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# SDG Financing in Mongolia: Experience in ORKHON PROVINCE

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province, Mongolia











### **OVERALL REVENUE AND FUNDS OF ORKHON**



Funding (as of 2020)	Amount (USD)	Percentage
Own revenue	24,392,819	58.3%
Central government transfer	15,557,902	37.2%
Local development fund transfer	1,913,305	4.6%
	41,864,026	100%

#### Revenue contributed to the state budget:

\$3,6 mill. in 2016 \$4,7 mill. in 2017 \$4,2 mill. in 2018 \$5,7 mill. in 2019 \$10,4 mill. in 2020

## Development policy document aligned with **SDGs**

- SDG-aligned development targets for **Orkhon province** 
  - approved in 2019;
  - with target specific baselines and indicators:
- Monitoring of actual data against targets;
  - to identify areas lagging behind, on track, and performing well;
  - to support budget allocation decisionmaking with data;

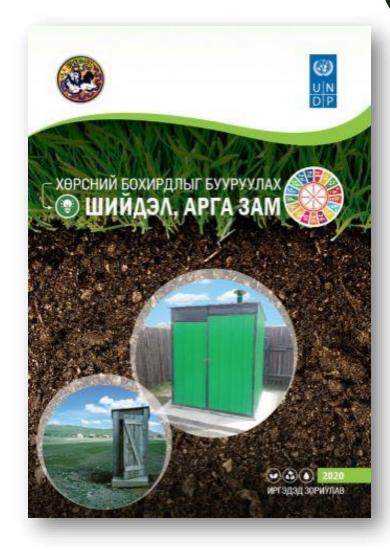


## Case 1: Soil pollution project

- Local Governments' own funding to build insulation in pit latrines to prevent from soil pollution (SDG 6, 11);
  - The first time in 2019, continued for 2020 and 2021;

#### Challenges:

- Finding the right mechanism to engage residents;
- More funding is needed to cover all areas;
- LG needs access to latest technological solutions;
- LG capacity to manage environmental projects



## Case 2: "Smart City" project





- The first project to introduce innovation, smart solutions for the city;
- LG has already allocated some funding;
- Central government has also allocated some funding;
- Public discussions are being held on its concept.

#### **Challenges:**

- Need to estimate the scale and scope of work, and the amount of funding needed;
- Capacity and the role of LGs to lead innovation projects;
- Lack of specific provisions on using different sources of financing for one project: LG, central government, and private sector;
- Lack of LG experience on attracting private sector investments and manage PPP.



