



SDG Financing in Mongolia: Experience in **ORKHON** **PROVINCE**



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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:



Development policy document aligned with SDGs

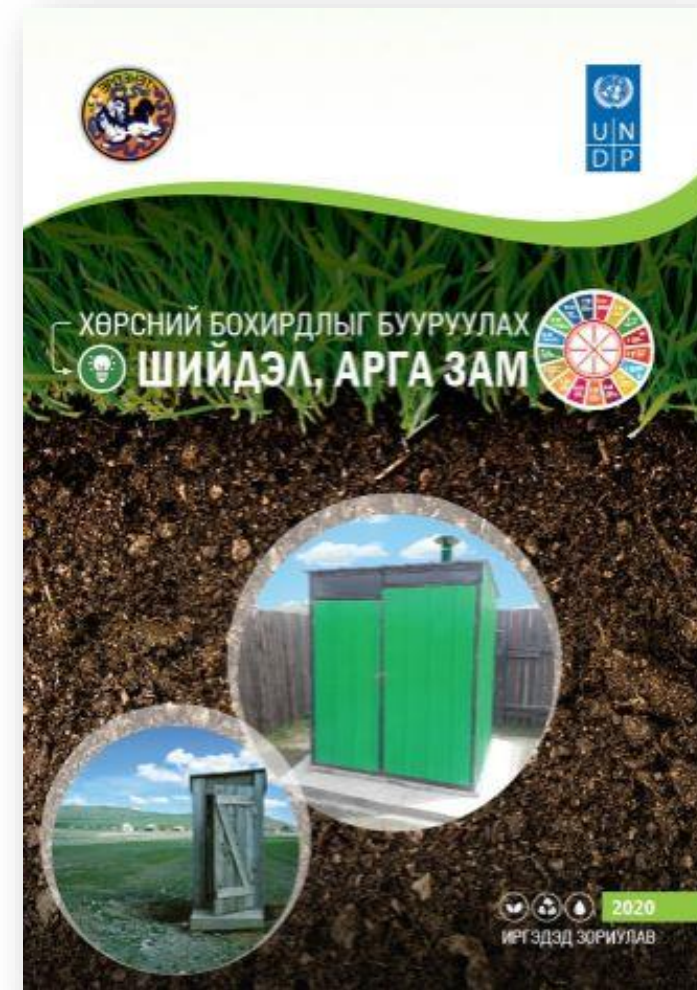


- **SDG-aligned development targets for Orkhon province**
 - approved in 2019;
 - with target specific baselines and indicators;
- **Monitoring of actual data against targets;**
 - to identify areas lagging behind, on track, and performing well;
 - to support budget allocation decision-making with data;



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.

