N/A
20	Essence of Pluralism, journal	DEMO	No 3, 2004	Mongolian	Y
21	Essence of Pluralism, journal	DEMO	No 1,2 2003	Mongolian	Y
22	State of NGOs in Mongolia	R.Narangerel	2003	Mongolian	Y
23	Type of assistance anticipated by NGOs	Democracy Education Centre	2003	Mongolian	Y
24	Current legislation situation of Non-profit organisation	D.Lamjav	2003	Mongolian	Y
25	NGOs catalogue	Open Society Forum	2003	Mongolian	Y
26	TAX legal framework of NGOs	M.Zagdsuren	2003	Mongolian	Y
27	Financing of NGOs	D.Sukhjargalmaa	2002	Mongolian	Y
28	Survey report on projects and programmes in social sector implemented by NGOs	UNDP	2000	Mongolian	Y
<b>Donor Agency Publications</b>					
1	Annual Report 2012	Open Society Forum	2012	Mongolian	Y
2	Annual Report 2012	SDC	2012	English	Y
3	Annual Report 2012	Mercy Corps	2012	English/ Mongolian	Y
4	NGO Training Needs Assessment report	NGO capacity building project /SDC	2012	Mongolian	Y
5	Project Document	NGO capacity building project /World Bank and SDC/	2011-2013	English	Y
6	Programme Document	Governance and Decentralisation Programme /SDC	2012-2015	English	Y
7	Swiss Cooperation Strategy Mongolia	SDC	2013-2016	English /Mongolian	Y
8	Annual Report (2009, 2010, 2011 and 2012)	Open Society Forum	2009-2012	Mongolian	Y
9	MDG Goal 9 and Civil Society Organisations' participation and initiative	UNDP and MDG Mongolia	2010	Mongolian	Y
10	Civil Society participation in the budget process	UNDP and MDG Mongolia	2010	Mongolian	Y
11	Government-Private Sector –Civil Society Partnership in improving the School Tea Break Program in Rural Mongolia	Mercy Corps	2009	English	Y
12	Final report	TAN project /Mercy Corps and USAID/	2008	English	Y
13	World Bank-Civil Society Engagement	Review of Fiscal Years 2007 to 2009	2009	English	Y
14	The Enabling Environment for Social Accountability in Mongolia	Social Development Department of The World Bank	June 2007	English	Y

#	Document	Author	Date	Language	Include Y, N/A
<b>WEBSITE<sup>33</sup></b>					
1	Mongolian Civil Society Observes Elections for the First Time	The International Republican Institute website	2012	English	Y
2	<a href="http://www.wsp.mn/">http://www.wsp.mn/</a>	Women for Social Progress Movement			Y
3	<a href="http://www.mea.org.mn/">http://www.mea.org.mn/</a>	Mongolian Education Alliance			Y
4	<a href="http://www.tusuv.mn/">http://www.tusuv.mn/</a>	"Citizens monitor the budget" network			Y
5	<a href="http://www.demo.org.mn">http://www.demo.org.mn</a>	Democracy Education Centre NGO			Y
6	<a href="http://swbm.wordpress.com/">http://swbm.wordpress.com/</a>	Steps without Borders NGO			Y
7	<a href="http://www.forum.mn">www.forum.mn</a>	Open Society Forum			Y
8	<a href="http://www.president.mn">www.president.mn</a>	President of Mongolia			Y
9	<a href="http://www.legalinfo.mn">www.legalinfo.mn</a>	Legislation Information database			Y

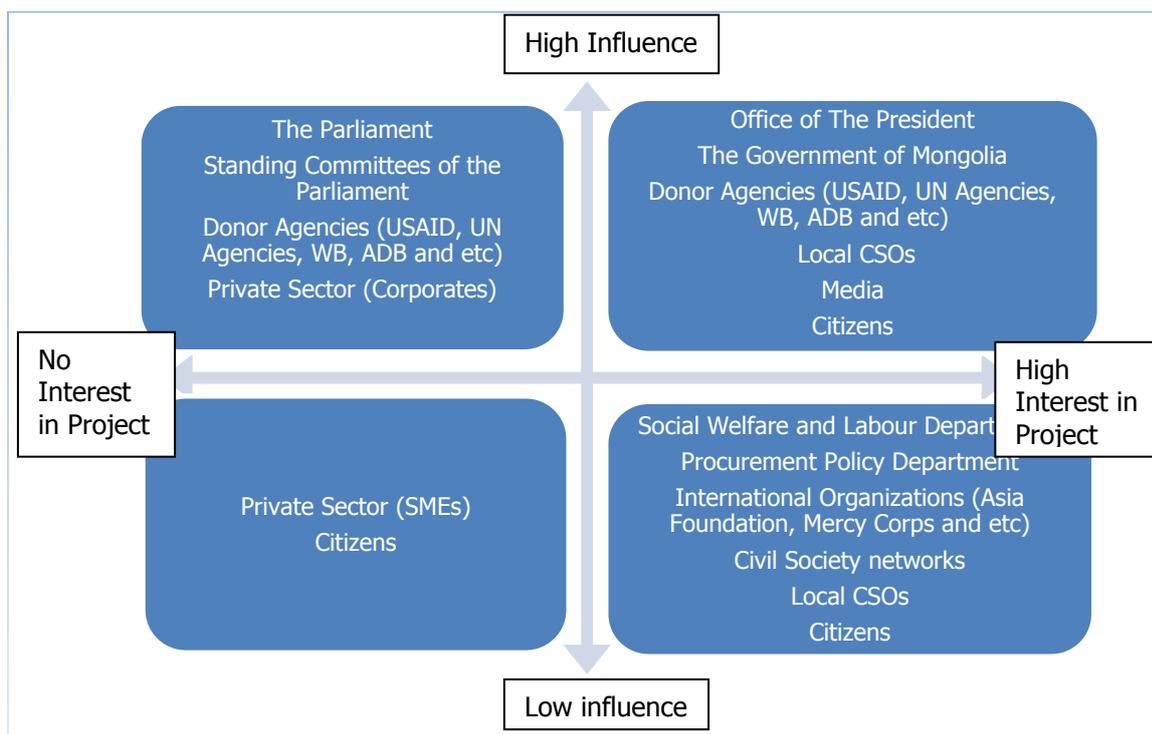
<sup>33</sup> These documents (i.e. publicly available materials) used for the desktop review

## APPENDIX B:

### STAKEHOLDER ANALYSIS

According to the SDC How-to-do-Note Stakeholder Analysis, the Stakeholder Analysis was conducted to provide clear picture of all stakeholders who would be affected through the SDC projects. This follows the Interest-Influence matrix as shown in Figure 1.

**Figure 1: Stakeholder Analysis for Civil Society Sector:**



At the commencement of the Study, our local consultants; Solongo Sharkhuu and Byambabat Munkhtogoo discussed about the framework of the Civil Society Sector to identify its key stakeholders by making list of all relevant stakeholders. Within this process, the team consulted with SDC on the stakeholder analysis. This stakeholder analysis aimed to find out key stakeholders including representatives from the state, donor agencies, local CSOs and private sector to involve them in the stakeholder interviews.

During the stakeholder interview, the interviewees were asked to share their opinion on the groups and individuals who would play important role in the SDC project, and thus, provide insights into the needs across various types of CSOs. Following these inputs, the stakeholder mapping was completed based on the contributions from the participating NGO representatives into the model in Figure 1 below. This indicates influence and interest by various stakeholders in the Project.

Many of NGO representatives mentioned that role of Donor agencies (such as World Bank, Asian Development Bank, Swiss Agency for Development and Cooperation, USAID, UN agencies, etc) is unique and significantly important for fostering good governance in Mongolia. This is because these organisations bring not only the financial and technical support to enable CSOs to develop experience in taking on a social accountability role, and to bring the international leading practices to Mongolia. Within the context of the Matrix in Figure 1, it can be seen that 'donors', like CSOs themselves, fall in to a number of quadrants. This indicates that grouping stakeholders at too high a level can be counterproductive and may not reveal whether subgroups within the donor category will have the same level of interest/influence as others (e.g. their programming area may or may not cover social accountability or technical assistance for capacity building, or other areas of identified need). For this reason, a targeted and more detailed donor analysis would be beneficial.

## **APPENDIX C:**

### **OUTLINE OF INTERVIEWS WITH STAKEHOLDERS**

The interviews as part of the Civil Society Sector Needs Assessment aim to assess the current needs of civil society organisations (CSOs) in Mongolia and identify potential options for future project on strengthening a civil society.

The following is the main information that we do expect to collect from the key stakeholders:

#### **THE STATE**

- What policy & legislative reform initiatives are in the pipeline?
- Who are the main drivers and supporters?
- Timeline/timeframe in their mind?
- Opinion on capacity building of the CSOs
- Opinion on opportunities that exist for the CSOs within the Government services.
- Suggestions /recommendations for development of the CSOs.

#### **THE DONOR ORGANISATIONS**

- What projects/development intervention in the area of strengthening of CSOs did they have?
- Do they have? Are they planning to have?
- What are the results and lessons learnt?
- Opinion on the current situation of the CSOs/
- What is the policy and strategy for supporting Civil Society Sector?
- Suggestions /recommendations on how Civil Society Sector should be developed.

#### **CIVIL SOCIETY ORGANISATIONS**

- Opinion on the current situation of the CSOs.
- What are challenges or barriers for CSOs?
- Funding situation and their opinion for change through policy and legal regulation.
- What capabilities have CSOs obtained?
- Suggestions/recommendations on how Civil Society Sector should be developed.

#### **THE PRIVATE SECTOR**

- How they see the role of CSOs in the society?
- Areas of cooperation between CSO and Private sector?

- Opinion on the current situation of the CSOs.
- What is the policy and strategy for supporting Civil Society Sector within Corporate Social Responsibility?
- Suggestions on how Civil Society Sector should be developed

## APPENDIX D:

### INTERVIEW LIST – KEY STAKEHOLDERS

<b>STATE</b>				
<b>Parliament/Ministry /Agency</b>	<b>Name of interviewee</b>	<b>Position</b>	<b>Contact details</b>	<b>Comment</b>
The office of the President of Mongolia	Ch.Sosormaa	Advisor on public participation and human rights to the President of Mongolia	99051220	✓
	Mr. Tur-Od	Special assistant to the President of Mongolia on legal affairs	99118612	Not connected
The Parliament	Mr.Ganbaatar	Member of the Parliament		Out of Mongolia
National Committee on Gender Equality, The Government of Mongolia	Ms. Bolormaa	Secretary and Head of the Secretariat	331213/ 264876	✓
<b>DONORS/INTERNATIONAL ORGANISATIONS</b>				
<b>Organisation name</b>	<b>Name of interviewee</b>	<b>Position</b>	<b>Contact details</b>	<b>Comment</b>
World Bank	Ms.Altantsetseg	Officer for Economics/Civil Society	312654	On leave /till 30 Sep/
Asian Development Bank Mongolia Resident Mission	L. Itgel	Senior Social Sector Officer	99081117	Out of Mongolia
UNICEF Mongolia	U.Mandal	Community Development Specialist	99112833	✓
Swiss Development Cooperation (SDC)	T.Enkhtsetseg	Sustainable Artisanal Mining Project -Policy Expert	88008002	✓
Faculty of Economic and Social Sciences, University of Genève	Prof. Dr. Thomas Straub	Program Director		✓
Mercy Corps	Ms.Nyamgerel and Ms.Uyanga	Staff of Governance and Inclusion Programs	99233060	✓
Procurement Policy Department under the Deputy Premier of Mongolia	N.Otgonjargal,	Procurement Advisor	99082509	✓
<b>NON-GOVERNMENTAL ORGANISATIONS</b>				
<b>Organisation name</b>	<b>Name of interviewee</b>	<b>Position</b>	<b>Contact details</b>	<b>Comment</b>
Democracy Education Centre	G.Undral	Director	99164419	✓
MONFEMNET	T. Undariya	Chairperson	99273230	Not available
Centre for Human Rights and Development	G. Urantsooj	Chairperson	99192857	✓
Centre for Citizens' Alliance	J. Zanaa	Director	99031777	✓

Organisation name	Name of interviewee	Position	Contact details	Comment
Mongolian Women's Fund	Ms.Chinchuluun	Founder and Advisor	99032508	✓
Open Society Forum	Ms. Erdenejargal	Executive Director	313207/ 324857	On leave
	Ms.Tsolmon	Manager for Governance Program	99005078	✓
Press Institute	Ms.Sunjidmaa	Director	88008787	✓
"Gal Golomt" movement	D. Munkhuu	Chairperson	99081820	✓
Arts Council of Mongolia	Ms.Ariunaa	Chairperson	99118472	✓
National Centre against Violence	D. Enkhjargal	Director	91002121	Not available
Zorig Foundation	G.Badruun	Executive Director	315444, 99072356	✓
<b>PRIVATE SECTOR</b>				
Company name	Name of interviewee	Position	Contact details	Comment
Oyu Tolgoi LLC	G.Sugar	Principal Advisor –Social Performance Projects	99100789	✓
XAC NGO of Khas Bank	Mr.Tumenjargal	Coordinator	318185, 99025089	✓
Mongolian Centre for Development Studies LLC	Ms.Bayasgalan	Executive Director	99114439	✓

## APPENDIX E:

### PARTICIPANT LIST – FOCUS GROUP DISCUSSIONS

8.	9.	Organization name	Main focus area	Responsible person	Contact
The First Focus Group Discussion for umbrella or national CSOs					
1		Public Administration New Initiative NGO	To support administration reform, civic engagement and advocacy	S.Tserenpurev	99284057
2		Smart reform	To provide civic education and support volunteers	G.Ariunchimeg	99084364
3		Women Association	To support women by building their capacity, increasing their participation and voices, and protecting their rights	J. Erdenechimeg	70118336/ 99095474
4		Women for Social Progress Movement	To foster good governance, increase citizens' participation and improve civic education	A.Munkhnaran	70135147, 88012505
5		Gender equality center	To combat gender based violence, work against human trafficking and provide social welfare services for victims	G.Ganbayasgakh	99187446/311512
6		Future gateway	To reduce poverty and support vulnerable citizens through life skill training and income generation activities	L.Namsraijav	99816725
7		ECPAT network	To develop and empower teenagers	D.Enkhtuya	99028922
8		LGBT center	To support and protect rights of sexual minorities	A.Baldamgombo	88757987/ 99134299

No	Organization name	Main focus area	Responsible person	Contact
The Second Focus Group Discussion for youth-led or newly established CSOs				
1	Princess center	To protect young women's rights and provide social welfare services	Ch.Undrakh	70105105 99050355
2	Service for Peace	To promotes sustainable and participatory community development through service	G.Tungalagtuul	99125953
3	Universal Progress	To provide social welfare services to people with disabilities	Ch.Undrakhbayar	99856665
4			Ya.Avirmed	99938625
5	Cerebral paralysis association of Mongolia	To protect rights of children with cerebral palsy and provide social services	S.Enkhat	99008935
6	Volunteer Development Centre	To develop volunteers and promote volunteerism in Mongolia	Ch. Zolzaya	99170953
7	Children and Youth Development and Protection	To support and protect rights of vulnerable children and youth	Ts.Battuya	88008870
	Network of Child labor	To reduce child heavy labor and protect rights of children		
8	Oyunii Erel	To support youth and students for strengthening their capacities	P.Davaasuren	88608024
9			M.Azzaya	88554787
10	Mongol Temuulel	To improve resistance in Mongol sense	D.Burenchimeg	99870290
11	Youth for Health Center	To protect rights of sexual minorities and increase their health knowledge and experiences	D.Myagmardorj	99040735

## APPENDIX F:

### KEY QUESTIONS FOR FOCUS GROUP DISCUSSIONS

**Purpose:**

The purpose of the Focus Group Discussions (FGD) is to identify the main barriers encountered by Civil Society Organisations (CSOs) in the development of the Civil Society Sector in Mongolia and to propose options for sustainable mechanisms to support the development of the CSOs.

**Agenda:**

**When:** 10 September, 2013

**Venue:** Conference room, Puma Imperial Hotel

**Time:** 10 a.m -1 p.m (the first FGD for youth-led CSOs)

2 p.m - 5 p.m (the second FGD for Experienced / Umbrella CSOs)

**Umbrella or experienced CSOs FGD:**

	The key questions	Time
1.	General questions	10 minutes
	Facilitator will introduce herself and this Project. The participants introduced themselves by answering the questions below : Participant's name, representing organization and its position How long have you been working in the field of civil society?	
2.	The capacity of the CSOs	20 minutes
	Which sector do the CSOs get involved /participate more actively? Which areas of Civil society sector seem to be in need of great improvement and why? What opportunities exist in civil society work in Mongolia?	
3.	The definition of the Civil Society	30 minutes
	What do you understand by the term "civil society"? Who, or what types of organizations, do you think should be included in the CSOs definition? Do you know other official definition of the civil society which is used in our policy documents?	
4.	Main questions for FGD	60 minutes
	What do you think is the level of partnership between the Government and CSOs? If it is good, what do you think makes this a good relationship? If you think it is weak, what should be improved in this partnership? Would you please provide your opinion on legislative and taxation framework in respect to civil society development? What score will you give on the transparency of government tenders for CSOs? Why did you give this score? What are the best ways for CSOs to promote the implementation of existing legislation and improve government services? What are the ways to strengthen CSOs capacity in relation to their advocacy activities and public watchdog function? Would you please share your opinion what are the effective ways to address funding issues of the CSOs?	

**The new or youth-led CSOs FGD:**

	<b>Key questions</b>	<b>Time</b>
1.	General questions	10 minutes
	Facilitator will introduce herself and this Project. The participants introduced themselves by answering the below questions. Name, representing organization and its position How long have you been working in the field of civil society?	
2.	The capacity of the CSOs	20 minutes
	What do you think what are the reasons for the CSOs to be inactive? In your opinion, what are the constraints and challenges faced by CSOs in Mongolia? What needs to done at the organizational, sectoral, legal, policy or other level to promote civil society sector in Mongolia? In your view how would you describe an exemplary CSO?	
3.	The definition of the Civil Society	30 minutes
	What do you understand by the term "civil society"? Who, or what types of organizations, do you think should be included in the CSOs definition? Do you know other official definition of the civil society which is used in our policy documents?	
4.	Main questions of FGD	60 minutes
	Have you ever tried to influence the decision makers on public policy and its development process? Which approach do you use/think is most useful to influence to public policy? What are important ways to liaise with the government in constructive way? What is the involvement of young people (aged between 25-35) in advocacy activities? What measures do you think are needed to involve more of the young generation and to raise their voices at the decision making level? Do you experience any challenges to working independently? If so, what are the challenges? Would you please provide your opinion on legislative and taxation framework in respect to civil society development? Would you please share your opinion what are the effective ways to address funding issues of the CSOs?	

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## APPENDIX G:

### INTERVIEW NOTES

Sector /Organizations	Meeting attendees	Summary of discussion main points
<b>STATE</b>		
The office of the President of Mongolia	Ch.Sosormaa, Advisor on public participation and human rights to the President of Mongolia	<p>To conduct baseline survey which includes the following information:</p> <ul style="list-style-type: none"> <li>- Is legislative environment enabled for outsourcing the government services to NGOs?</li> <li>- Is the government system (including structure, management and human resources) applicable for liaising with NGOs within framework of outsourcing the services?</li> <li>- How the attitude of Government officials influence in contracting out with NGOs?</li> <li>- NGOs' capacity such as which sector/issues they are specialized or experienced in, how many of them work on monitoring and provide social welfare services?</li> <li>- Social audit/monitoring is in demand. According to this social demand, new law on Performance Management and Control is being discussed.</li> </ul>
National Committee on Gender Equality, The Government of Mongolia	M. Bolormaa, Secretary and Head of the Secretariat	<ul style="list-style-type: none"> <li>- The CSOs development process was quite rapid in recent years but nowadays it is getting smoothly.</li> <li>- For the Government side, the process of contracting out services to CSOs should be more open and transparent since the financial opportunity in the sector is increased.</li> <li>- The policy advocacy is needed to get approval of the amendment of law on NGO and the concept of development of civil society.</li> <li>- Meanwhile, CSOs need to work in a professional manner. Within this case, supporting mechanism for CSOs is in need. For example: tax reliefs for CSOs to sustain their activities.</li> <li>- CSOs should also consider and find out the right process on how to evaluate their activities and how to be more open and transparent to public.</li> <li>- There are active and inactive CSOs in the society. It seems that overall capacity of CSOs is not strong in the public. Therefore, it will be good to evaluate capacity of CSOs by their sector.</li> <li>- The capacity of CSOs is still weak within framework of social accountability, transparency of government and monitoring. Also, implementation of the recommendation generated as result of the monitoring is insufficient. Therefore, funding for CSOs is important to cover advocacy activities in order to implement these recommendations and raise awareness of monitoring results.</li> <li>- The partnership between the Government and CSOs is going well. The Government ensures CSO participation at national level and involves CSOs in the process of policy and law development. But the main question is whether the Government involves right CSO/person from civil society. In</li> </ul>

Sector /Organizations	Meeting attendees	Summary of discussion main points
		<p>this case, the Government should create criteria to select which organization/person to be involved in the high level consultation and policy development process. Also, an approach of the partnership is essential to be created.</p>
<b>DONORS/INTERNATIONAL ORGANISATIONS</b>		
UNICEF Mongolia	U.Mandal, Community Development Specialist	<ul style="list-style-type: none"> <li>- Generally, UN cooperates with CSOs that work in the different sectors. This partnership will be continued in the future by UN task force.</li> <li>- Recently, UN has conducted consultation among CSOs in order to develop UN Task Force on Civil Society Engagement. Within this document, this indicates that the CSO capacity is limited.</li> <li>- To provide grants for CSOs to do social audit and also advocacy in the implementation of monitoring results.</li> <li>- This is demand to develop Scope of Work (including specific tasks, indicators of work delivery and criteria of potential organizations) within the framework of outsourcing.</li> <li>- The outsourcing activities should be more open and transparent. There should be criteria to select the organization/person that has experiences in the field.</li> <li>- Strengthening the citizenship is important. So there is a need to create environment for exercising human rights.</li> <li>- To support public opinion poll in order to improve mechanism (includes engagement procedure, follow-up actions, transparency of information, organization of satisfaction survey) of information center "11-11".</li> <li>- To reinforce the Government officials by building their capacity. Weakness of the Government (for the selection) influences negatively in the CSOs reputation.</li> <li>- To support institutions/universities to provide consultancy services and conduct surveys for public benefits.</li> <li>- CSOs capacity is limited so there is need to continue capacity building activities among CSOs.</li> <li>- To support CSOs by increasing their participation on government services and monitoring (social audit) in order to foster social responsibility. But it is important to define its mechanism.</li> <li>- Citizens Halls should be more functional. For example: the feedback mechanism needs to be established.</li> </ul>
Swiss Agency for Development and Cooperation (SDC)	T.Enkhtsetseg, Sustainable Artisanal Mining Project -Policy Expert	<ul style="list-style-type: none"> <li>- Under the project, the first NGO was established in 2008. Now, around 35 CSOs work at local/rural level in order for them to become responsible miners. There is demand to have an umbrella CSO that work at policy level to link the Government and artisanal miners. In May 2013, the forum for artisanal miners was held in the Government Palace. As a result of the forum, the "Association of Artisanal Miners" CSO comprised of artisanal miners' partnerships, was established and it helps their member organizations to enter into formal agreements with the soum administration and work officially at agreed mining sites.</li> <li>- The situation analysis on artisanal miners was conducted in 2012. The few issues were identified. For instance:</li> </ul>

Sector /Organizations	Meeting attendees	Summary of discussion main points
		<ul style="list-style-type: none"> <li>- Lack of stable human resources that influence negatively to CSOs capacity.</li> <li>- CSOs cover various issues in different sectors and but sometimes the CSOs implement other activities depending on financial resources in order to enhance their sustainability.</li> <li>- CSOs capacity still is getting improved comparing with overall CSOs except active and experienced CSOs. Therefore, it is important to support the CSOs in the specific areas where they work.</li> <li>- However the number of CSOs is increased, the many of CSOs have limited capacity on managing organizational and governance issues including organizational structure, internal policy and rules, capacity and participation of boarding members.</li> <li>- The advocacy activities in the public are insufficient. Besides it, the CSOs have lack of capacity on negotiation in the decision making round table.</li> <li>- The Government should support the CSOs by policy mechanism to enable the environment. But there also should be mechanism to evaluate the CSOs whether these CSOs are mission-drive or not.</li> <li>- Need to learn from international experiences and create a model CSO that can work accordingly.</li> </ul>
World Bank	N.Otgonjargal, Procurement Advisor at Procurement Policy Department under the Deputy Premier of Mongolia	<ul style="list-style-type: none"> <li>- Within framework of outsourcing, local CSOs become more experienced and capable now.</li> <li>- One of World Bank social accountability project results was Partnership for Public Procurement network which consists of CSOs representatives and provides technical support in the implementation of Law on Procurement. Now, the network is doing well. Mutual agreements between government and CSOs are done in Umnugobi, Uvurkhangai and Khovd provinces as well as Ulaanbaatar city.</li> <li>- Currently, there is plan to implement pilot monitoring on the implementation of road projects. Based on this monitoring, the approach of monitoring will be developed. It may include what principles or methodology that will be used for monitoring.</li> <li>- There is no CSOs database so it is good to develop.</li> </ul>
<b>NON-GOVERNMENT ORGANIZATIONS</b>		
Democracy Education Centre	G.Undral, Director	<ul style="list-style-type: none"> <li>- The unofficial Citizens Council was established in 2008 within the partnership with the Government. Before its establishment, more than 100 NGOs discussed to only focus on "Is there need to be partner with the Government?". The decision was to establish Citizens Council which aims to influence in the Government policy. As a result, 93rd Government Decree was approved on 12 August 2008. According to this decree, the Government at all levels open to CSOs. Since 2009, working groups in the different sectors were established to collaborate between the Government and CSOs.</li> <li>- In 2005, the concept of development of civil society was initiated. This concept was approved by the previous</li> </ul>

Sector /Organizations	Meeting attendees	Summary of discussion main points
		<p>Government but not yet approved by the Parliament.</p> <ul style="list-style-type: none"> <li>- Sustainable funding resources are under the discussion and it includes; funding from 1% Personnel Income TAX and Mining revenues.</li> <li>- The working group is currently established under the Ministry of Justice to review and work on legislative framework and independent fund for CSOs to enable the legal environment.</li> <li>- Within policy level, the mechanism of monitoring on Government services need to be reviewed and amended. (143rd Government Decree)</li> <li>- CSOs need to implement policy advocacy that is important to step forward current situation.</li> <li>- Due to social accountability, the national network works well and organizes training and monitoring activities. In all sector, the network conducted monitoring using the approach of "citizens score card".</li> <li>- Donor Agencies remain playing important roles to promote social accountability. There is demand to support local CSOs.</li> <li>- CSOs capacity is different. Therefore, it is important to build CSOs capacity level by level.</li> <li>- The promotion of watchdog function is important and the need is high. But the knowledge and information among the public is weak in throughout Mongolia and it needs to improve.</li> </ul>
Centre for Human Rights and Development	G. Urantsooj, Chairperson	<ul style="list-style-type: none"> <li>- The Centre for Human Rights and Development started its operation in 1998. The main area of expertise is; monitoring/social auditing, work on law amendment, participate in the policy development, provide recommendations in the law and policy implementation.</li> <li>- CSOs capacity is different due to their effectiveness and sustainability. Actually, CSOs should have more capable but the CSOs lost their capable and trained staff due to less salary and financial instability.</li> <li>- CSOs are now able to be networking with local and international CSOs.</li> <li>- Lack of youth participation in the civil society.</li> <li>- Need to enable legislative environment for CSOs to work independently and autonomic. Existing law on NGO does not meet current requirements. Also, there is need to accept and approve the concept of development of civil society which was approved in 2012 by previous Government of Mongolia.</li> <li>- To develop mechanisms on creating financial opportunity and environment of supporting independence</li> <li>- Need government support in the CS development but be independent from the government</li> <li>- To support CSOs which report, follow ethic, take responsibility on behalf of the public.</li> <li>- It is important to build organisational capacity.</li> <li>- Financial resources are priority issue for CSOs so there is need to find potential ways to solve. (tax relief, social benefits and etc)</li> </ul>

Sector /Organizations	Meeting attendees	Summary of discussion main points
Centre for Citizens' Alliance	J. Zanaa, Director	<ul style="list-style-type: none"> <li>- Legislative framework is weak (includes dependent financially and no government support at policy and partnership levels). Need to enable legal environment for the development of civil society</li> <li>- There is no partnership policy, mechanism and approach to cooperate with CSOs.</li> <li>- The Government capacity including knowledge and experiences is low.</li> <li>- The partnership is not sustainable.</li> <li>- No mutual understanding between the Government and CSOs. It influences to be equal partners.</li> <li>- There is no participation mechanism.</li> <li>- Information centre (11-11) has no procedure, follow-up actions. It is not inclusive for citizens.</li> <li>- Weekly news from the Government is less effective like symbolic.</li> <li>- Ideas for intervention:               <ul style="list-style-type: none"> <li>- To strengthen government capacity (to build capacity and increase knowledge and attitude of Government officials)</li> <li>- To support advocacy activities. (liaise with steering committees and the Government)</li> <li>- To provide information and trainings for citizens to increase their knowledge (through mass media)</li> </ul> </li> <li>- Consultation is needed at every stage within the partnership.</li> </ul>
Mongolian Women's Fund	N.Chinchuluun, Founder and Advisor	<ul style="list-style-type: none"> <li>- To research opportunity of sustainable development issues within the framework of supporting Civil Society</li> <li>- To continue its support for capacity building of CSOs</li> <li>- To create allowance mechanism for CSOs (for example: deduction on the daily costs such as internet and office) and also protection mechanism</li> <li>- To create criteria by categorising the effective or non-effective CSOs and include in the Law on TAX</li> <li>- To establish National network and fund for supporting CSOs</li> <li>- High demand in the policy advocacy to get approval in the relevant laws and the concept</li> <li>- There is need of strategically and sustainable support for CSOs</li> <li>- To support national foundations at policy level</li> <li>- To establish training institute for CSOs by providing information, sharing experiences and capacity building</li> <li>- To provide grants in the monitoring, advocacy and capacity building for CSOs</li> </ul>
Open Society Forum (OSF)	B.Tsolmon, Manager for Governance Program	<ul style="list-style-type: none"> <li>- Within the Governance project, OSF has provided grants to 132-136 CSOs (duplicated number) in the monitoring on government services since 2005. This grant activity is expanded its areas and involved more CSOs from the rural area since 2011.</li> <li>- Before CSOs commence their monitoring projects, OSF conduct training on monitoring to CSOs in order to increase their capacities.</li> <li>- There is strong demand to provide capacity building trainings systematically among newly-established CSOs.</li> </ul>

Sector /Organizations	Meeting attendees	Summary of discussion main points
		<ul style="list-style-type: none"> <li>- To provide information about monitoring. Citizens have lack of knowledge and information.</li> <li>- Numbers of CSOs which have capability to do quality analysis are limited.</li> <li>- Do not have strong voices from CSOs because of limited fund.</li> </ul>
Press Institute	Ms.Gunjidmaa, Director	<ul style="list-style-type: none"> <li>- CSOs activities are expanded and their voices are good in their sectors. But overall capacity of CSOs is limited. Collaboration between the government and CSOs is weak.</li> <li>- Sustainable partnership is important but the Government participation is more needed in this stage.</li> <li>- CSO independency is belongs to CSOs internal democracy and management.</li> <li>- Social audit should be conducted by stakeholders, beneficiaries and citizens.</li> <li>- Due to fostering direct democracy, the role of media is important. But there is lack of support for promoting and building capacity of media and press institutions.</li> <li>- There is a need to monitor in the transparency of government press and information.</li> </ul>
"Gal Golomt" movement	D. Munkhuu, Chairperson	<ul style="list-style-type: none"> <li>- To encourage significant CSOs participation in the Government policy development.</li> <li>- To create mechanism of participation in the decision-making and protection of CSOs</li> <li>- To support enabling legal environment for Civil Society</li> <li>- Policy advocacy is highly demand but capacity of CSOs is low.</li> <li>- Capacity building activities for CSOs is needed especially in the contracting out with government</li> <li>- To enhance capacity building and mobilise CSOs in the monitoring of state budget implementation</li> <li>- To support and provide allowances for CSOs which receive good scores or evaluation from the public.</li> <li>- To provide assistance for CSOs to join forces and unite their voices</li> <li>- To strengthen watchdog function of the CSOs.</li> <li>- To raise awareness and perception of public in the civil society sector</li> </ul>
Arts Council of Mongolia	Ts.Ariunaa Executive Director	<ul style="list-style-type: none"> <li>- One of the important issues is that CSOs should be non-political. But political movement and CSOs role is mixed and complicated.</li> <li>- CSOs should be flexible in the social changes. Building CSOs capacities in the internal management and organisational development is important issue.</li> <li>- Recently, financial support from donor agencies or international organisations is getting limited. Donor Agencies seems to work at macro level. Therefore, the donor support for local CSOs is essential.</li> <li>- Partnership between the government and CSOs is needed to improve and expand. Main questions are what approach and mechanism will need?</li> <li>- Watchdog function in the society is essential now but CSOs</li> </ul>

Sector /Organizations	Meeting attendees	Summary of discussion main points
		<ul style="list-style-type: none"> <li>- need to improve the access of information.</li> <li>- The government should consider on accessibility of information dissemination.</li> <li>- Local CSOs need to build their capacities as competitors.</li> <li>- Donors only focus on CSOs activities but it is also important to provide financial support on building their internal capacities.</li> <li>- The Government and International Organisations should have criteria to selecting the CSOs for further collaboration. It will help CSOs to strengthen their competitive capabilities.</li> <li>- To build space for youth-led and newly established CSOs to work in the civil society.</li> <li>- Encouragement system for CSOs should be discussed and support.</li> <li>- CSO participation mechanism is essential to develop.</li> </ul>
Zorig Foundation	G.Badruun, Executive Director	<ul style="list-style-type: none"> <li>- To support local CSOs not International organisations</li> <li>- To continue support capacity building of CSOs especially on internal management</li> <li>- CSOs need to explore opportunities in the global level but most of CSOs have barriers (such as communication in foreign languages, partnership at international level and fundraising).</li> <li>- To increase effectiveness of partnership</li> <li>- Need to establish centre/institute to develop CSOs</li> <li>- To improve monitoring skills of CSOs</li> <li>- To build CSOs capacities through not only training but also providing grants to implement projects.</li> </ul>
<b>PRIVATE SECTOR</b>		
Oyu Tolgoi LLC	G.Sugar, Principal Advisor –Social Performance Projects	<ul style="list-style-type: none"> <li>- Oyu Tolgoi LLC supports CSOs within the five main programs and works with local CSOs at the local level. Local CSOs capacity is still weak comparing with national CSOs that works in urban area. Under the social investment of Oyu Tolgoi, request for proposal is announced once in a year or within two years. Oyu Tolgoi is committed to be open and transparent in their activities.</li> <li>- The main challenges of the local CSOs are lack of human resources; salary/incentive for CSOs is low in the market (that influence to the stability of CSOs staff); and limited information and knowledge.</li> <li>- High need to increase capacity of local CSOs; developing support mechanism for stability of human resources; and implement approaches of knowledge management.</li> <li>- There is demand for social auditing. Indicators are currently developed for monitoring on activity performance. There is plan for social auditing /monitoring in 2014. Therefore, there is need to build CSOs capacity within this area.</li> <li>- Lack of financial resources but most importantly the CSOs capacity to become independent is insufficient.</li> <li>- In the public, there is no institutional capacity has been enhanced.</li> <li>- Civil engagement is getting increased. But this participation can be meaningful or not?</li> </ul>

Sector /Organizations	Meeting attendees	Summary of discussion main points
		<ul style="list-style-type: none"> <li>- Need to define difference and roles of between social movement and CSOs.</li> </ul>
XAC NGO of Khas Bank	N.Tumenjargal, Coordinator	<ul style="list-style-type: none"> <li>- Under the social responsibility of the XAC bank, the NGO was established in 2003 with purpose of contributing to the social development by supporting education of vulnerable children and protecting environment. The NGO has 1226 members and 90% of them are staff of XAC bank. The NGO has few projects for staff of XAC bank and social benefits.</li> <li>- Since its established, the NGO provided grants of 250,0 million tugrug for local NGOs in the areas of social welfare services and environment protection.</li> <li>- The financial sustainability is based on membership tax, funds from international organisation and Tender financial group. Depending on the funding issue, the NGO works dependently from XAC bank.</li> <li>- The NGO tried to collaborate with the Ministry of Education and Science within their two programs. But this partnership process has been too slow to make decision.</li> <li>- Based on their experiences in the civil society sector, it seems that the CSOs have lack of united voices on policy advocacy and raising awareness.</li> <li>- For the further development of civil society, there is need to explore ways to create right coordination that corporate social responsibility can contribute CSO activities.</li> </ul>
Mongolian Centre for Development Studies LLC	D.Bayasgalan, Executive Director	<ul style="list-style-type: none"> <li>- The project started in 2011 with training needs assessment among NGOs. Within the CSO's Training Needs Assessment of 2011, data on CSOs was collected from the State Registration Offices of each aimag. This data was then delineated in terms of active and inactive CSOs and as result, only 404 CSOs were found to be active. Then MCDS have conducted demand-driven trainings. The projects have reached 120 grassroots CSOs. But some of NGOs that selected in the "Capacity Building of NGOs" become inactive due to financial instability.</li> <li>- The project will close in 2014. University of Finance will continue to take role and responsibility to establish NGO institute and provide academic knowledge for CSOs staff in the future.</li> <li>- CSOs need to review and update their internal management including organisations' mission, vision and strategy due to changes in the social development.</li> <li>- CSOs' need is high in the society implementing watchdog function. But CSOs capacity is still weak in this framework. For example: Local Development Fund is started implementing in each soum from this year. According to the relevant law and guideline, the local development fund requires highly civic engagement.</li> <li>- Information access from the Government needs to open.</li> <li>- The partnership between the Government and CSOs should be synergised. Both parties effort is important in order to decide country's development issues.</li> </ul>