Mongolia: Food and Nutrition Social Welfare Program and Project (Capacity Development Project)

Project Name: Food and Nutrition Social Welfare Program and Project (Capacity Development Project)
Project Number: 42322-012
Country: Mongolia
Project Status: Closed
Project Type / Modality of Assistance: Grant
Source of Funding / Amount:
- Grant 0137-MON: Food and Nutrition Social Welfare Program and Project (Capacity Development Project)
  concessional ordinary capital resources lending / Asian Development Fund
  US$ 3.00 million
- Grant 0138-MON: Food and Nutrition Social Welfare Program and Project (Program Grant)
  concessional ordinary capital resources lending / Asian Development Fund
  US$ 9.00 million

Strategic Agendas:
- Inclusive economic growth

Drivers of Change:
- Governance and capacity development

Sector / Subsector:
- Health - Health system development - Nutrition

Gender Equity and Mainstreaming:
- Gender equity

Description:
ADB has secured a $12 million grant to build on the existing social welfare system and assist the Government in (i) designing and implementing emergency measures that specially target mitigating the impact of the food crisis on the poor and (ii) mid-term measures to address social welfare issues. This will include designing social safety nets that provide assistance directly to the poor, building capacity among stakeholders, and providing technical assistance to reform social welfare strategies in the mid-term.

Project Rationale and Linkage to Country/Regional Strategy:
The grant is in direct support of government plans to provide targeted assistance to the poor to alleviate the impacts of inflation, and supports the country partnership strategy pillar of inclusive social development (in preparation). The design is in line with the development agenda of inclusive economic growth in ADB’s long-term strategic framework 2008-2020 (Strategy 2020) and responds directly to the President’s pledge at the ADB Annual Meeting in Madrid to assist developing member countries to address the problem of soaring food prices.

Impact:
Vulnerability to food insecurity reduced through increased supply of and improved access to food by vulnerable and poor households.

Project Outcome:
Description of Outcome: Improved access to food by vulnerable and poor households through a targeted food stamp program and strengthened social welfare systems.
Progress Toward Outcome: As a consequence of the recent change of government in July 2012, the Ministry of Social Welfare and Labor has been divided into two: (i) Ministry of Population Development and Social Protection (MPDSP), and Ministry of Labor. Four phases of proxy means test (PMT) implementation have been conducted and full nationwide coverage was achieved in May 2012. Intersectoral database: ADB recommended that the institutional processes and policies put in place for accessing data be maintained and that the working group be re-established and continues to ensure sustainability of the system. The community-based small grant program to support the vulnerable households’ food supply has been very successful. Consultants have completed drafts of reports on (i) nutrition monitoring and early warning systems; (ii) impact evaluations of subsidy for assistance for disabled and elderly for prosthetic devices and social assistance for caregivers; and (iii) a knowledge product titled: “Building Blocks of Social Welfare Reform in Mongolia (2002-2012). Much has been accomplished over the past months in the distribution of food stamps and implementation of PMT despite the change in the government. The project is on track and has achieved its immediate development objectives. The project’s closing date date was extended to September 2014 train new project staff who will take over the administration of the ensuing loan of $20 million additional financing for Grant 0137 approved on 11 December 2013. The extension will support further activities strengthening the social systems and IT systems for social insurance.

Implementation Progress:
Description of Project Outputs:
Component 2
2.1. Capacity development tools for national and local stakeholders and institutional strengthening designed and implemented by January 2013.
2.2. A communication strategy to ensure transparent implementation of the food stamp program developed and implemented by December 2013.
Component 3: Strengthening social welfare strategies and systems
3.3. An early warning and response system to respond to social shocks by July 2013.
Component 1: Design and implementation of a targeted food stamp program
1.1. Innovative targeting approaches for food stamps pilot-tested by December 2009.
1.2. A mechanism for delivering food stamps is established by June 2009.
No involuntary resettlement or adverse impact on indigenous peoples is expected from program and project implementation.

Ministry of Finance (formerly Ministry of Finance and Economy)

Consultations on the impacts of the food crisis on the poor and the project design have been held with MOF, MOSWL, MOFA, Ministry of Health (MOH), East Asia Department

Fact Finding

Concept Clearance

Executing Agencies

Consulting

Procurement

Stakeholder Communication, Participation, and Consultation

During Project Design

Consultations on the impacts of the food crisis on the poor and the project design have been held with MOF, MOSWL, MOFA, Ministry of Health (MOH), National Emergency Management Agency (NEMA), and NGO during the scoping and reconnaissance missions. Interviews were conducted with other donor organizations such as World Bank, UNICEF, UNDP, EC, Swiss Agency for Development and Cooperation, US Embassy, Japanese Embassy, German Embassy, and the authors of the draft food and nutrition subsidy law, NGO, and civil society perspectives were solicited from Confederation of Mongolian Trade Union, Mongolian Employers Association, Action Centre la Faim, MercyCorps, World Vision, Centre for Social Development, Asia Foundation, and via a rapid survey of organizations involved in feeding programs focusing on the most poor in Ulaanbaatar. Rapid scoping of the decentralized social welfare system, integration with local government, and operation of livelihood councils was carried out via site visits, focus group discussions, and beneficiary interviews in an urban district of Ulaanbaatar. A series of rapid qualitative consultations with urban/rural communities and local government were carried out for the poverty and social assessment

During Project Implementation

Review missions were fielded September 2012 and November 2013. Todate, more than 100,000 people across Mongolia, about 1 person every 20, are receiving food stamps for an average amount of 45,000 MNT per household per month (the amount of Food Stamps varies with the size of the household). Food stamps are redeemed in specified shops in every soum and khoro and allow people to purchase basic food items. The social welfare law approved by Parliament in January 2012 clearly refers to food stamps in Article 22 providing the platform for its development and making it an important policy tool. The food stamp program was transferred to the General Social Welfare Office in June 2013 and FSOU consultants continue to provide capacity building and assistance in implementation. Reports and presentations from the international consulting services. Consultants have completed reports on: (i) food price increases impact assessment; (ii) nutrition monitoring and early disaster warning systems; (iii) food stamp operations and impact assessment; (iv) impact evaluations of (a) subsidy for assistance for disabled and elderly for prosthetic devices; (b) social assistance for caregivers; (c) community based social welfare services and (d) livelihood support activities; (v) fiscal sustainability of social welfare programs; (vi) institutional analysis of the social welfare sector and (vii) a knowledge product titled: _Building Blocks of Social Welfare Reform in Mongolia (2002-2012): a synthesis of achievements, key contributory factors, and challenges ahead_. Findings from all reports were disseminated at workshops in November 2013.

Business Opportunities

Consulting Services

Program Grant

A team of 7 national consultants, to be headed by a Team Leader will form the FSOU to undertake the setting up activities and coordinate the implementation of the Food Stamp Program. The team will be complemented by intermittent international assistance (4 person-months). The FSOU will be lodged within the PIU and will also provide technical support, coordination, monitoring and supervision of the work of the consultants under Components 2 and 3. A total of 252 person-months of consulting inputs will be provided by these consultants over 3 years. Government will hire the 7 national consultants and the international targeting specialist before start before starting the Program indicatively from October 2008 to prepare for the implementation of Component 1 of the Program (21 person-months national and two person-months international). These consultants will be hired by Government under the program. Project Grant

The Project will require a total of 74 person-months of international and 224 person-months of national consulting services financed under the ADB grant. The international and national consultants will have expertise in (i) targeting, (ii) impact analysis, (iii) monitoring and evaluation, (iv) institutional capacity building, (v) social expenditure analysis, (vi) development communication, (vii) community/rural development, (viii) social safety nets, and (ix) civil registration. The consultants will be selected and engaged in accordance with ADB's Guidelines on the Use of Consultants (2007, as amended from time to time). Quality and cost-based selection procedure using a cost quality-ratio of 80:20 will be applied.

Procurement

All procurement to be financed under the project grant will be carried out in accordance with ADB’s Guidelines on Procurement. In accordance with the simplified disbursement and procurement procedure for program loans, the grant proceeds may be utilized to procure goods and services (excluding local duties and taxes) produced in and procured from ADB’s member countries, other than those specified in the list of ineligible items, which will be provided to the Government at a later stage and those financed by other multilateral and bilateral official sources, and imports from non-ADB member countries. All procurements under the program (component 1) will be done through normal commercial practices for the private sector or the Government’s prescribed procurement procedures acceptable to ADB, with due consideration given to economy and efficiency. All procurement to be financed under the project grant will be carried out in accordance with ADB’s Guidelines on Procurement. Advance procurement and retroactive financing is being discussed with the Government.

Responsible ADB Officer
Walker, Wendy M.

Responsible ADB Department
East Asia Department

Responsible ADB Division
Urban and Social Sectors Division, EARD

Executing Agencies
Ministry of Finance (formerly Ministry of Finance and Economy)
Bayartsogt Sangajav
ANUDAR@MOF.PMIS.GOV.MN
210646 Negdsen undestnii gudamj 5/1, Zasgiin gazriin II bair, Chingeltei duureg, Ulaanbaatar, Mongolia

Timetable

Concept Clearance
20 Aug 2008

Fact Finding
03 Sep 2008 to 12 Sep 2008
Grant 0137-MON

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Project Page: https://www.adb.org/projects/42322-012/main
Request for Information: http://www.adb.org/forms/request-information-form?subject=42322-012
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