

## **PARTNERSHIP FOR TRANSPARENCY FUND**

### **Mongolia: Public Monitoring of Corruption in the Mongolian Mining Sector Project Completion Assessment**

**By Mrs. Bayasgalan Bavuusuren**

#### **Background**

The project was implemented by WWF Mongolia jointly with Human Rights and Development Center within nine months. The project was launched in January 2007 and was completed in September 2007. The project received a grant of \$ 21,500 from PTF through ADB NGOC while WWF's contribution amounted to \$ 6,360. A detailed project completion report was submitted on 15 November 2007.

The project was implemented in three major mining sites including Yoroo Soum, Selenge Aimag, traditionally a crop farming region of Mongolia, but currently where majority of large-scale mining activities take place; Khuvsgul Aimag, a major tourist destination for Mongolia; and the selected soums of Batshiret, Binder, Bayan-Adarga in Hentii Aimag, one of 200 global hotspots designed for biodiversity conservation due to its uniqueness.

This assessment aims to analyze whether the purpose of the grant was achieved and to draw out lessons, both for PMC project and similar projects elsewhere in Mongolia. During the assessment, available project documents were extensively researched and the meetings were held with Ms. Dolgormaa, WWF Project Officer, Ms. Urantsooj, Human Rights and Development Center, and Mr. Damiran, MP.

The key members of the project team consisted of Ms. Dolgormaa, WWF, Ms. Urantsooj, Human Rights and Development Center, Ms. Bayarmaa, Huvsgul Dalai Eej Movement, Ms. Otgontsetseg, Onon-Balj River Movement, and Ms. Narangerel, Ardyn Elch Movement.

The assessment report addressed the following questions:

1. Has the project achieved its objective?
2. Are the achievements sustainable?
3. How do project cost compare to achievements?
4. Are the achievements replicable?
5. What lessons can be learned from the project?
6. What follow up actions are needed?

## 1. Achievements of Project Objectives

According to the project document, WWF Mongolia proposed to (i) inform the local communities and raise awareness about two newly adopted laws on Anti-Corruption and Mineral Resources, (ii) monitor law enforcement process in practice in order to identify gaps and loopholes in the legislative provisions and (iii) make recommendations for further improvement of the laws.

In order to achieve the objectives, WWF collaborated with three local level NGOs to improve their representativeness at the grassroots level. By working together with the local NGOs, three local teams were formed to implement the project at three local project sites.

*Inform the public and raise the awareness of the local communities.* The following inputs were directed towards achieving this objective.

- The training of trainers (TOT) was organized in Ulaanbaatar at the project inception involving members of three local project teams. After TOT, trainers organized the local training for the local community members to educate them on the content of the law, how to use the law and the methods of monitoring law enforcement. A total of five local trainings were organized involving approximately 50 participants at the grassroots level.
- Series of manuals and handbooks were developed and published. This included Trainers Manual on Monitoring of Implementation of Mineral Law and Anti-Corruption Law and two handbooks for the public: Public Participation in the implementation of Mineral Law (rights and obligations) and Public Participation in the implementation of Anti-Corruption Law (rights and obligations). The project also developed the cadastral maps of mineral licenses for three aimags to help the public to undertake efficient monitoring of the law.
- 12 meetings were organized with the local authorities on anti-corruption issues and educated them on public rights to access environmental information.
- FM Radio Broadcastings and six TV Programs with open access public debates were held.
- A number of documentaries and TV programs were produced by WWF and broadcasted on national TVs.
- The short messages were advertised on FM radio.
- A special column and special Q and A sessions in the local newspapers were dedicated to publication of related content.

- Information boards functioned regularly.
- An appeal to Local Community was issued by the Khuvsgul movement on daily paper Dalai Eej.
- Series of leaflets and flyers on a range of legislative acts governing the application of chemical toxics were prepared and distributed to the local community members.

It can be concluded that the activities under the first objective was very efficient. The TOT was a successful case preparing 15 trainers to work at the local level and consequent local trainings were well accepted by the local people. The content of the manual and handbooks was very useful and explanatory. All activities resulted in the significant increase of public knowledge on two legislations and on the use of these laws at the local level. Increase in knowledge was revealed in the series of two Pre- and Post- project surveys among 200 local residents.

*Monitor law enforcement process to identify gaps and loopholes in the legislative provision.* A range of activities was undertaken under this objective including preparation of the cadastral maps on issued licenses to provide local teams with an efficient tool for monitoring. The activities include meetings with the local authorities, visits to the mining activities at the project sites, training for ninja miners on newly adopted mining law, and suspension of a number illegal mining activities in the project areas. In the process of implementing these activities, the attitudes of local Government Officials have been changed positively, which led to their efficient cooperation with the project teams. One significant achievement can be demonstrated by the fact that Selenge Aimag Local Monitoring Board included the representative from local river movement groups to inspect 19 gold mining sites along the river. Prior this, the monitoring board did not have representation from the citizen movement. After the inspection, the recommendations were made to the mining companies for corrective actions.

During project implementation, the personal income statements by the Governor and Chair of Citizens Representative Khural were produced and publicized in a local daily newspaper. In addition, the list of local government officials who obliged to produce their personal income statements was compiled and sent to Anticorruption Unit. Income statements were collected in the project aimags. However, it was observed that the category of obliged individuals was too broad and unrealistic. Hence, it was suggested by the project team to narrow down the categories only to Government officials.

Furthermore, the provision limiting the publication of income statement on Government Info Newsletter and on Anticorruption office website was viewed by the rural people as inappropriate and not well-grounded in the Mongolian

condition. This is so because only a few people have access to the internet and subscription of Government Info Newsletter.

A number of corruption cases were also reported during the implementation. The detailed description of the corruption cases was included in the Project Completion Report.

*Make recommendations for further improvement of the laws.* Based on the project findings, the project team has developed a set of recommendations to further improve legislative acts. It has prepared specific recommendations for Mongolian parliament to improve the laws. One major weakness of the current Mineral Law was the 30-day notice period as indicated in Article 19.4 for the local level decision to reach the central level and automatic consideration in case of silence from the local level. In almost all cases, the Central Government does not provide written notification to the local authorities to seek their approval of a particular issuance of a license. This hinders participation of local communities in issuing licenses. The project recommended amending the 30-day notice period to a minimum of 90 days and compulsory written notification by the Central Government down to the Local Government. The project team also recommended developing the legislative acts regulating the Ecological and Economic Value Thresholds to compensate losses caused to the local communities. It also prepared a series of recommendations for the Government to improve the enforcement of the laws. The recommendations were explicitly described in the Project Completion Report.

## **2. Sustainability of project activities.**

It is often very hard to ensure sustainability of a small project after their completion. However, it was observed during assessment that the gains achieved during project implementation will not disappear very quickly. The major outcome of the project was that the capacity of local community movements was largely improved and their activities were unified. The local communities were empowered and the project enabled them to monitor law enforcement in their local areas. The local people understood that their participation in law enforcement is in their interest, so they will continue their participation in monitoring to protect the environment and prevent any illegal activities in their surrounding areas.

## **3. Cost versus Benefits**

The project has achieved quite substantial outcomes during a very short implementation period with a minimum amount of funding. According to Ms. Dolgormaa, the operations cost, including salaries of project staff, cost for

communication, office space, etc., was borne by WWF. The funding from PTF was used for developing and publishing the training materials, workshops, translation cost, and the field work.

The members of the local team have contributed enormous amount of their time and their efforts to project implementation in the local areas, which can not be expressed in monetary terms. With recent increase of petrol price in Mongolia, the project travel fund to reach remote project sites was inadequate, so in many cases, the local people have made their in-kind contribution to the project by providing transport to the project team.

Overall, it can be concluded that the project fund was used efficiently to achieve the project objectives.

#### **4. Lessons learned**

The activities of the project can be replicated in many other local areas of Mongolia. There is a great need in the country to educate local rural people in mining and anti-corruption legislations and improve the capacity of local NGOs because of the emerging development of mining sector in all areas of Mongolia. The manuals and handbooks developed by the project are very useful tools that need to be disseminated throughout Mongolia.

The project has demonstrated a good model of an efficient collaboration between local authorities, local NGOs, and local people in the monitoring of legislations. The local Government officials acknowledged the Importance of involving NGOs and local people in monitoring the enforcement of the law. The local officials said that this collaboration helped them improve the performance of the mining companies. This model can be extended to other mining areas of Mongolia.

The project also demonstrated that a lot can be achieved with the efficient use of a small fund.

The activities of the project were a deterrent to wrongdoings and demonstrated that corrective actions can be undertaken if local people demand it.

#### **5. Follow –up Actions**

It is recommended that follow-up actions are needed to protect the project gains. The good actions that were initiated by the project must become an integral part of the activities of participant NGOs and local Government institutions.

In addition, the collaboration among WWF, local level NGOs, local authorities and rural people should be extended to other mining areas of Mongolia. I would like to recommend that PTF provide additional financial support to WWF to achieve more gains using the strengthened capacity of this organization.

18 Jan 2008, Ulaanbaatar, Mongolia