



**MONGOLBANK**  
CENTRAL BANK OF MONGOLIA



## **Empowering Mongolia's Green Future: Advancing Transition Finance for Sustainable Development**

**21-22 August 2024**

**Venue: Kempinski Hotel Khan Palace Ulaanbaatar**

### **I. Background**

Mongolia faces profound impacts from climate change that threaten its environment, economy, and cultural heritage. As the second-largest landlocked country globally, its unique geographical and climatic conditions render it highly susceptible to desertification, temperature increases, and extreme weather events. As such, the country needs to transition swiftly and effectively towards a sustainable, green economy.

Central to Mongolia's response to climate change is the strategic engagement of its financial sector, which is helping to mobilize capital for green projects, innovating financial products, and advocating sustainable practices. This involvement is pivotal to aligning economic growth with environmental stewardship. This report details a range of initiatives, from the development of green financial products to the integration of climate risks into financial decision-making, which collectively can foster a resilient and sustainable economy.

The Asian Development Bank (ADB) has been a steadfast ally in Mongolia's development, particularly in navigating this transition towards environmental sustainability and economic resilience. Through comprehensive support spanning economic reform, infrastructure development, sectoral support, and climate action initiatives, ADB has been instrumental in the country's endeavors to align with global sustainability targets.

An in-depth assessment of Mongolia's financial sector landscape was conducted by ADB and revealed significant progress alongside notable challenges. The banking sector, dominating the financial landscape, is poised for further evolution with increased transparency and public engagement. Yet, the emergence of a dynamic capital market, the expansion of green finance, and the strengthening of nonbanking financial institutions signal a burgeoning diversity and maturity in Mongolia's financial ecosystem.

The legal and regulatory framework has begun to adapt to the demands of green finance with initiatives such as the Green Taxonomy and Sustainable Finance Roadmaps. These efforts reflect a growing consensus on the urgency of integrating environmental considerations into financial governance. However, transition is hampered by barriers including inadequate disclosure standards, limited credit enhancement mechanisms, and a nascent institutional investor base.

Capacity building emerges as a critical need across the board, from regulators and financial institutions to broader market participants. The report highlights the need for comprehensive training programs, knowledge exchange platforms, and international collaboration to enhance expertise in green finance, risk assessment, and sustainable investment strategies. These capacity building efforts are essential to equip the financial sector with the tools and knowledge to effectively support the country's green transition.

ADB held a roundtable in August 2023 to gather additional insights into the financial community's green finance and sustainability efforts in Mongolia. Feedback from the financial stakeholders indicate that collaborative efforts required among Bank of Mongolia (BOM), Financial Regulatory Commission, the government, ADB, and the private sector to advance Mongolia's green finance landscape.

To navigate these challenges and capitalize on green finance, this seminar underscores the imperative for strategic action plans such as enhancing regulatory frameworks, fostering market development for green products, incentivizing low-carbon initiatives, and aligning with international disclosure standards as key priorities to realize Mongolia's vision for a sustainable future.

## II. Draft Agenda

Wednesday, 21 August 2024	
Master of Ceremonies: <i>Raquel Borres, Senior Economics Officer, Asian Development Bank (ADB)</i>	
Time	Program
9:00–9:30 (30 minutes)	<b>Registration</b>
9:30–9:40 (10 minutes)	<b>Introductory Remarks</b> – <i>Junkyu Lee, Director, Finance Sector Office, Sectors Group, ADB</i>
9:40–10:40 (60 minutes)	<b>Climate Change in Mongolia: Challenges, Impacts, and Pathways to Resilience</b> <i>This session presents the results of the diagnostic study conducted under technical assistance including Mongolia's current financial landscape, its issues and challenges, and recommended climate actions.</i>  <b>Presenters:</b> – <i>Richard Edwards, ADB consultant</i> – <i>Luvсан Vanjildorj, ADB consultant (virtual)</i>

	<b>Q&amp;A</b>
10:40–11:00 (20 minutes)	<b>Coffee break</b>
11:00–12:30 (90 minutes)	<p><b>Financing Mongolia’s Green Transition: What has been done so far?</b></p> <p><i>Transition finance in Mongolia focuses on supporting the country’s shift towards more sustainable economic practices and low-carbon technologies. This session will showcase the progress made by the Mongolian stakeholders.</i></p> <p><b>Presenters:</b></p> <ul style="list-style-type: none"> <li>– <b>Mongolia’s Sustainable Finance Roadmap</b> <i>B. Dulguun, Director General of the Securities Department, Financial Regulatory Commission</i></li> <li>– <i>L. Evshinkhorloo, Head of Banking of Policy Division, Banking Resolution and Policy Department, Bank of Mongolia</i></li> <li>– <b>Khan Bank’s Green Bond Issuance</b> <i>Suvd.B, Senior Manager, Green Finance</i></li> <li>– <b>Gobi’s Experience in Sustainability-link loans</b>, <i>Chinguun, Chief Compliance Officer, Gobi Joint Stock Company</i></li> </ul> <p><b>Q&amp;A</b></p>
12:30–14:00 (90 minutes)	<b>Lunch</b>
14:00–15:30 (90 minutes)	<p><b>Financing Mongolia’s Green Transition: Strategies for Sustainable Development</b></p> <p><i>This session will focus on strategies designed to support the shift towards a more sustainable and low-carbon economy in Mongolia.</i></p> <p><b>Presenters:</b></p> <ul style="list-style-type: none"> <li>– <b>Greening Credit Guarantees — Learning Experience from Korea Credit Guarantee Fund</b> <i>Hee Woong Yang, Investment Specialist, ADB</i></li> <li>– <b>Scaling up transition finance</b> <i>Yuki Yasui, Managing Director, Glasgow Financial Alliance for Net Zero APAC (virtual)</i></li> <li>– <b>Role of digital technology in ensuring traceability</b> <i>Teresa Lin, Adviser, Bank of International Settlements Innovation Hub</i></li> </ul> <p><b>Q&amp;A</b></p>
15:30–16:00 (30 minutes)	<b>Coffee break</b>

<p>16:00–17:00 (60 minutes)</p>	<p><b>Greenwashing Risk Assessment and Control Best Practices</b></p> <p><i>In an era of increasing environmental consciousness, businesses and organizations are under pressure to demonstrate their commitment to sustainability. However, this has also led to the rise of greenwashing—where claims of environmental responsibility are made without substantial evidence or action. This session will delve into the critical aspects of greenwashing, offering participants a comprehensive understanding of how to assess and mitigate the associated risks.</i></p> <p><b>Presenter:</b></p> <p>– Luvsan Vanjildorj, ADB consultant (virtual)</p> <p><b>Q&amp;A</b></p>
<p>17:00–19:00 (120 minutes)</p>	<p><b>Cocktail Reception</b></p>

**Thursday, 22 August 2024**

**Master of Ceremonies: Raquel Borres, Senior Economics Officer, ADB**

Time	Program
<p>9:00–9:30 (30 minutes)</p>	<p><b>Registration</b></p>
<p>9:30–9:40 (10 minutes)</p>	<p><b>Recap of Day 1 Discussion</b></p> <p>– Raquel Borres, Senior Economics Officer, ADB</p>
<p>9:40–10:40 (60 minutes)</p>	<p><b>Reliable Data, Reliable Disclosure: How to Achieve Credible Climate Reporting</b></p> <p><i>This session explores best practices and strategies for achieving accurate and dependable climate reporting. Attendees will gain insights into effective data collection, verification processes, and the integration of reliable data into climate disclosures. Learn how to navigate common challenges, meet regulatory requirements, and build stakeholder trust through robust and transparent climate reporting practices. Join us to enhance your understanding of how reliable data underpins successful climate disclosures.</i></p> <p><b>Presenter:</b></p> <p>– Dr. Sean Shin, National University of Singapore (virtual)</p> <p><b>Q&amp;A</b></p>

10:40–11:00 (20 minutes)	<b>Coffee break</b>
11:00–12:30 (90 minutes)	<p><b>Empowering Stakeholders: Driving Mongolia’s Transition to a Low-Carbon Economy</b></p> <p><i>This session will explore the pivotal role of various stakeholders in Mongolia’s journey toward a low-carbon economy. As Mongolia faces the dual challenges of rapid economic development and climate change, stakeholder engagement becomes crucial for successful transition.</i></p> <p><b>Panel members:</b></p> <ul style="list-style-type: none"> <li>– Sung Su Kim, Senior Financial Sector Specialist, ADB (moderator)</li> <li>– N. Urgamalsuvd, Head of Monetary Policy and Forecasting Division, Monetary Policy Department, Bank of Mongolia</li> <li>– Amar Lkhagvasuren, Chief Executive and Secretary-General, Mongolia Bankers Association</li> <li>– Enkhlin Davaajav, Senior Manager, ESG Implementation and Disclosure, Mongolia Sustainable Finance Association</li> <li>– Tamir Erdenebat, Head of Project and Business Development Department, Credit Guarantee Fund Corporation</li> <li>– Chinguun, Chief Compliance Officer, Gobi Joint Stock Company</li> </ul> <p><b>Q&amp;A</b></p>
12:30–12:45 (15 minutes)	<p><b>Closing Remarks</b></p> <p>-- Gan-Ochir Doojav, Chief Economist, Bank of Mongolia</p>
12:45–14:00 (75 minutes)	<b>Lunch</b>