



MONGOLIA

WHERE THE SCALE OF PROBLEMS IS SMALL ENOUGH TO BE SOLVEABLE

ACCA in MONGOLIA :

PROJECT CITIES (total 19)

- Erdenet
- Tunkhel Village
- Bayanchandmani District
- Khan-Uul District, Ulaanbaatar
- Baganuur District, UB
- Sukhbaatar District, UB
- Songino Khaikhan Dist., UB
- Bayanzurkh Dist., UB
- Dharkan
- Ovorkhangai
- Bulgan District
- Baruun Urt District
- Tsenkher Mandal District
- Bayandalai District, Gobi
- Sainshand District
- Undurshireet District
- Zuunmod District
- Khendii
- Dornod

SMALL PROJECTS

Small projects approved : 132
 In number of cities : 19
 Total budget approved : \$289,500

BIG PROJECTS

Big projects approved : 7
 In number of cities : 7
 Total budget approved : \$210,767

SPECIAL PROJECTS

One study of alternative heating systems in the pollution-choked city of Ulaanbaatar (\$15,000).

SAVINGS (only in 19 ACCA cities)

Savings groups : 341
 Savings members : 7,478
 Total savings : \$107,555

CITY DEVELOPMENT FUNDS

CDFs active in : 15 cities
 Total capital in 15 CDFs : \$102,527

- from ACCA \$61,467 (60%)
- from coms. \$16,721 (16%)
- from gov. \$15,084 (15%)
- from others \$9,075 (9%)

IMPLEMENTING GROUPS

All the ACCA projects are being implemented by two NGOs based in Ulaanbaatar: the Urban Development Resource Center (UDRC) and the Center for Housing Rights and Development (CHRD).

ACCA is being implemented in 19 cities and districts in Mongolia so far, and is bringing new resources and new energy to the country's still-young community-driven savings and upgrading process. The program is being facilitated by two NGOs based in Ulaanbaatar - the Urban Development Resource Center (UDRC) and the Center for Human Rights and Development (CHRD). Since 2005, these organizations have been supporting the setting up of community savings and credit groups in informal "ger areas" in towns and cities around the country, with the idea of providing a financial resource within these communities that belongs to people themselves, that can pull people to work together to improve their living environments, make decisions and develop solutions to the various problems they face. The savings process has now spread to over 25 cities and semi-urban districts, with more than 7,500 savings members and collective savings of over \$110,000, and small CDFs have been established in fifteen cities. A country-wide network of these community savings groups came together for its first national meeting in November 2006, in the city of Darkhan, and in June 2009, a national joint committee was set up to coordinate the country-wide ACCA program. The two groups, however, continue to operate separately.

Mongolia is a country of only 2.7 million people - fewer people than are in many of the cities undertaking ACCA projects around Asia. With more than half of these people now living in informal "ger areas" in urban areas, the strategic question for ACCA has been how to link up all the different groups in the nineteen cities in the program into some kind of unified force, so that the whole country's problems can be solved? Mongolia is a special country, because its housing and urban poverty problems are small enough to be actually *solvable*, and the ACCA program has a chance to make a significant impact in the country, rather than just starting lots of small projects which somehow don't add up to any significant change.

The ACCA program has given a big boost to the savings groups in these ger areas (with mostly women members), enabling them to plan and carry out both small and big projects which answer real needs in their ger areas. The small projects showcase what people can do, and now the government officials visit the ACCA projects in ger areas. Even the president of Mongolia has visited the ger areas and made a resolution to scale up the kind of people-driven ger area improvement projects he saw there. There is increasing understanding and trust between community members within communities, and between communities and their local government officials within cities. The savings groups in Mongolia remain very small and scattered, though, and the challenge now is to expand these savings groups and link them across the city into community networks that are truly city-wide in their scale and in the vision of their upgrading activities.

Coming out from behind their FENCES . . .



In Mongolia, there has been a definite "theme" for the small projects, where parks and playgrounds dramatically outnumber other kinds of projects (45 out of 88 of the small projects implemented so far in the country are playgrounds). But these parks and playgrounds serve an important function: they link community members and bring them out from behind their fences, make use of under-utilized roads and garbage dumping areas, provide space for kids to play and old folks to gather and affect much larger areas than only the savings groups who make them. In a country of fiercely independent people, who have lived for centuries as nomadic herdspeople in the isolation of vast open spaces, this is something quite important.



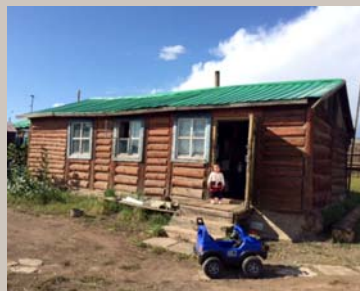
But besides all those playgrounds, there have also been small projects to put up street lights, to build community centers, to set up operations to make fuel cells from cow-dung and sawdust, to build see-through fences, to install regular pit latrines and composting "bio-toilets" which require no water, to develop water supply systems and water kiosks, to lay paved walkways and drainage lines and floodways in flood-prone ger areas and to set up concrete block-making operations for making paving stones and house-building blocks.



New national HOUSING IMPROVEMENT LOAN FUND set up . . .

In the second phase of ACCA, a budget of \$40,000 was approved in Bulgan District, to support a housing project in which the local government was to provide free land for 30 poor families and the ACCA funds would seed the city's CDF, and finance housing loans to the 30 families. The project got stuck, though, when the government land wasn't available after all. So instead of keeping this money in the bank, the national council of community savings groups proposed the idea of using those ACCA funds for Bulgan to set up a national housing loan fund, and put that money into immediate circulation to address the huge housing needs in cities all over the country. Mongolia still has no formal housing finance that is accessible to the urban poor, and the for-profit microcredit organizations charge 32% - 42% annual interest on their loans - plus they ask for collateral.

The community networks then carried out housing needs surveys in their various cities, and submitted proposals to the UPCA committee, which was given charge of managing this fund, with UDRC. In the first round, they decided to give individual loans (average \$1,140 per member) to 17 families in five cities, to improve their houses or build new ones. Loans from the new fund are given at 6% annual interest and repaid in three years. Half the loans have already been repaid, and a second round of loans in the queue is now being finalized.



NEW HOUSING FUND		(US\$)
City	# members got loans	Total loan amount
Erdenet	3	3,311
Bulgan	4	6,623
Dharkan	2	3,311
Ulaanbaatar	3	2,483
Tunkhel	5	3,587
TOTAL	17 members	\$19,315



Community mapping in ERDENET :

The enthusiasm for community and citywide mapping that has swept through several countries during the second phase of the ACCA program has now reached Mongolia, where the country's first citywide mapping exercise took place in Erdenet, the country's second largest city.

Erdenet's copper-mines are a big source of revenue for the government, but the people who work in them live in the shabby ger areas that ring the city, where they face problems of pollution, flooding, lack of infrastructure and a host of social problems. This year, the network of community savings groups in Erdenet collaborated with local government representatives (from ward, district and municipal levels) and UDRC to undertake a citywide mapping process, to identify where these problems are and to open up a dialogue on how to solve them jointly.

Turning ger area upgrading by people into **POLICY** :

The small upgrading projects that are planned and implemented by savings groups in the city's ger areas have inspired a new participatory slum upgrading policy in Ulaanbaatar

Almost half the population of Mongolia lives in the capitol city of Ulaanbaatar, and of that number, some 60% live in the squalid, unplanned, polluted and unserved ger areas that sprawl like a vast carpet across the hills and empty land around the city. In smaller towns and villages, the figure climbs to 80-90% of the population. But even though a hefty majority of Mongolians now live in these informal settlements, neither the national government nor the various local government agencies have so far paid much attention to the problems in ger areas in their constituencies or taken any measures to address them.

But the people living in these ger areas have not been so complacent. Over the past five years, community members in towns, cities and urban districts all over Mongolia have organized themselves into savings groups, rolled up their sleeves and shown that they are ready to improve their economic situation, their living environments and their housing and can do all these things themselves very efficiently, with just a little support. Through hundreds of small projects to pave roads, paint fences, build parks and community centers, lay drainage lines and water supply, construct bridges, manufacture fuel bricks and improve housing, these community groups are showing a simple, direct and people-driven way to upgrade Mongolia's informal ger areas. With support from UDRC and CHRD, and with funding support from ACCA, this people-driven ger area upgrading process has now begun to catch the notice of the government.

Inspired by this people-driven upgrading model that has been amply demonstrated in his city, the mayor of Ulaanbaatar has now created the city's first program which focuses on improving the infrastructure and housing in ger areas. To support and strengthen the people-driven ger area upgrading process that has already begun, the city has set up two new institutions: the Ger Area Development Agency and the Ger Area Housing Project. Under the new program, the city government will provide assistance to ger area communities to survey their settlements, identify problems and develop their own area redevelopment plans (to include road paving, drainage, water supply and municipal heating pipes), which will then be submitted to the Ger Area Development Agency for approval. The city government will then hire private-sector contractors to do the main redevelopment work, according to the community plans, with funding from the state and city budgets and as much involvement of the communities as possible. In the first round of the new program, 12 ger areas were selected for redevelopment in 2013, and another 8 ger areas are underway in 2014.

