

**JAPAN INTERNATIONAL COOPERATION AGENCY
MINISTRY OF CONSTRUCTION AND URBAN DEVELOPMENT
ULAANBAATAR CITY GOVERNMENT**

**Project on Capacity Development in Urban
Development Sector in Mongolia (MUGCUP)**

PROJECT COMPLETION REPORT

June 2013

JICA Project Team

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Exchange Rate of June 2013

1 US Dollar = 1,428.93 Mongolian Tugrug (MNT)

1 US Dollar = 101.03 Yen

Project on Capacity Development in Urban Development Sector in Mongolia
(MUGCUP)

PROJECT COMPLETION REPORT

Table of Contents

1. Introduction	1
1.1. Background	1
1.2. Project Objectives	2
2. Overall Project Outcomes	4
2.1. Output 1: Legal and Administrative Systems of Urban Development	4
2.2. Output 2: Laws, Regulations and Technical Manuals	5
2.3. Output 3: Delineated Roles and Responsibilities of Agencies.....	7
2.4. Output 4: Enhanced Operational Capacity of Government Staff.....	8
3. Input	15
3.1. Experts	15
3.2. Trainees in Training Programs in Japan	16
3.3. Equipment Provided.....	17
3.4. Local Operating Expenses.....	17
4. Meetings and Coordination with Counterparts from October 2012 to May 2013	18
4.1. Task Force and JCC Meetings.....	18
4.2. Other Meetings.....	18
4.3. Technical Transfer Activities.....	19
5. Progress of Activities from October 2012 to May 2013	21
5.1. Output 1: Legal and Administrative Systems on Urban Development	21
5.2. Output 2: Laws, Rules, Regulations and Technical Manuals	21
5.3. Output 3: Enhanced Roles and Responsibilities of Agencies.....	26
5.4. Output 4: Enhanced Operational Capacity of Government Staff.....	27
6. Recommendations for Future Steps	36
Appendices	39

Acronyms/Abbreviations

ADB	Asian Development Bank
ALAGaC	Administration of Land Affairs, Geodesy and Cartography
ALACGaC	Administration of Land Affairs, Construction, Geodesy and Cartography
CDC	Community Development Councils
JCC	Joint Coordination Committee
JICA	Japan International Cooperation Agency
LEL	Land Expropriation Law
MCUD	Ministry of Construction and Urban Development
MHFC	Mongolian Housing Finance Corporation
MOJ	Ministry of Justice
MMC	Mongolian Mortgage Corporation
MNCA	Mongolian National Construction Association
MOE	Ministry of Education
MOED	Ministry of Economic Development
MOEGD	Ministry of Environment and Green Development
MOF	Ministry of Finance
MOM	Ministry of Mining
MOPDSW	Ministry of Population Development and Social Welfare,
MRTCUD	Ministry of Road, Transport, Construction, and Urban Development
MUGCUP	The Project on Capacity Development in Urban Development Sector in Mongolia
OJT	On-the-Job Training
UBMPS	The Study on City Master Plan and Urban Development Program of Ulaanbaatar City
UPADI	Urban Planning, Architecture and Design Institute
URL	Urban Redevelopment Law



The First Urban Development Task Force on June 30, 2010



The First Legal Task Force on June 30, 2010



The First JCC Meeting on July 2, 2010



The First Seminar on September 2, 2010



Training in Mongolia (Learning Session) on November 25, 2010



The Second JCC Meeting on March 15, 2011



The Second Learning Session on April 25 – 27, 2011



The Second Seminar on June 23, 2011



The Second Training in Japan on September 25 – October 8, 2011



Urban Development Group Meeting on September 8, 2011



The Third JCC Meeting on February 16, 2012



The Third Training in Japan for Higher Authorities on September 19 – 26, 2012



Training in Japan on October 1 and 20, 2012



Old Apartment Reconstruction Seminar on November 8, 2012



Terminal Evaluation Meeting in November, 2012



4th JCC Meeting on November 20, 2012



Citizen's Seminar for Introduction of Urban Redevelopment Project on March 11, 2013



Workshop for Introduction of Urban Redevelopment to Citizen (Group Discussion) on March 14, 2013



Workshop for Introduction of Urban Redevelopment to Citizen (Group Discussion) on March 14, 2013



Technical Workshop on April 23, 2013



Technical Seminar on April 26, 2013



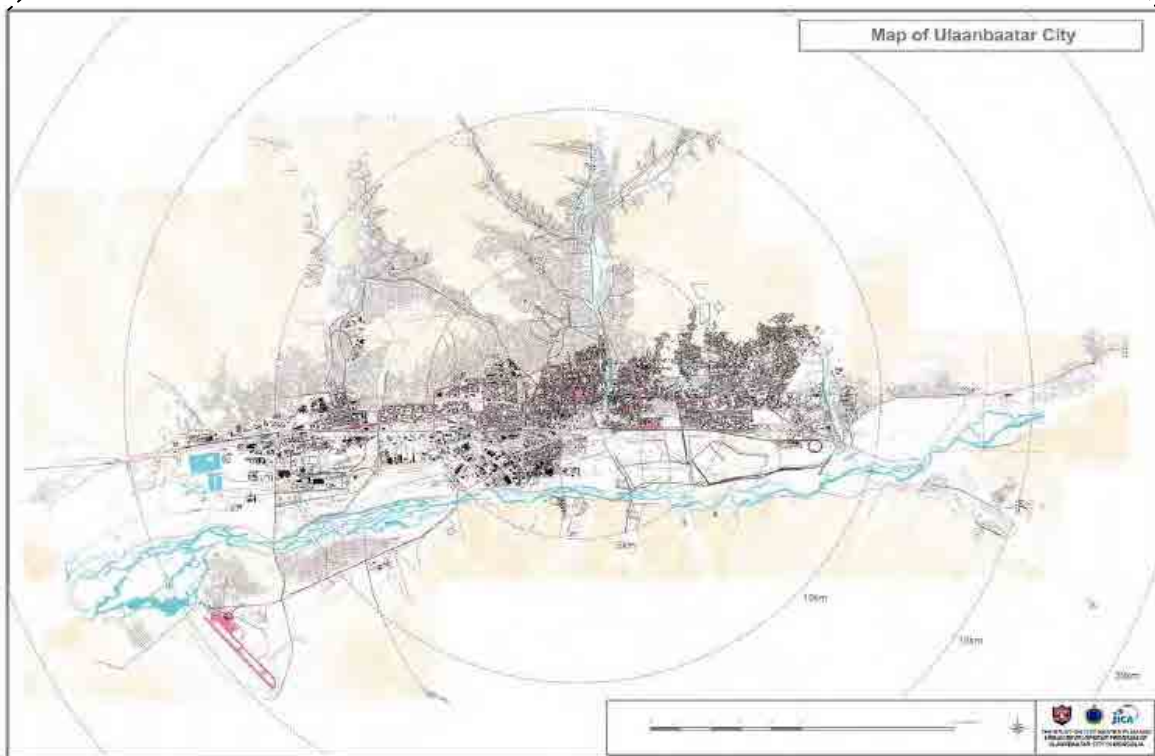
6th Joint Taskforce Meeting on May 23, 2012



5th JCC Meeting on May 24, 2012



Final Seminar on May 28, 2012



Project Location Map

1. Introduction

1.1. Background

Ulaanbaatar City has a continually increasing population. In 1998, it has around six hundred fifty thousand (650,000); it grew to over one million by 2007— an average annual growth rate of 3.0%.

Generally, rapid population growth leads to urban problems, and Ulaanbaatar City is no exception; housing supply in the city has lagged behind. About 60% of the city's population lives in “ger” areas, residential areas that do not have basic infrastructure and services. The city's ger areas have continuously expanded as large numbers of the nation's nomadic groups have steadily moved into the city. As a result, urban sprawl has become a concern in Ulaanbaatar. The situation is even worsened by uncontrollable air, soil, and water pollution, which is basically caused by coal, the fuel commonly used for heating. Complicating the problem is the lack of a sufficient sewerage system.

Under such circumstances, the Japan International Cooperation Agency (JICA) conducted “The Study on City Master Plan and Urban Development Program of Ulaanbaatar City (UBMPS)” from 2007 to 2009. UBMPS laid down the socio-economic framework and urban development vision for the city. It projected that the share of Ulaanbaatar's population in Mongolia's total population would increase by 55.5% by 2030, a substantial jump of 37.7% from its 2007 figure, indicating a higher concentration of people in the city. Anticipating various issues and problems that may be brought about by rapid population growth, UBMPS proposed an urban development system which includes development projects and zoning to realize an ideal urban environment for Ulaanbaatar City.

UBMPS likewise pinpointed and analyzed issues in urban planning laws and other legal tools related to the pursuit of sustainable urban development, as well as emphasized that solutions to Ulaanbaatar's urban problems and issues require the urgent implementation of urban development projects. Some of the major issues in the legal system UBMPS identified are the following:

Lack of consistency among the laws on land, urban development, housing, and construction, as well as the insufficient stipulations in each law that render them inappropriate or insufficient for implementation; and

Detailed implementing rules and regulations, as well as technical manuals on urban development, are lacking and should thus be developed to apply the above laws.

Realizing the importance of the above issues, the government of Mongolia requested Japan to help it develop a legal system on urban development. Based on this request, JICA agreed to provide a technical assistance grant to Mongolia in the form of this project entitled “The Project on Capacity Development in Urban Development Sector in Mongolia” (MUGCUP), which started in June 2010.

1.2. Project Objectives

The JICA Project aims to develop capacities for implementing and managing urban development through improved policy and legal frameworks for urban development in Mongolia and enhanced capacities of organizations and individuals responsible for urban development.

Counterparts are the Ministry of, Construction and Urban Development (MCUD) and the Ulaanbaatar City Government. The project also expected active participation from the counterparts in all project tasks and activities, and their sense of ownership of the project as well as its outputs.

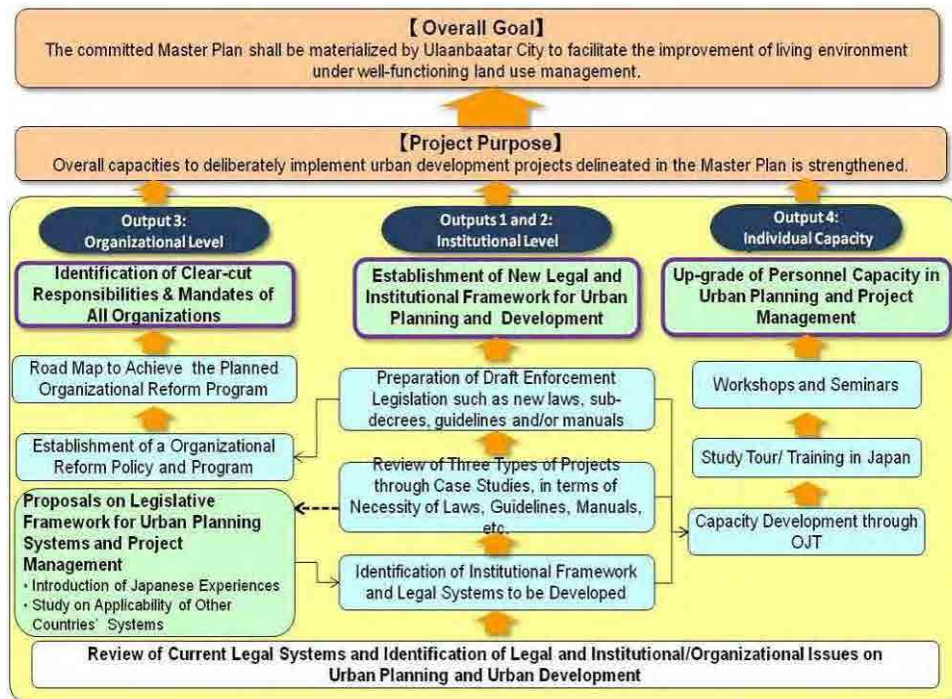
Table 1.1 shows the project framework, while the expected outputs, which are structured based on issues, are shown in Figure 1.1.

Table 1.1 Project Framework

Target Area	Ulaanbaatar City, Mongolia
Counterparts	MCUD and the Ulaanbaatar City Government
Overall Goal	To implement urban development projects in Ulaanbaatar City through the promotion and realization of land use and the improvement of living environment and condition according to the Ulaanbaatar urban master plan.
Project Purpose	To enhance the capacity of development projects on planned areas to realize urban redevelopment according to the Ulaanbaatar urban master plan.
Output 1	<p>Draft outline of legal and administrative system for urban development will be formulated.</p> <p><Activities></p> <p>1-1 To review the current overall legal framework and existing individual laws related to urban development such as the urban development law, the land law, the housing law, and the construction law, and identify problems</p> <p>1-2 To review the current situation of urban development in Ulaanbaatar City including the private sector, clarify the urban development project mechanism, and identify the problems</p> <p>1-3 To grasp overall situation of law enforcement in urban development sector and identify problems associated with legal operations</p> <p>1-4 To study Japanese and other countries' overall legal system for urban development</p> <p>1-5 To formulate the outline of overall legal system for urban development suitable for Mongolia based on its current urban development situation with reference to other countries' experiences</p> <p>1-6 To identify targeted laws and technical manuals for redevelopment of Ulaanbaatar City to be dealt with in the project</p>
Output 2	<p>New and revised laws, enforcement regulations (implementation guidelines), and technical manuals for urban development will be drafted.</p> <p><Activities></p> <p>2-1 To review the state of implementation of planned area development and redevelopment projects under MCUD and Ulaanbaatar City, and identify the issues and problems related to urban development legal system including urban development finance for the project implementation</p> <p>2-2 To monitor the pilot projects under implementation in Ulaanbaatar City and identify the problems through their implementation</p> <p>2-3 To study Japanese laws related to urban development and urban development project system</p> <p>2-4 To formulate the scheme models of planning and implementation of planned area development according to the urban development types such as old apartment</p>

	<p>reconstruction, ger area redevelopment (from ger to apartment), and land readjustment in ger area</p> <p>2-5 To formulate the policy on revision and development of relevant urban development legal system and related technical guidelines to realize the created scheme models</p> <p>2-6 To formulate drafts of new and revised laws, regulations (implementation guidelines) and technical manuals</p> <p>2-7 To verify the applicability of the drafts of laws, regulations and manuals to the pilot projects implemented in Ulaanbaatar City and finalize the drafts</p>
Output 3	<p>Role and responsibility of each agency which deals with urban development according to the above drafts of laws, regulations and technical manuals will be clearly defined and the institutional capacity will be improved.</p> <p><Activities></p> <p>3-1 To analyze the current situation of government agencies in charge of urban development and redevelopment projects in Ulaanbaatar City</p> <p>3-2 To analyze the implementation system and implement projects in Ulaanbaatar City</p> <p>3-3 To formulate the orientation on institutional capacity development including ideal organization and institutional arrangement based on '3-2' to implement the drafts of '2-7'</p> <p>3-4 To prepare the road map for realization of the organization and institutional arrangement formulated in '3-3'</p>
Output 4	<p>Operational capacity of urban development system of staff in charge will be enhanced.</p> <p><Activities></p> <p>4-1 To conduct On-the-Job Training (OJT) through the revision and formulation works on laws, regulations and technical manuals</p> <p>4-2 To implement the training programs in Mongolia and Japan for relevant government officials to promote redevelopment projects in Ulaanbaatar City based on the analysis of '3-2'</p> <p>4-3 To plan and implement dissemination and promotion activities about urban development projects in Ulaanbaatar City</p>

Source: JICA, PDM ver. 0



Source: JICA Project Team

Figure 1.1

Overall Structure of Project Outputs

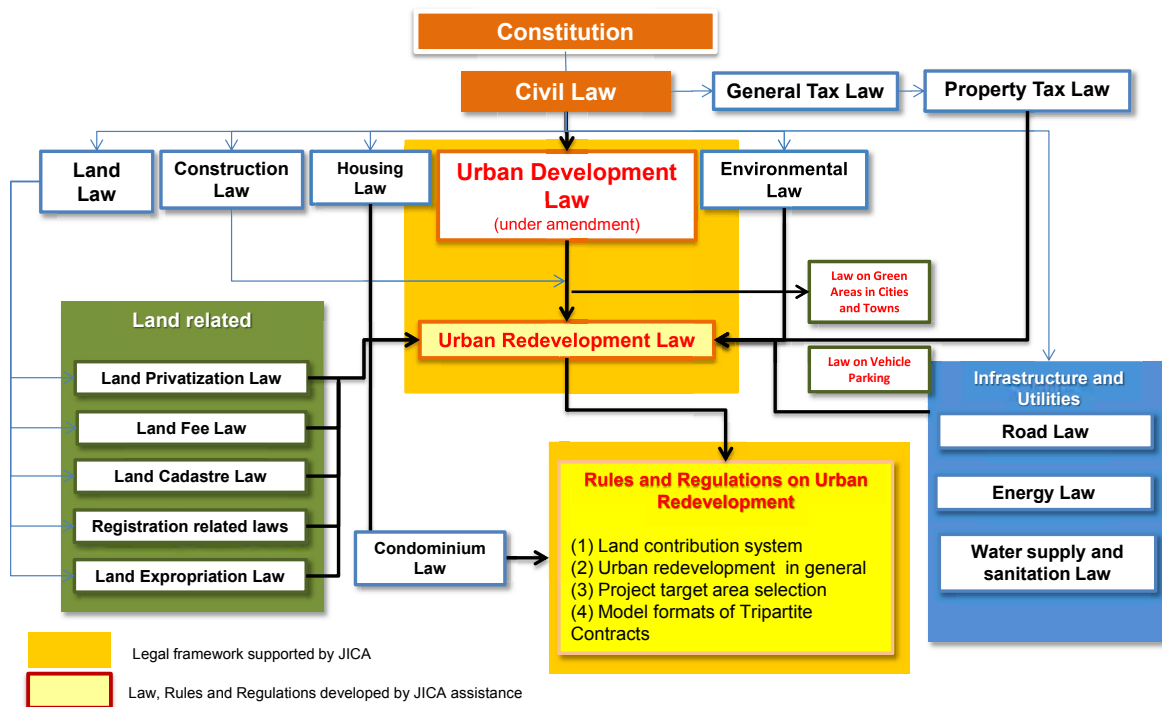
2. Overall Project Outcomes

MUGCUP was started in June 2010. Initially, the duration of the project was until March 2013 but it was extended up to July 2013 as a result of the terminal evaluation. This report describes MUGCUP’s progress from June 2010 to May 2013.

This chapter summarizes the project outputs. Table 2.1 summarizes the outcomes, and Table 2.2 shows the Operation Schedule.

2.1. Output 1: Legal and Administrative Systems of Urban Development

Output 1 is aimed at preparation of a legal framework on urban development sector. This was completed at the second JCC on March 15, 2011, and the proposed framework was agreed upon by the members. Revisions were made afterward based on the progress of the draft Urban Redevelopment Law (URL). The final framework as of May 2013 is shown in Figure 2.1.



Source: JICA Project Team

Figure 2.1 Urban Development Related Legal Framework (Draft)

Following the draft framework, the draft URL, which is a part of Project Output 2, was prepared following constant coordination and analytical comparison with its related laws. Continued discussions were held with relevant players to make the law consistent with other laws particularly the following; the laws on land, urban development, and housing, as well as the Law on Land Expropriation (LEL) which ADB is preparing.

The amended Housing Law was approved in February 2011. The four land related

laws, i.e. Land Law, Geodesy and Cartography Law, Land Cadastre Law, and Land Fee Law, all passed cabinet level and was awaiting parliamentary deliberation. The LEL was dropped off after the discussion in the cabinet in January 2013 and the public hearing, but is expected to be submitted to 2013 Parliament Autumn session. This law was very much related to the URL especially in regarding compensation so required coordination. However, it was decided that compensation mechanisms for urban redevelopment projects are addressed in the URL and excluded in the LEL. Compensation mechanisms on urban redevelopment are expected to be addressed in the URL related rules and regulations which Administration of Land Affairs, Geodesy and Cartography (ALAGaC) prepares and the MCUD approves based on the draft URL (June 24, 2013 version). Amendments to the Urban Development Law is still ongoing, but its progress is very slow.

2.2. Output 2: Laws, Regulations and Technical Manuals

Output 2 is aimed at preparation of the drafts for the URL, its rules and regulations, and technical manual (guideline) following the legal framework made under Project Output 1, with proper reference to the Constitution, the Civil Law of Mongolia as well as the Urban Development Law.

At the start of MUGCUP, the MCUD intended to prepare the draft URL and get approval from parliament in a short period of time. However, even though the project counterparts could understand its general concept the preparation of the draft URL took longer compared with the initial project schedule. It should be noted that since the concepts of urban redevelopment was relatively new in Mongolia, it was difficult for the counterparts to understand the details in the implementation of the projects, such as land valuation, project finance, rights conversion, residents' contribution, and so on. Moreover, after preparation of the draft URL the process for its revisions based on comments from other ministries repeatedly continued. Thus, it took the whole MUGCUP project period to submit the draft to the cabinet before discussion at the parliament. As a result, the preparation of its rules, regulation, and guideline was made at the last moment of the project period and their validations were not enough.

The draft URL was prepared by the URL working group whose members were mainly from the MCUD. Besides, task force groups whose members were mainly from Ulaanbaatar City government were established under MUGCUP in order to provide inputs to the draft URL. They discussed the issues on ger area development and old apartment reconstruction from the point of view of practitioners deeply involved in the implementation of urban redevelopment projects.

The draft URL is unfortunately still awaiting parliamentary deliberation in its 2013 autumn session. However, its needs are widely recognized in order to promote ger area development which is one of the priority policies of Ulaanbaatar City.

The URL related rules and regulations were prepared by the rules and regulation working group whose members were mainly from ALAGaC. The rules and regulations were being prepared based on the items addressed in the URL. Under MUGCUP, seven URL related rules and regulations were discussed and prepared based on the draft legal framework during the MUGCUP period. In the final draft of the URL as of June 24, 2013, following rules and regulations are addressed.

- Rules and Regulations on Land Contribution by Land Owners under Land Readjustment (ALAGaC prepares the draft based on Article 8.1.1 and the government approves it based on Article 6.1.3)
- Rules and Regulations on Urban Redevelopment in General (the MCUD approves based on Article 7.1.3)
- Rules and Regulations on Project Target Areas Selection (the MCUD approves based on Article 7.1.4)
- Model Formats for Tripartite Contract/Agreements (ALAGaC approves based on Article 8.1.2)

The above items have not yet to be finalized because the rules and regulations were laid down after the draft URL. Thus, it should be noted that these items may still be revised base on the cabinet's deliberation. It should also be noted that the draft rules and regulations prepared in June 2013 was not discussed enough with JICA Project Team because the membership of the working group that were involved in the preparation from the beginning of MUGCUP changed due to the 2012 elections. Thus, further discussions among the group members are required to make the rules and regulations better and more suitable for Mongolian conditions.

The guideline is a mere guide for the enforcement of the URL and its related rules and regulations, and thus is not legally binding. The guideline prepared by the JICA Project Team contains detailed explanations, supplemental information, and proposals for the draft URL. The JICA Project Team explained this during the technical seminar on April 26, 2013 as well as during the final seminar on May 28, 2013, but the perception was that understanding of the Mongolian side on the guideline was still not good enough.

For the approval of this guideline by the Mongolian government, a further finalization process is required to ensure consistency with relative rules and regulations and to arrive at a validation process that will be derived from project implementation. Some parts of proposals, such as order for land vacation, rights registration, and completion reporting, are reflected in the draft rules and regulations. On the other hand, some new functions, such as specified purpose company (SPC), project accounting, and application for technical support, are not done yet, even though these were understood by the counterparts.

In the finalization of the guideline at least for practical purpose, the following activities are further required.

- To reflect the approved URL and its rules and regulations
- To monitor, understand and analyze actual processes in project implementation
- To study the guidelines considering the above solutions
- To disseminate and promote the draft guideline through training programs and to gather feedbacks for the final version
- To get approval for the final version

The draft URL (June 24, 2013 version) and its rules and regulations are compiled as

Urban Development Related Legal Framework Proposal (Final Version). The guideline is bounded as Technical manual: Project Management Guideline for Urban Redevelopment Project.

2.3. Output 3: Delineated Roles and Responsibilities of Agencies

Output 3 is mean to clarify structures and responsibilities of government organizations involved in urban development and the implementation of the URL, rules, especially its regulations and guidelines. Especially, focus was put to Ulaanbaatar city government which needed to implement urban redevelopment projects urgently.

In 2011, JICA Project Team tried to establish a section to manage urban redevelopment projects in the city government, proposed organizational structure. The JICA Project Team conducted a case study on urban redevelopment project in North Unur with a team from the Land Department of Ulaanbaatar City. Four members of the Land Department were involved in the Unur Study, however the department was cancelled following the 2012 elections.

On the other hand, the Ger Area Development Department was established under the new Ulaanbaatar city mayor who considers ger area development as one of the priority policies of the city. As well, a new urban redevelopment division was created under the Capital City Master Planning Department. The establishment of the Ger Area Development Department and a city government agency of the Ger Area Housing Project have the JICA Project Team an opportunity to closely discuss the significance of urban redevelopment organizations with the city mayor, the chief of the governor's office, and director of the Ger Area Development Project. As a result, implementation structure was made before the implementation of the city's ger area development projects.

On old apartment reconstruction, the Urban Redevelopment Division of the Capital City Master Planning Department is expected to be in charge of the projects. However, its responsibilities are not clearly decided yet, because the URL has not been approved by parliament and because the reconstruction of old apartments is backburner of local policies of the city government. Currently, the implementation of old apartment reconstruction projects are relied on private companies, while the city government's roles are limited in preparation of detailed district plan which required city council's approval, as well as indicating locations of public facilities in project target areas and possible types of buildings, and giving building permission to companies. To promote old apartment reconstruction projects, it is required for the decision makers and concerned departments of the city government to make it as a city's priority policy.

The organizational arrangements are required further so JICA can support the counterpart organizations, especially Ulaanbaatar city government. Again this is significant because roles and responsibilities among related government departments need to be clarified and streamlined more. Duplication of functions and roles is observed in the implementation of urban redevelopment projects as well as urban development in general. In most cases only one person is in charge of a large responsibility and the burden is big to be handled by mere personnel. Thus, the importance a comprehensive organizational restructuring should be emphasized not only on urban redevelopment but also for urban development.

The details of Output 3 on organizational structuring are laid out in the report named Proposals on Organizational Restructuring.

To help find solutions on financial shortages possibilities on financial mechanisms was also studied in MUGCUP. From April 2013, the JICA Project Team studied current conditions in housing related financial supplies, as well as bottlenecks and the measures supporting urban redevelopment projects. The findings were compiled in the Report on Financial Mechanisms. The report proposed the establishment of urban redevelopment funds as a new mechanism to promote ger-to-apartment and old apartment reconstruction projects which encourages proper housing supply for ger area residents and paves the way for good urban redevelopment projects through the incorporation of proper public facilities.

2.4. Output 4: Enhanced Operational Capacity of Government Staff

Output 4 is aimed at enhancing the capabilities of government staff in the implementation of an urban redevelopment system. For this purpose, MUGCUP offered the various opportunities, i.e., discussions in the task force and working group meetings; the offering of on-the-job training as well as training programs in Mongolia, which included learning sessions, technical exercises; training programs in Japan to learn Japanese policies and cases; seminars that target citizens as well as professionals besides government officials, etc. Especially, the training in Japan had a substantial impact because officials could directly questioned professionals who were charge of urban redevelopment projects and observe actual cases in Japan. These experiences provided significant opportunities of participants to deepen their knowledge and understanding of ideas, methodologies, principles and philosophy of urban redevelopment which were new for the Mongolia counterparts. The capacity of the individual counterparts greatly improved within the three years of the MUGCUP.

However, the 2012 elections provided some constrains in the need to pursue capacity development because many counterparts who worked first two years resigned and it took many months for new staff to function. Especially for Ulaanbaatar City operational structure recovered in the beginning of 2013, very close to the end of the MUGCUP period. Thus, the need for staff capacity enhancement on urban redevelopment is very high and critical in the Ger Development Department, Urban Redevelopment Division of the Capital City Master Planning Department, and the city agency of the Ger Area Housing Project.

Additionally, after enforcement of the URL, training programs and capacity development on urban redevelopment should be expanded and target not only in Ulaanbaatar city but also other aimag because the law applies to the whole country. Training programs on urban redevelopment are proposed in the report named Proposals on Organizational Restructuring.

MUGCUP conducted seminars targeting citizens and private companies which were held with the counterparts. Promotion and dissemination methods on urban redevelopment projects were also proposed and details are shown in the report named A Proposal of Promotion and Dissemination of Urban Redevelopment Projects.

Table 2.1 Project Activities and Outcomes from June 2010 to May 2013

Items	Outcomes			
	First Year (June 2010 - March 2011)	Second Year (April 2011 – March 2012ed)	Third Year (April 2012 – March 2013)	Fourth Year (April – May 2013)
Output 1: Legal and Administrative Systems on Urban Development	<ul style="list-style-type: none"> • Analyzed current situations and issues based on a review of the legal system and laws on urban planning and development. • Formulated a legal framework on urban development-related matters in Mongolia. • Agreed at the second Joint Coordination Committee (JCC) meeting on legal framework for the urban planning and development which was based on discussions with task forces and working groups. • Agreed on the law and technical manual which was dealt in MUGCUP based on discussions in the Legal Task Force and JCC. • Discussed other urban development related laws including the Urban Development Law, Housing Law, Land Law, Parking Law, Green Space Law, etc. 	Completed in the first year	Completed in the first year	Completed in the first year

Items	Outcomes			
	First Year (June 2010 - March 2011)	Second Year (April 2011 – March 2012)	Third Year (April 2012 – March 2013)	Fourth Year (April – May 2013)
Output 2: Laws, Regulations and Technical Manuals	<ul style="list-style-type: none"> Analyzed issues on urban development and its implementation in the district level and clarified issues through discussions with the city government. Proposed to task force groups on the issues in urban redevelopment project implementation and models to solve them by project type. Prepared the draft Urban Redevelopment Law (URL) worked with the URL Working Group. Also discussed project implementation body and process with the URL Working Group. 	<ul style="list-style-type: none"> Created a policy that MUGCUP prepare the URL, regulations, and technical manuals. Continued the first-year activity to support to prepare amended laws and draft new laws on urban development and land related matters Through studies and monitoring of pilot model projects, clarified common issues of urban redevelopment projects and reflected the URL, rules, regulations, and technical manuals. The URL was discussed with the URL Working Group. The draft Project Implementation Guideline, prepared by the Japanese experts, was discussed mainly with the Legal Task Force. Technical manuals on basic planning and project planning were also prepared by the Japanese experts. Verified the draft technical manuals through planning activities for the Unur Pilot Project Area with counterparts from the Land Department of Ulaanbaatar City. Continued to provide comments on drafts of amended laws, including land-related laws and the draft Land Acquisition Law which was prepared by ADB. 	<ul style="list-style-type: none"> Continued verification of the prepared law and technical manuals to finalize. 	<ul style="list-style-type: none"> Finalized the draft URL for submission to the Parliament for its 2013 session. Expected to prepare the draft rules and regulations by the URL Rules and Regulations Working Group from the Administration of Land Affairs, Geodesy and Cartography (ALAGaC) based on the draft URL. Prepared the draft technical manual to implement the URL. Prepared the booklet on citizen involvement booklet. Proposed the finance mechanism to implement urban redevelopment projects.

Items	Outcomes			
	First Year (June 2010 - March 2011)	Second Year (April 2011 – March 2012)	Third Year (April 2012 – March 2013)	Fourth Year (April – May 2013)
Output 3: Delineated Roles and Responsibilities of Agencies	<ul style="list-style-type: none"> Identified issues that counterparts faced through the capacity assessment of the counterparts in the ministry and the city government. Corrected information on organizational structures and division of duties of counterparts.. 	<ul style="list-style-type: none"> Established a team in the Land Department of the city government, which was expected to become the Urban Redevelopment Division in the future, to prepare the plan on the Unur Area Urban Redevelopment Project, 	<ul style="list-style-type: none"> Supported the formulation of an organization within the city government which was in charge of urban redevelopment projects. As a result, in the city, the Ger Area Development Department was established. 	<ul style="list-style-type: none"> In the city, the Urban Redevelopment Division in the Master Plan Department was established. Proposed further enhancement to the city government's structure to better implement urban redevelopment projects.
Output 4 Enhanced Operational Capacity of Government Staff	<ul style="list-style-type: none"> Conducted the first seminar on September 2, 2010 Conducted the first year study tour in Japan on October 4 – 9, 2010 Conducted three day learning session on November 25 and December 7 and 21, 2010 	<ul style="list-style-type: none"> Conducted the second learning session on land readjustment project on April 25-27, 2011 Conducted the second year seminar on June 23, 2011 Conducted the second year training in Japan from September 25 to October 8, 2011 	<ul style="list-style-type: none"> Conducted the third year study tour targeting higher rank officials in Japan from September 19 to 26, 2012 Conducted the third year training in Japan targeting for officials from October 1 to 20, 2012 Conducted together with counterparts the third learning session on reconstructing old apartments on November 6-7, 2012 Conducted together with counterparts the third seminar on reconstructing old apartments on November 8, 2012 Conducted together with counterparts a citizen seminar on urban redevelopment on March 11, 2013 Conducted the workshop on rules and regulations of URL on March 14, 2013 with counterparts 	<ul style="list-style-type: none"> Conducted a technical workshop on preparing plans on project implementation and rights conversion on April 23, 2013 Conducted a technical seminar on the draft manual on urban redevelopment project on April 26, 2013 Conducted the final seminar on May 28, 2013

Items	Outcomes			
	First Year (June 2010 - March 2011)	Second Year (April 2011 – March 2012)	Third Year (April 2012 – March 2013)	Fourth Year (April – May 2013)
Joint Coordination Committee (JCC) Meeting	<ul style="list-style-type: none"> • 1st JCC Meeting, 2 July 2010 • 2nd JCC Meeting, 15 March 2011 	<ul style="list-style-type: none"> • 3rd JCC Meeting, February 16, 2012 	<ul style="list-style-type: none"> • 4th JCC Meeting, November 20, 2012 	<ul style="list-style-type: none"> • 5th JCC Meeting, May 24, 2013
Task Force Meetings	<ul style="list-style-type: none"> • 1st Urban Development Task Force, 30 June 2010 • 1st Legal System Task Force, 30 June 2010 • 1st Joint Task Force Meeting, 2 September 2010 • 2nd Urban Development Task Force Meeting, 15 September 2010 • 3rd Legal System Task Force Meeting, 9 December 2010 • 3rd Urban Development Task Force Meeting, 10 December 2010 • 1st Task Force Group Meeting of land readjustment and urban redevelopment, 23 February 2011 • 1st Task Force Group Meeting of urban redevelopment and Apartment, 7 March 2011 • 2nd Joint Task Force Meeting, 11 March 2011 	<ul style="list-style-type: none"> • Task Force Group meeting on Urban Redevelopment, September 8, 2011 • Task Force Group meeting on Old Apartment Reconstruction, September 13, 2011 • Legal Task Force meeting, November 30, 2011 • 3rd Joint Task Force meeting, February 13, 2012 	<ul style="list-style-type: none"> • 4th Joint Task Force Meeting, June 2012. • 5th Joint Task Force Meeting, November 2, 2012 	<ul style="list-style-type: none"> • 6th Joint Task Force Meeting, May 23, 2013

Items	Outcomes			
	First Year (June 2010 - March 2011)	Second Year (April 2011 – March 2012)	Third Year (April 2012 – March 2013)	Fourth Year (April – May 2013)
Other meetings	<ul style="list-style-type: none"> • URL Working Group 	<ul style="list-style-type: none"> • URL Working Group • Asian Development Bank (ADB) Land Acquisition Law Working Group 	<ul style="list-style-type: none"> • URL Working Group • Administration of Land Affairs, Construction, Geodesy and Cartography (ALACGaC) /ALAGaC URL Rules and Regulation Working Group • ADB Land Acquisition Law Working Group 	<ul style="list-style-type: none"> • ALAGaC URL Rules and Regulation Working Group
Reports	<ul style="list-style-type: none"> • Inception report • Project Progress Report (No.1) • Project Progress Report (No.2) • Training & Seminar Textbook (Japanese System on Urban Planning and Urban Development Projects) • Proposal on Urban Development Model 	<ul style="list-style-type: none"> • Project Progress Report (No.3) • Project Progress Report (No.4) • Capacity Assessment Report • Training & Seminar Textbook (Understanding Laws and Technical Manuals on Urban Development) 	<ul style="list-style-type: none"> • Project Progress Report (No.5) 	<ul style="list-style-type: none"> • Project Completion Report • Proposal on the Legal Framework on Urban Development in Mongolia • Training & Seminar Textbook (Legal Operations) • Proposal on Organizational Restructuring • Proposal on Legal Framework on Urban Development in Mongolia (Final) • Plan for Dissemination and Promotion of Urban Development Projects • Technical Manual for Practitioners • Proposal on Financial Mechanism

Source: JICA Project Team

3. Input

3.1. Experts

Field of Expertise/ Name	First Year				Second Year					Third Year					Fourth Year	Total (M/M)	
	6-9	10-12	1-3	Sub-total	4-6	7-9	10-12	1-3	Sub-total	4-6	7-9	10-12	1-3	Sub-total	4-6		
Chief Advisor / Urban Planning: Mr. Goto	4.00	3.00	3.00	10.00	3.00	3.00	3.00	3.00	12.00	2.00				2.00		24.00	
Chief Advisor / Urban Planning: Mr. Kiguchi										1.37	3.00	3.00	3.00	10.37	2.00	12.37	
Long term expert subtotal	4.00	3.00	3.00	10.00	3.00	3.00	3.00	3.00	12.00	3.37	3.00	3.00	3.00	12.37	2.00	36.37	
Short term expert: Mr. Konno	0.50	0.50	0.53	1.53												1.53	
Short term expert: Mr. Nagahama	0.50			0.50												0.50	
Short term expert: Mr. Matsunaga	0.50	0.50	0.53	1.53	0.40	0.50			0.30	1.20						2.73	
Short term expert: Mr. Kamiya									0.30	0.30			0.23		0.23	0.53	
Short term expert: Mr. Goto												0.23		0.23		0.23	
Short term expert subtotal	1.50	1.00	1.07	3.57	0.40	0.50			0.60	1.50			0.47		0.47	5.53	
Deputy Team Leader / Legal System for Urban development: Mr. Nagayama	0.66	1.10	1.50	3.27	1.37	0.8	1.0	1.47	4.63	0.57	0.57	0.8	0.17	2.11	1.33	11.33	
Urban Redevelopment (1): Mr. Kudo	0.60	0.70	1.27	2.57	1.07	1.23	0.80		3.10	1.13	1.33	1.50	1.07	5.03		10.70	
Urban Redevelopment (2) / Training Planning and Management (2):Ms. Abe	1.57	1.27	1.50	4.33	0.40	1.23			1.67	3.30	1.13	1.13	1.00	1.10	4.37	12.00	
Land Readjustment (1): Mr. Ozawa	1.00	0.97	0.40	2.37	0.90	0.80	0.50		2.20	0.67	0.33		0.90	1.90		6.47	
Land Readjustment (2) / Real Estate Assessment: Mr. Matsui	0.67	1.57	1.37	3.60	1.07	0.90	1.93	0.67	4.57	0.67	0.83	1.17	0.93	3.60	0.73	12.50	
Development Finance: Mr. Iwasaki		0.47	0.73	1.20	0.37		0.50	0.73	1.60	0.60	0.23			0.83	0.87	4.50	
Training Planning and Management (1)/ Urban Redevelopment (3):Ms. Sasaki	2.27	0.07	1.10	3.43	0.53	0.83			0.97	2.33	0.57	0.47	0.13	0.66	1.83	0.90	8.50
Mr. Kondo																	
Consultant subtotal	6.77	6.13	7.87	20.77	5.70	5.80	4.73	5.50	21.73	5.33	4.90	4.60	4.83	19.67	3.83	66.00	
Total	12.27	10.13	11.93	34.33	9.10	9.30	7.73	9.10	35.23	8.70	7.90	8.07	7.83	32.50	5.83	107.90	

3.2. Trainees in Training Programs in Japan

(1) First Study Tour for Higher-Ranking Officials (October 4 - 9 2010)

	Name	Position	Organization
1	Mr. J.Bat-Erdene	State Secretary	Ministry of Road, Transport, Construction, and Urban Development (MRTCUD)
2	Mr. S. Ochirbat	Director	Urban Development and Land Relation Policy Dept., MRTCUD
3	Mr. B. Bayarsaikhan	Deputy Director	ALACGaC
4	Mr. E. Khurelbaatar	Chief Architect	Director for Construction, Urban Development and Planning Department, Ulaanbaatar City
5	Mr. G. Nandinjargal	Director	Urban Development Policy Department, Ulaanbaatar City
6	Mr. O. Mashbat	Head	Legal Affairs Department, Ulaanbaatar City
7	Mr. Ts. Sandui	Director	Land Department, Ulaanbaatar City
8	Mr. B. Batbold ¹	Director	Mongolian Urban Development Association

Note:¹ He is the former director of the Urban Development and Land Relation Policy Dept. of MRTCUD.

(2) Second Training (September 25 - October 8, 2011)

	Name	Position	Organization
1	Mr. D. Munkhbaatar	Deputy Director	Urban Development and Land Relation Policy Department, MRTCUD
2	Ms. E. Dondomaa	Officer	Urban Development and Land Relation Policy Department, MRTCUD
3	Mr. Ts. Bayarbat	Director	Urban Development and Planning Division, ALACGaC
4	Ms. L. Bayarsaikhan	Director	Land Privatization Division, ALACGaC
5	Mr. B. Buyambat	Senior Officer	City Development Policy Division, Ulaanbaatar City
6	Mr. Ts. Tulga	Director	Land Management and Planning Division, Ulaanbaatar City
7	Mr. A. Buyandelger	Officer	Land Management and Planning Division, Ulaanbaatar City
8	Ms. B. Bayamgargal	Advisor	Construction, Urban Development and Planning Department, Ulaanbaatar City
9	Mr. Kh. Batbaatar	Director	Construction Quality and Safety Division, Construction, Urban Development and Planning Department, Ulaanbaatar City
10	Ms. D. Urantsetseg	Officer	Construction, Urban Development and Planning Department, Ulaanbaatar City
11	Mr. G. Narangerel	Chief Engineer	Urban Planning, Architecture and Design Institute (UPADI), Ulaanbaatar City
12	Ms. G. Ariunaa	Assistant Coordinator	JICA Project Team

(3) Third Study Tour for Higher-Ranking Officials (September 19 - 26, 2012)

	Name	Position	Organization
1	Mr. E. Bat-Uul	Governor and Mayor of Ulaanbaatar City	Ulaanbaatar City
2	Mr. S. Ochirbat	Director	Investment Department of Ulaanbaatar City
3	Mr. S. Gankhuyag	Director	Housing Project of Ger Area of Ulaanbaatar City
4	Mr. O. Odbayar	Head	Urban Development Division, Construction, Urban Development and Planning Department
5	Mr. L. Otgonbaatar	Head	Land Affairs Department of Khan-Uul District of Ulaanbaatar City
6	Mr. G. Mergenbayar	Director	Strategic Policy and Planning Department, Ministry of Construction and Urban Development (MCUD)
7	Mr. B. Bayarsaikhan	Acting Director General	Administration of Land Affairs, Geodesy and Cartography

(4) Fourth Training (October 1 - 20, 2012)

	Name	Position	Organization
1	Ms. Purev Enkh	Senior Officer	Regulation of Urban Development and Land Management Policy Coordination Department, MCUD
2	Ms. Yundendorj Dorjpagma	Senior Officer for Housing Policy	Strategic Policy and Planning Department, MCUD
3	Mr. Mijiddorj Bat	Officer	Regulation of Urban Development and Land Management Policy Coordination Department, MCUD
4	Mr. Tserendash Ganbat	Deputy Director	Housing Project of Ger Area, Ulaanbaatar city
5	Mr. Otgonbaatar Tushig	Advisor to the Vice Mayor in charge of Flooding and Urban Development	Ulaanbaatar city
6	Ms. Naranchimeg Bolor	Architect	Construction, Urban Development and Planning Department, Ulaanbaatar city
7	Mr. Erdenebold Enhktulga	Officer	Land Department, Ulaanbaatar City
8	Ms. Ganzorig Uyanga	Assistant Coordinator	JICA Project Team

3.3. Equipment Provided

Date(Y/M/D)	Specifications and Type	Quantity	Currency	Price	Location	*F	*C	Order
2010/6/7	Multi-function copy machine Canon iR2018	1	MNT	3,400,072	Project Office	A	B	Local purchase
2010/6/7	PC No.1 Dell Optilex 380SF	1	MNT	1,108,181	Project Office	A	B	Local purchase
2010/6/7	PC No.2 Dell Optilex 380SF	1	MNT	1,108,181	Project Office	A	C	Local purchase
2010/6/7	PC No.3 Dell Optilex 380SF	1	MNT	1,108,181	Project Office	A	C	Local purchase
2010/10/10	PC No.4	1	USD	950	Project Office	A	C	Local purchase
2010/11/1	Wi-Fi Rooter	1	MNT	40,000	Project Office	A	B	Local purchase
2011/1/10	Book shelves	2	MNT	799,000	Project Office	A	B	Local purchase
2011/1/20	Cloth hunger	1	MNT	65,000	Project Office	A	B	Local purchase
2011/7/7	Multi-function printer Canon image class MF4570dn	1	MNT	561,360	Project Office	A	B	Local purchase
2011/8/12	Chair	6	MNT	657,640	Project Office	A	B	Local purchase
2011/8/12	Meeting table	1	MNT	287,000	Project Office	A	B	Local purchase
2011/10/27	Shredder	1	MNT	184,550	Project Office	A	B	Local purchase
2011/11/15	Desk	1	MNT	129,900	Project Office	A	B	Local purchase
	Sub Total		USD	7,659				
Explanatory notes : *F = Frequency in use (A : Very, B : Usually, C : Often, D : Hardly)								
*C = Condition (A : Good, B : Normal, C : Bad, D : Scrap)								

3.4. Local Operating Expenses

Unit: USD

Item	2010 (June-Dec.)	2011 (Jan.-Dec.)	2012 (Jan.-Dec.)	2013 (Jan.-May)	Total Amount
Project Implementation Cost (Consultant)*	17,759	45,112	55,555	31,651	150,077
Project Implementation Cost (Long- and short term experts)	8,068	7,360	12,600	11,494	39,522
Provision of Equipment	5,753	1,906	0.00	0.00	7,659
Expert' carried Equipment (including shipping & Insurance Charge)	0.00	0.00	0.00	0.00	0.00
Total	31,580	54,378	68,155	43,145	197,258

Note * : 1USD=83.17JYP

4. Meetings and Coordination with Counterparts from October 2012 to May 2013

4.1. Task Force and JCC Meetings

Table 4.1 Task Force and JCC Meetings (October 2012 - May 2013)

Meeting	Date	Main Topics
5 th Joint Task Force Meeting	November 2, 2012	<ul style="list-style-type: none"> To discuss outline of the draft URL To share progress and activities for the next seven months
4 th JCC Meeting	November 20, 2012	<ul style="list-style-type: none"> To discuss the progress of the project To discuss activities planned for December 2012 to May 2013 To share results of terminal evaluation conducted by the evaluation team of representatives from the Mongolian government and JICA
6 th Joint Task Force Meeting	May 23, 2013	<ul style="list-style-type: none"> To share results of and discuss the progress of the project To discuss required activities after project completion
5 th JCC Meeting	May 24, 2013	<ul style="list-style-type: none"> To share results of and discuss the progress of the project To discuss required activities after project completion

Source: JICA Project Team

4.2. Other Meetings

(1) Meetings with New High Rank Officers

Table 4.2 Meetings with High Rank Officers (October 2012 - May 2013)

Meetings	Date	Main Topics
Minister's Committee Meeting	January 30, 2012	<ul style="list-style-type: none"> To explain the draft URL

Source: JICA Project Team

(2) Meeting with Urban Redevelopment Law Working Group

Table 4.3 Meetings with URL Working Group (October 2012 - May 2013)

Meetings	Date	Main Topics
URL Working Group Meetings	October 12, 2012	<ul style="list-style-type: none"> To discuss on definition of terms of the URL To discuss land expropriation (coordinate with Land Expropriation Law) To discuss rights conversion To discuss implementation of redevelopment projects in areas with no detailed area development plans
	February 8, 2013	<ul style="list-style-type: none"> To discuss coordination of the URL with other related laws To discuss comments from other ministries about the URL
	March 22, 2013	<ul style="list-style-type: none"> To discuss on finalization of the URL To show an urban redevelopment promotion video

Source: JICA Project Team

(3) Rules and Regulation Working Group

Table 4.4 Meetings with Working Group on Rules and Regulation of URL (October 2012 - May 2013)

Meetings	Date	Main Topics
Meetings with Working Group on Rules and Regulation of URL	November 15, 2012	<ul style="list-style-type: none"> To discuss rules and regulations on project implementation To discuss rules and regulations on compensation
	December 11, 2012	<ul style="list-style-type: none"> To discuss project implementation models To discuss rules and regulations for reconstructing buildings and structures not complying with exploitation requirements
	December 12, 2012	<ul style="list-style-type: none"> To discuss rules and regulations on project implementation process To discuss rules and regulations on land reduction and contribution To discuss rules and regulations on compensation
	January 24, 2013	<ul style="list-style-type: none"> To discuss general rules and regulations related to redevelopment
	February 5, 2013	<ul style="list-style-type: none"> To discuss rules and regulations for land contribution by land owners under land readjustment project To discuss the format of Tripartite Contract/Agreement To discuss project Implementation models
	April 5, 2013	<ul style="list-style-type: none"> To discuss the intensify development and finalization of rules and regulations
	April 19, 2013	<ul style="list-style-type: none"> To discuss the preparation schedule To discuss rules and regulations To share information on the selection of ger area redevelopment projects conducted by the city government

Source: JICA Project Team

4.3. Technical Transfer Activities

Table 4.5 Technical Transfer Activities (October 2012 - May 2013)

Meetings	Date	Purpose and Participant
Training in Japan for government officials	October 1 to 20, 2012	<p>Purpose</p> <ul style="list-style-type: none"> To learn policies for implementing urban redevelopment projects including old apartment reconstruction projects in Japan To deepen understanding of urban development system and human resource development system <p>Participants</p> <ul style="list-style-type: none"> Eight counterparts participated
Third learning session on reconstruction of old apartment	November 6-7, 2012	<p>Purpose</p> <ul style="list-style-type: none"> To share measurements to solve issues in reconstruction of old apartments in Mongolia, with comparisons between Mongolia and Japan <p>Participants</p> <ul style="list-style-type: none"> Workshop for government officials: 26 people Workshop for representatives of condominium association: 17 people

		<ul style="list-style-type: none"> • Workshop for private companies: 21 people • Workshop for MCUD: 17 people
The third seminar on reconstruction of old apartment	November 8, 2012	<p>Purpose</p> <ul style="list-style-type: none"> • Based on the learning session held on November 6 and 7, to share activities for formulation of legal framework and project implementation in Mongolia to promote reconstruction of old apartments <p>Participants</p> <ul style="list-style-type: none"> • Approximately 50 people from MCUD, ALAGaC, the city government, project implementers, residents, etc.
The citizen seminar on urban redevelopment project	March 11, 2013	<p>Purpose</p> <ul style="list-style-type: none"> • To deepen residents' understanding of basic concepts on and mechanism for urban redevelopment projects and encourage them to participate in the projects <p>Participants</p> <ul style="list-style-type: none"> • Seminar: Approximately 200 people comprising residents, representatives from private companies, universities, MCUD, the city government, donors, etc. • Workshop: 31 people comprising residents, as well as working group members of URL and its rules and regulations, and the city government
The workshop on rules and regulations of URL	March 14, 2013	
Technical workshop on preparing project implementation and right conversion plans	April 23, 2013	<p>Purpose</p> <ul style="list-style-type: none"> • To deepen understanding of planning for urban redevelopment projects through preparation of a project implementation plan <p>Participants</p> <ul style="list-style-type: none"> • 75 people from MCUD, ALAGaC, the city government, project implementers, etc.
Technical seminar on the draft manual on urban redevelopment	April 26, 2013	<p>Purpose</p> <ul style="list-style-type: none"> • To share information on the draft manual on urban redevelopment • To get feedback about the manual to revise and suit reality <p>Participants</p> <ul style="list-style-type: none"> • 48 people from MCUD, ALAGaC, the city government, project implementers, etc.
Final seminar	May 28, 2013	<p>Purpose</p> <ul style="list-style-type: none"> • To share the URL and its rules and regulations to more stakeholders • To get feedback about the law and rules and regulations <p>Participants</p> <ul style="list-style-type: none"> • Approximately 100 people from various ministries, departments of the Ulaanbaatar city government, private companies and universities

Source: JICA Project Team

5. Progress of Activities from October 2012 to May 2013

5.1. Output 1: Legal and Administrative Systems on Urban Development

The draft legal framework for urban planning and development was proposed to and accepted by the JCC. Since the Mongolian government has worked on the formulation and amendment of many laws, and the Urban Redevelopment Law (URL) has not been finalized yet, the JICA Project Team continued to provide support by giving technical advice in parallel with activities related to Output 2. Necessary activities for Output 1 have been completed.

5.2. Output 2: Laws, Rules, Regulations and Technical Manuals

5.2.1. Progress of Urban Development-related Laws

(1) Update of Legal Reform under “New Development” Program

The statuses of laws to be amended and enacted under the “New Development Program” are shown in Table 5.1.

Table 5.1 Update of Laws to Implement the “New Development” Program (As of May 2013)

	Name	Main Agency	Sub-Agencies	Note	
Newly Legislated	1	Urban Planning Law	MCUD	MOJ, UB City	To be incorporated into the Urban Development Law
	2	Zoning Law	MCUD	MOJ, UB City	To be incorporated into the Urban Development Law
	3	Law on Green Areas in Cities and Towns	MCUD	UB City, MOJ	
	4	Land Evaluation Law	MCUD	MOJ, UB City	To be incorporated into the Cadastre Law
	5	Tax Law of the Capital City	MOF	MOJ, UB City, Tax Office	
	6	Housing Reconstruction Law	MCUD	MOJ, UB City	To be incorporated into the URL
	7	Law on Jointly Owning Buildings	State Property Committee	MCUD, MOJ, UB City	<u>Cancelled</u>
	8	Urban Redevelopment Law (URL)	MCUD	MOJ, UB City	Including the Law on Reconstruction of Apartment Buildings and the Law on Returning the Land to State Possession
	9	Housing Finance Law	MOF	MCUD, MOJ, MHFC, MMC, MNCA	<u>Cancelled</u>
	10	Land Management Law	MCUD	MOJ, UB City, MFALI	To be incorporated into the Land Law
	11	Law on Returning Land to State Possession	MCUD	MOJ, UB City	To be incorporated into the URL and the Law on Land Expropriation
	12	Highway Law	MCUD	MOJ, UB City	To be incorporated into the Law on Roads

**Project on Capacity Development in Urban Development Sector in Mongolia (MUGCUP)
PROJECT COMPLETION REPORT**

	13	Car Parking Law	MCUD	MOJ, UB City	
	14	Waste Disposal and Recycling Law	MOEGD	MOJ, UB City	To be incorporated into the Law on Household and Industrial Wastes
	15	Law on Special Allowance for Post in Region	NCRD	MOJ, UB City	To be incorporated into the Regional Development Management Law
Amended	1	Urban Development Law	MCUD	MOJ, UB City	Included urban planning and zoning
	2	Law on Legal Status of Cities and Towns	Cabinet Secretariat	MOJ, UB City	
	3	Water Supply and Sanitation Law	MCUD	MOJ, UB City	Approved on 6 Oct. 2011
	4	Business Entity Activities License Law	MOF	MOJ	Approved on 7 Feb. 2013
	5	Law on Legal Status of the Capital City	UB CITY	MOJ	Approved on 7 Feb. 2013
	6	General Budget Law	MOF	MOJ	Approved on 23 Dec. 2011
	7	General Tax Law	MOF	MOJ, General Taxation Office	Approved on 27 Dec. 2012
	8	Petroleum Product Law	MOM	MOJ	Approved on 7 Feb. 2013
	9	Housing Law	MCUD	MOJ, UB City	Approved on 9 Feb 2011
	10	Transport Law	MCUD	MOJ, UB City	Approved on 7 Aug. 2012
	11	Construction Law	MCUD	MOJ, UB City	
	12	Land Law	MCUD	MOJ, UB City	Included the Law on Updating Land Management and the Law on Returning Land to State Possession
	13	Special Tax Law	MOF	MOJ, General Taxation Office	Approved on 11 Sep. 2012
	14	Road Law	MCUD	MOJ, UB City	Included the Highway Law
	15	Gasoline and Diesel Fuel Tax Law	MOF	MOJ, General Taxation Office, MCUD	
	16	Administrative Responsibility Law	MOJ		Approved on 22 May 2012
	17	Human Development Fund Law	MOPDSW	MOJ, MOF, MOE	
	18	Professional Education Law	MOEGD	MOJ	Approved on 21 Sep. 2012
	19	Deforestation Law	MOEGD	MOJ	
	20	Forest Law	MOEGD	MOJ	Approved 17 Aug. 2012
	21	Resident Registration Law	MOJ	UB City	Approved on 14 Sep. 2012
	22	Regional Development Management Law	Deputy Premier Office	MOJ, National Regional Development Committee	Including additional salary for working in remote areas
	23	Cadastre Law	MCUD	MOJ, UB City	Included the Law on Land Evaluation
	24	Land Fee Law	MCUD	MOJ, UB City	

Source: Updated by the JICA Project Team based on Mongolian Governmental Resolution No. 36 dated June 25 2010

Notes:

- 1) Land Acquisition was included but is now being incorporated into a new Law on Land Expropriation
- 2) MOJ: Ministry of Justice, MOF: Ministry of Finance, MHFC: Mongolian Housing Finance Corporation, MOM: Ministry of Mining, MOE: Ministry of Education, MOEGD: Ministry of Environment and Green Development, MOPDSW: Ministry of Population Development and Social Welfare, MMC: Mongolian Mortgage Corporation, MNCA: Mongolian National Construction Association, UB: Ulaanbaatar

(2) Laws Being Drafted by MCUD

The statuses of the laws that MCUD has amended or drafted under the “New Development Program” are shown in Table 5.2.

Amendments of the Law on Land, Law on Cadastre, Law on Geodesy and Cartography and Law on Land Fees were finalized by the Working Group, then discussed in the Cabinet meeting on January 5, 2013, and eventually getting the members’ support. On January 11, 2013, the above-mentioned laws were submitted to the Parliament of Mongolia. As of this writing the amended Law on Land, Law on Cadastre, Law on Geodesy and Cartography and Law on Land Fees are under discussion by the Standing Committee on Environment, Food and Agriculture and the Standing Committee on Economics of the Parliament of Mongolia. These laws are expected to be discussed at the Parliament of Mongolia soon.

Regarding amendments to the Urban Development Law, the Working Group members were changed and a new Working Group was established through the MCUD minister’s Order #12 issued on September 26, 2012.

New Working Groups were established to draft the Law on Green Areas in Cities and Towns and the Law on Vehicle Parking based on the MCUD minister’s Order # 47 on March 11, 2013.

The draft of the Law on Jointly Owning Apartments and the Housing Finance Law, both new laws were cancelled.

Table 5.2 Update on Law Drafting Priorities by MCUD (As of May 2013)

Category		Name of Law	Note
Drafts of Laws on Urban Development and Land Management	1	Urban Development Law (amendment)	The Law on Amending the Urban Development Law and the Law on Urban Planning are to be unified and combined with the draft of the Law on Urban Planning/Zoning
	2	Law on Green Areas in Cities and Towns (new)	
	3	Urban Redevelopment Law (URL) (new)	Drafts of the Law on Reconstruction of Apartment Buildings, the Law on Redeveloping of the City, and the Law on Returning Land to State Possession are to be unified
	4	Cadastre Law (amendment)	To be unified with the draft of the Law on Land Evaluation
	5	Land Law (amendment)	To be unified with the drafts of the Law on Updating Land Management and the Law on Returning Land to State Possession
	6	Law on Vehicle Parking (new)	
	7	Law on Land Fee (amendment)	
Drafts of Laws on Construction and Apartment	8	Law on Jointly Owning Buildings (new)	<u>Cancelled</u>
	9	Housing Finance Law (new)	<u>Cancelled</u>
	10	Construction Law (amendment)	

Source: Updated by JICA Project Team based on State Secretary Enactment for Organizing Working Group, MCUD.

(3) Progress of Urban Redevelopment Law

The concept of the URL was approved by Minister of Justice on January 11, 2013.

The MCUD Minister sent official letter # 1/151 to all ministries, asking them to submit their comments on the draft URL by January 15, 2013. From January 11 to February 14, 2013 the Working Group on URL received comments from other ministries, namely the Ministry of Justice, Ministry of Population Development and Social Welfare, Ministry of Mining, Ministry of Foreign Affairs, Ministry of Energy, Ministry of Defense, Ministry of Culture, Sports and Tourism, Ministry of Finance, Ministry of Environment and Green Development, Ministry of Health, Ministry of Road and Transportation, Ministry of Labor, Ministry of Education and Science, Ministry of Economic Development and Ministry of Industry and Agriculture. Based on the comments, MCUD revised the draft law.

The URL draft has been discussed in the Ministerial Council Meeting of the MCUD on January 30, 2013.

MCUD then sent official letters, # 1/1038, 1/1042, and 7/1257, to the Office of the President, the Ulaanbaatar City Mayor, the City Council and the State Inspection Agency asking for their comments on the URL draft by April 9, 2013. Based on their comments, MCUD finalized the draft law.

On June 24, 2013 MCUD submitted the draft URL with law concept to the Cabinet.

Table 5.3 Articles of the Draft Urban Redevelopment Law (June 24, 2013 Cersion)

Chapter		Article	
1	General provisions	1	Purpose of the law
		2	Legislation on urban redevelopment
		3	Definition of terms
		4	Main principle of urban redevelopment
2	Plenary power of the state and local government organizations in relation to urban redevelopment	5	Plenary power of the State Great Khural of Mongolia
		6	Plenary power of the Government of Mongolia
		7	Plenary power of the central governmental administrative organization in charge of urban redevelopment
		8	Plenary power of the governmental administrative organization in charge of urban redevelopment
		9	Plenary power of the City Council of aimags and the capital city
		10	Plenary power of the aimag and the capital city Governors
3	Activities for urban redevelopment and provision of its implementation	11	Type of urban redevelopment activities
		12	Project initiator and Implementation body
		13	Procedure on urban redevelopment project implementation
		14	Redevelopment of built-up areas that do not comply with architectural, urban development and urban planning requirements
		15	Reconstruction of buildings and structures that do not comply with exploitation requirements
		16	Reorganization of ger area land
		17	Re-planning and development of ger areas
		18	Selection of project implementation body for urban redevelopment
		19	Requirements of urban redevelopment projects and designated area
		20	Funding for urban redevelopment
4	Rights and obligations of the project participants	21	Rights and obligations of citizens involved in the projects
		22	Rights and obligations of Project Implementation Bodies
		23	Contract between stakeholders involved in project implementation
5	Transfer of real estates and its right conversion in project area	24	Transfer of real estates and its rights conversion
6	Supervision Mechanism	25	Supervisory Board
7	Limitations on the urban redevelopment activities	26	Limitations on urban redevelopment activities
8	Liability	27	Liability for violating the legislation on URL
9	Entry into force	28	Entry into force

Source: Final Draft Urban Redevelopment Law, June 5, 2013, MCUD

(4) Other Laws related to Urban Development Sector

1) Land Expropriation Law

The URL should be accorded with the Law on Land Expropriation with technical assistance from ADB, Reform of Legal and Regulatory Framework for Involuntary Resettlement in Mongolia.

The Draft Law on Land Expropriation was discussed at Cabinet Meeting on January 05, 2013.

Jointly with the Office of the President organized public hearing of the Law on Land Expropriation in the Citizen Hall under President on January 14, 2013. But later the draft Law on Land Expropriation has been taken back.

2) Ulaanbaatar Master Plan Law

Revision of the Ulaanbaatar City Development Master Plan 2020 and development direction until 2030 was approved by the Parliament Resolution # 23 in February 8, 2013. The Parliament Resolution # 23 stated that to draft Law on Territorial Zoning of Ulaanbaatar City and submit to the Parliament of Mongolia. But Working Group to draft this law is not established yet.

5.2.2. Rules and Regulations

The JICA Project Team developed a technical manual, entitled “Project Management Guidelines for Urban Redevelopment Projects”, based on the draft URL. This manual aims to guide planners, implementers, approving authorities, and supervisors of urban redevelopment project in the stages of preparation and implementation. Although rules and regulations are still under development as mentioned above, new ideas and recommendation which should be reflected to the rules and regulations are mentioned as proposals in the manual.

At a technical seminar on 26 April 2013, the draft manual was explained to stakeholders from Mongolian government, Ulaanbaatar City and private developers. In consideration of their comments, it was finalized.

5.2.3. Financial Mechanism

The financial mechanism needed to proceed with urban redevelopment projects was studied in the beginning of April by the JICA Project Team. They analyzed bottlenecks and proposed measures for urban redevelopment project implementation based on conditions of project implementation and supply of housing-related funding. One of the measures was to set up an Urban Redevelopment Fund to support private companies in implementing urban redevelopment projects. The detailed results of the study are compiled in a separate report on financial mechanism.

5.3. Output 3: Enhanced Roles and Responsibilities of Agencies

To enhance roles and responsibilities of agencies, the JICA Project Team supported and gave advice to the city government in establishing the new department on ger area development after the 2012 elections. Various meetings were held with the city mayor and the chief of the Governor’s Office, as well as with the new departments, namely Ger Area Development Department and Ger Area Housing Project from time to time. By March 2013, the city government through the new departments started to implement ger area development projects.

In the city government, reorganization was held. Before the Aimag and district elections in November, 2012, MUGCUP closely worked with the Construction, Urban

Development and Planning Department and the Land Department. However, most of the Land Department's tasks were merged with the Property Relations Department and some were given to the Master Planning Department, which was renamed from the Construction, Urban Development and Planning Department. Moreover, the function to implement land readjustment shifted to the newly established Ger Area Development Department.

The new organizations for urban redevelopment projects were established basically as MUGCUP proposed. MUGCUP proposed to create a department in charge of implementing urban redevelopment projects and to appoint specialists to each of the three urban redevelopment project types, that is a specialist on project accounting and finance, another on contract, project management, and monitoring, and still another specialist on land acquisition and compensation. Currently the Ger Area Development Department, Ger Area Housing Project, and Urban Redevelopment Division of the Capital City Master Planning Department are mainly involved in implementing urban redevelopment projects in Ulaanbaatar. The details are described in a report on Proposal on Organizational Restructuring.

5.4. Output 4: Enhanced Operational Capacity of Government Staff

5.4.1. Case Study on an Urban Redevelopment Project in North Unur

The JICA Project Team conducted a case study on an urban redevelopment project in North Unur together with a team from the Land Department of Ulaanbaatar City. This study aimed to improve the ger area in North Unur utilizing land readjustment and urban redevelopment systems. It also aimed at building the capacity of the staff on planning and managing urban redevelopment projects.

The JICA Project Team and the Land Department team studied a project framework for the selected model area, and carried out a topographical survey for increased accuracy of the study. Outputs of this study in this monitoring period are as follows:

- Topographical survey;
- Draft of project framework for the model area; and
- Draft framework for rights conversion in the model area.

Regarding the project framework, a draft land use plan, land contribution plan, project cost and revenue was prepared. Average land contribution rate was 56.4% in the model project to ensure huge reserved land in terms of project feasibility. In addition, land contribution was set by different land values increasing of each lot in the rights conversion framework.

In the rights conversion framework, land contribution rate converted from land to land is controlled to 10.8% because of low increasing in land value. Meanwhile, land contribution rate converted from land to apartment floor is approximately 70.3% (see Table 5.4). However, the rights conversion rate for apartment floor area via existing land area is 0.089, and original land owner is finally provided an apartment floor with more than 10% of original land area.

Table 5.4 Land Re-plotting Framework

Type of Land Re-plotting	Before Project			After Re-plotting			
	Land Area (m ²)	Land Price (USD/m ²)	Land Value (USD mil)	Land Price (USD/m ²)	Land Area (m ²)	Land Value (USD mil)	Land Contribution Ratio (%)
1. Hasha to Residential Area (assumed 20% of Hasha)	26,102	98	2.6	120	21,291	3.1	10.8
2. Hasha to Apartment Area (assumed 80% of Hasha)	104,406	98	10.2	360	31,054	12.4	70.3
3. Commercial and Industrial to Commercial and business area	6,824	180	1.23	240	5,592	1.5	18.1
Total of private land	137,332		14.0		59,937	17.0	56.4

Source: JICA Project Team

Table 5.5 Rights Conversion Model to Apartment

Standard Existing Lot	Right Conversion Rate	Floor Area by Right Conversion	Additional Floor			Apartment Floor Area
			Compensation from Land Readjustment	Sales Price	Additional Floor Area	
(m ²)		(m ²)	(USD)	(USD/m ²)	(m ²)	(m ²)
SL	RC	SFa = SL x RC	SB	SP	AF=SB / SP	SF=SFa +AF
450	0.089	40	10,000	1,200	8.3	48.4

Source: JICA Project Team

In a training session on April 23, 2013, the draft project framework, rights conversion framework and their planning measures were shared with stakeholders from the Mongolian government, Ulaanbaatar City and private companies. These measures will be applied to prepare pilot projects.

5.4.2. Training in Japan (October 1 - 20, 2012)

1) Purpose

- To learn policies to implement urban redevelopment including old apartment reconstruction in Japan
- To deepen the understanding of urban development governance system and human resource development system

2) Participants

Eight counterparts participated in the training program.

Table 5.6 Participants' List of Training for Officers

	Name	Position
1	Ms. Purev Enkh	Senior Officer, Regulation of Urban Development and Land Management Policy Coordination Department, MCUD
2	Ms. Yundendorj Dorjpagma	Senior Officer for Housing Policy, Strategic Policy and Planning Department, MCUD
3	Mr. Mijiddorj Bat	Officer, Regulation of Urban Development and Land Management Policy Coordination Department, MCUD
4	Mr. Tserendash Ganbat	Deputy Director, Housing Project of Ger Area, Ulaanbaatar city
5	Mr. Otgonbaatar Tushig	Advisor to the Vice Mayor in charge of Flooding and Urban Development, Ulaanbaatar city
6	Ms. Naranchimeg Bolor	Architect, Construction, Urban Development and Planning Department, Ulaanbaatar city
7	Mr. Erdenebold Enhktulga	Land Department, Ulaanbaatar City
8	Ms. Ganzorig Uyanga	Assistant Coordinator, JICA Project Team

3) Schedule

The training was held on October 1 to 20, 2012 for a total of 19 nights and 20 days (see Appendix 8 for the schedule).

5.4.3. Seminar and workshop on Old Apartment Reconstruction

(1) Background of old apartment reconstruction

There are many old apartment buildings in Ulaanbaatar City built in the 1930's to the 1960's, which need to be reconstructed due to the lack of earthquake-resistance and the dilapidation of equipment and facilities. Some apartment buildings have been reconstructed by private developers, but reconstruction projects face such problems as building consensus among apartment owners and residents, and fund raising.

In Japan, the reconstruction of old apartment buildings is also an important issue because there are many apartment buildings there older than 30 years. Ownership of apartment buildings in Japan is shared, which has led to difficulty in building consensus of apartment owners for the reconstruction of old apartment buildings.

(2) Purpose of seminar and workshop on old apartment reconstruction

Although old apartment reconstruction processes and background in Mongolia and Japan differ, common issues were found. Thus Japan's experience and legal system on old apartment reconstruction can serve as good references to help solve problems in Mongolia.

In the circumstances, workshops and seminars on old apartment reconstruction were held by Ulaanbaatar City and the JICA Project Team, together with a Japanese expert on old apartment reconstruction invited from Japan to Mongolia. The outline of the workshops and seminar are as follows:

- i. **Workshop for governmental officials:** (1) Introduction to the legal system and project mechanism on old apartment reconstruction in Japan, (2) Confirmation of mechanism and implementation process for old apartment reconstruction projects in Mongolia, under the Housing Law and the URL (draft), and (3) Discussion with government officials about issues in implementing old apartment reconstruction projects, such as right conversion, consensus building among residents, and

- implementation process.
- ii. **Workshop for representatives of old apartment residents:** (1) Facilitation of understanding of legal framework related old apartment reconstruction in Mongolia and progress of old apartment reconstruction projects in Ulaanbaatar City, (2) Introduction of old apartment reconstruction projects in Japan and facilitation of understanding of the necessity of reconstruction and better living condition improved by reconstruction, and (3) Understanding of concerns and problems residents have in reconstruction projects, which to be reflected into countermeasures to promote reconstruction projects.
 - iii. **Workshop for private developers:** (1) introduction of reconstruction cases in Japan and sharing common issues that the private sector faces, namely: consensus building among residents and fund raising, (2) Identification of issues in reconstruction in Mongolia by explaining relevant laws and regulations in Mongolia and the progress and problems of actual reconstruction projects, and (3) Discussion with private developers about issues of implement old apartment reconstruction projects, such as rights conversion, consensus building among residents, and implementation process.
 - iv. **Seminar:** With discussion and results of the above three workshops, dissemination efforts to address issues in the legal system and project implementation process for old apartment reconstruction in Ulaanbaatar City for promotion of old apartment reconstruction projects.

Table 5.7 Seminar and Workshops on Old Apartment Reconstruction

Seminar/ Workshop	Date	Major Topic
Workshop for Governmental Officials	November 6, 2012 (am)	Current situation and issues of apartment reconstruction in Japan (Mr. Ohki, Japanese expert) Legal system for Old Apartment Reconstruction in Mongolia (Ms. Dorjpagma, MCUD) Efforts and issues of Old Apartment Reconstruction Projects in Ulaanbaatar City (Mr. Khan Uul, Ulaanbaatar City) Discussion
Workshop for Residents of Old Apartment	November 6, 2012 (pm)	Legal system for Old Apartment Reconstruction in Mongolia (Ms. Dorjpagma, MCUD) Efforts and issues in Old Apartment Reconstruction Projects in Ulaanbaatar City (Mr. Khan Uul, Ulaanbaatar City) Introduction of cases of apartment reconstruction projects in Japan (Mr. Ohki, Japanese expert) Discussion
Workshop for Private developer	November 7, 2012 (am)	Current situation and issues of apartment reconstruction in Japan (Mr. Ohki, Japanese expert) Legal system of Old Apartment Reconstruction in Mongolia (Ms. Dorjpagma, MCUD) Efforts Old Apartment Reconstruction Projects by private developers in Ulaanbaatar city (Orchilon, Nontenam, and Getsgiin Khudag) Discussion
Seminar	November 8, 2012 (am)	Japanese experience in Housing Policy and Apartment Reconstruction Projects (Mr. Kiguchi, MUGCUP Team) Issues and proposed countermeasures for Old Apartment Reconstruction in Mongolia (Dr. Nagayama, MUGCUP Team) Panel discussion on major issues in Old Apartment Reconstruction Plenary discussion

Source: JICA Project Team

(3) Feedback from the seminar

The following are the major findings from the workshops and seminar, which should be considered when improving the current legal system, as well as in drafting new and amending laws and regulations.

i. Necessity of understanding the different positions of stakeholders

Residents, private developers, and the government have their own position and have their own interests. In the legal system and the project process, they are treated as “three parties”; however, the differences in their positions and roles in project implementation should be understood to promote the projects.

Residents: Conditions toward old apartment reconstruction varies widely among residents according to their family structure. There are different intentions about reconstruction between first-floor owners who run businesses and other residents. The legal framework to handle this situation should be discussed. NGOs sometimes promote reconstruction projects. Since they are different from apartment associations, their roles and functions in reconstruction projects should be discussed.

Private developers: Private developers vary widely in experience, financial capacity, and human resources. Large Mongolian firms, when compared with international counterparts and sometimes, are relatively small. Some projects have depended on Chinese investment. Mongolian companies need experience in old apartment reconstruction projects, and project mechanism to allow private developers to earn should be discussed.

Government: Residents are unsatisfied with the government because the latter has not explained to them the roles of the central government which makes laws and the Ulaanbaatar City government which supports and supervises projects. In addition, because roles and procedures among the departments of Ulaanbaatar City is complex, residents and private developers do not understand them clearly and get confused. To simplify and shorten necessary project implementation procedures, coordination among concerned departments is important.

The above are treated as “three parties” in laws and procedures; but in actual project implementation, it is pivotal that they understand the differences in their positions and roles.

ii. Necessity to establish good relationship and trust among stakeholders

In the draft URL, it is a basic philosophy that states projects are to be implemented based on a tripartite agreement and contract among the government, the implementation body, and the residents. However, there are common troubles between residents and the implementation body, which creates a feeling of distrust.

- Feelings of distrust toward the government: Residents and private developers pointed out that the government has little involvement in and support to projects,; government procedures are also cumbersome. Residents also complain that the government does nothing with old apartments which have been assessed as non-earthquake resistant and dangerous to live in. Private developers comment that the right and interest of residents are emphasized more than those of the private developers.

- Feelings of distrust toward private developers: There are opinions that private developers sometimes show an aggressive attitude toward residents, and that they put more emphasis on profit rather than on promoting the interest of the public and residents. The government points out the financial capacity and human resources of private developers to implement the projects.
- Feelings of distrust toward residents: Residents feel distrust for first floor business people and their apartment owners because in many cases their disagreement to the plan and project conditions delays project implementation.

Once the URL is passed, projects will be implemented according to “the tripartite contract”. Feelings of distrust among stakeholders should thus disappear. In addition, joint discussions among government, private developers, and residents about their intentions and concerns will be indispensable.

iii. Required simple and transparent governmental procedures

- Residents and private developers should clear the bureaucratic red tapes to implement projects.
- Currently, projects which are not approved when included in the Master Plan take a longer time to be approved. There is an opinion that the approval procedure of projects agreed upon by residents and private developers should be expedited.
- It is expected that clearer procedures on project implementation and information disclosure to the public would be stipulated in urban development-related laws and regulations which are being drafted or amended.

iv. Consensus building

- As of this writing, there is no single law that is applied exclusively to old apartment reconstruction projects. More than one law, including Housing Law, stipulates only “Majority agreement” without specific number. On the other hand, the URL (draft) explicitly stipulates the agreement of four fifths (80%) or more of the residents for approval.
- Among the participants, there are comments such as “more than half instead of 80% is enough”, “need to get agreement from 90% of those including not only the residents but also the first floor business owners”.
- As the Japanese expert points out consensus building is one of the biggest problems in implementing projects; further discussion on this matter is needed to reach the Mongolian way of consensus building.

v. Government support for residents living in apartments at risk of collapse

- Even though the National Inspection Agency officially prohibit apartment buildings from living for seismic reason, many residents still live in vulnerable apartment buildings because they cannot find the implementation body found, they lack funds to reconstruct, the procedure and project implementation are delayed, or the government does not take action toward reconstruction. Some of these apartment buildings are so dilapidated that residents are at risk.
- It is a pressing issue for the government to take immediate action to protect residents whose live area at risk due to dilapidated apartments from social welfare

point of view.

vi. Housing policy and governmental support

- In Mongolia, the Housing Finance Corporation, an affiliated organization of MCUD, has been established. “One hundred thousand housing plan” has been promoted by exerting effort to provide low-interest mortgage loans and construct temporary housing.
- As mentioned above, there is no public support for vulnerable apartment buildings. Residents are not aware of the public support very well nor have information about the projects. Information about housing policies and status of projects do not reach the residents sufficiently. Private developers, who have to carry out projects without support from the government, face difficulty in fund raising and timely clearance of requirements.
- As introduced in the seminar, public housing corporations in Japan at the local governmental level and the Housing Corporation at the state level, and the Housing Loan Corporation have played important roles to develop housing and infrastructure and to provide long-term, low-interest housing loans for low-income families. Referring to the Japanese experience, the government has to establish an official framework for housing policy and support for project implementation.

5.4.4. Seminar and Workshops to Introduce Urban Redevelopment to Citizen

(1) Background of seminar and workshop

While some urban redevelopment projects have been implemented, the public don't know or understand the necessity and basic concept of urban redevelopment. In addition, the government needs to reflect public concern and opinions in the draft URL, as well as its rules and regulations.

The video and booklet to introduce the basic concept and mechanism of urban redevelopment were developed under MUGCUP as promotion tools.

(2) Purpose of seminar and workshop

The citizen's seminar and workshop in March 2013 aimed at facilitating citizen's understanding of the basic concept and mechanism of urban redevelopment, and at raising their awareness to participate in urban redevelopment projects.

A half-day seminar and a half-day workshop were held for the following purposes:

- 1) To explain and facilitate Citizen's understanding of the URL and the mechanism of Urban Redevelopment Projects;
- 2) To get the people's comments on, concerns and requests for urban redevelopment projects; and
- 3) To consider how to reflect the above in related laws and regulations, as well as implementation of urban redevelopment projects.

Seminar: Participants were composed of residents of areas with ongoing urban redevelopment projects, and representatives of the Community Development Councils

(CDC) of the ger area improvement projects of the UNHABITAT. The legal system and implementation mechanism of urban redevelopment projects were explained to participants.

Workshop: Participants were composed of: (1) residents' representatives selected in the seminar, (2) governmental officials from MCUD, ALAGaC, and Ulaanbaatar City who are directly involved in making laws and regulations and project implementation of urban redevelopment projects. They discussed the major issues and topics picked up at the seminar and came up with how to address and reflect them in laws and regulations, and implementation processes by urban redevelopment project, namely: land readjustment projects in ger areas, ger-to-apartment projects, and reconstruction of old apartments.

The seminar was held on March 11, 2013 at the Fifth City Hall and the workshop was held on March 14, 2013 at the Mongol-Japan Center.

(3) Feedback from participants

The video shown, and booklet given, to the public provided a general understanding of the project, and participants welcomed such promotion tools and opportunities to discuss with government authorities directly even before law enactment.

What is important for public participation is to listen to the opinion of various stakeholders, not only residents but also private companies to clear up any misunderstanding and dispel mistrusts among different groups of stakeholders.

Major issues about which participants were most interested are listed below and were answered by government.

- i. **Methods and criteria for selecting private companies:** Some residents face difficulties and conflicts between private companies which propose to implement urban redevelopment projects, in terms of the condition of real estate appraisal, rights conversion, and compensation. Under the URL, private companies will be selected by bidding to be conducted by the Ulaanbaatar City government. Under the draft URL, the criteria are as follows: (i) financial capability and supporting documents, (ii) availability and experience of management and professional staff, , (iii) project proposal, as stated in Article 20 of this law, and (iv) other information and requirements, stated in the selection criteria. Furthermore, a tripartite contract will be drafted to promote mutual understanding and agreement among the city government, private companies, and residents.
- ii. **Consideration of individual family condition:** In ger areas, several households (relatives, friends, etc.) live in one hasha. In principle, rights conversion is applied only for a single rights holder who has land-related rights. Households who don't have land-related rights can only receive compensation for real estate (buildings and other properties). But since most of ger residents cannot afford to build new houses after land readjustment and cannot find other lands to settle on, it is necessary to support them in this aspect.
- iii. **Management of public facilities:** After an urban redevelopment project is completed, public facilities, such as schools, parks, etc., will be constructed in reserved lands. Since residents propose necessary public facilities during project

planning, they are the ones to manage these common properties with community initiative. For this, residents representative organizations can continuously work even after the project to manage the property and empower the community .

- iv. **Criteria for Residents' Representative Organizations:** The principle of an urban redevelopment project is to ensure community participation. For this, the draft URL stipulates the establishment of a residents' representative organization, which is a nonprofit organization comprising land owners and possessors in a specific area, and who works to protect the rights and interests of residents. This organization will participate as a member of the Supervisory Board which will supervise, advise, and complete the project. The residents' representative organization has the legal right to supervise and manage the project. But at this moment, the legal status of this organization is not yet stipulated, and the demarcation between this and the apartment management organization is not clear. This will be further elaborated and clarified under the law's implementing rules and regulations.

5.4.5. Final Seminar

The final seminar of MUGCUP was successfully held on May 28, 2013 at Kempinski Hotel. The purposes of the seminar were to introduce the draft URL and its rules and regulations to other ministries and private companies and to exchange opinions about them. About 100 people from various ministries, departments of the Ulaanbaatar city government, private companies and universities participated.

The Vice Minister of MCUD, Ms. G.Baigalmaa gave the opening and closing speeches. Mr. Bayarbat, director of the Urban Development and Land Relation Policy Implementation Department, MCUD, introduced the outline of the URL and showed the promotion video which was prepared by MUGCUP. Mr. Kiguchi, Project Manager of MUGCUP, summarized the project and its outputs, and raised issues that need further consideration. Dr. Nagayama, the Deputy Project Manager of MUGCUP explained the details of the URL through the Project Implementation Manual, and finance mechanism to implement urban redevelopment projects. Mr. Gankhyag, director of the Ger Area Development Department, Ulaanbaatar City, explained the city's ger area development projects and their progress.

At the end of the seminar, the participants gave questions and opinions mostly. About families living in hasha without land holding rights, business rights for those who have businesses, measurement to deal with the concentration of the city's population, urban redevelopment fund, etc.

6. Recommendations for Future Steps

(1) Lessons Learned

This JICA MUGCUP is a greatly challenging attempt, because its objective was to seek for such a social norm/rule where the urban community is improved with sufficient public service facilities and infrastructures, while safeguarding people's rights within the community. To develop such a social norm, the JICA Project Team proposed, depending on the performance of the market economy, a number of planning concepts such as:

- Beneficiaries-pay-principle through right holders' contributions;
- Stakeholders' participatory-approach to consensus building;
- Right conversion mechanism;
- Rational compensation; and so on.

Some of these concepts are new to Mongolia, and some are in the process of being replaced. All concepts, however, are essential for Mongolian people to become familiar with and establish a social mechanism to maximize social benefits while minimizing prejudices of individual rights under an entrenched interest society. Therefore, all concepts are incorporated into the URL as the stem of the law. It can bravely be said that once the URL is passed by the Parliament, it means opening of a new era in Mongolia.

Mongolian counterparts have been working together with the JICA Project Team. MCUD has made outstanding efforts to draft the URL and ALAGaC has worked to prepare the rules and regulations with best efforts. The Ulaanbaatar City counterparts are all enthusiastic to seek practical methods to improve Ger areas. Therefore, the JICA Project Team highly appreciates all counterparts' activities and their performance. In terms of the level of the current achievement, however, the URL and rules/regulation are not enacted as of the end of May 2013. The ultimate goal has not been achieved yet. Hence, it has to be said that the JICA Project Team's overall performance is 75%.

However, despite the drastic change in the political climate of the country in the past three years, The MUGCUP targets are about to be achieved. All counterpart members have done their best in drafting the URL, sharing a common recognition that this particular law is really vital for Mongolia to manage urban modernization under a market economy. Therefore, the project must be viewed from another perspective: that the counterpart's performance is assessed to be 100%.

The urbanization process has accelerated in Ulaanbaatar after the Land Privatization Policy was set in place in 2002. The Mongolian National Government as well as the Ulaanbaatar City government should have thoughtfully discussed urban development and housing policies and undertaken those, before promoting the land privatization process. However, in practice land is divided into small and medium plots and most of the divided plots are registered under the Land Cadastral Law without any clear-cut picture on the spatial management for/against the urbanization process. Along with such a process, people have been holding property rights in any form, and none of powers can prejudice their property rights, thereby gradually creating an entrenched interest society.

(2) Recommendations for Future Steps

Once the Urban Redevelopment Law (URL) is enacted, continuous efforts are indispensable to implement the law. Ulaanbaatar City has already initiated eight (8) priority Ger area development projects and the official process of these projects need to be adjusted in the URL and its regulations. Human resource development, through training those who can manage the project in compliance with the URL, is another vital issue. To this end, the following four (4) issues are recommended to be further worked out and to be undertaken by another JICA's technical support:

Issue 1: All stakeholders, including national/local government officials, real-estate developers, banking/financial entities, academe, professionals, consultants, and citizens, need to understand the underlying concepts and the executing process of urban redevelopment projects stipulated in the URL and its relevant rules and regulations.

- 1-1 To continuously conduct workshops, seminars and training courses to disseminate basic knowledge/technical know-how of the URL and government policies on the urban redevelopment projects to all stakeholders, including local government officials in other aimag;
- 1-2 To allow an exchange of technical experience and institutional knowledge among relevant organizations such as private developers, academe, professionals, and NGOs, and provide information to media and social media to enlighten the public; and
- 1-3 To promote an outreach-program to disseminate knowledge on and know-how of the project implementation process in compliance with the URL for those who are interested in initiating some projects such as ger communities, apartment management unions, and/or private business sector.

Issue 2: A number of urban redevelopment projects needs to be implemented in compliance with the URL and its rules/regulations in order for Ulaanbaatar City to materialize its urban policy.

- 2-1 To provide technical and practical advice to the on-going priority Ger area redevelopment projects initiated by Ulaanbaatar City to be coordinated with the URL and its rules/regulations;
- 2-2 To facilitate the planning and implementation process of the Unul Land Readjustment Project as a model project to be initiated by the Ulaanbaatar City Government;
- 2-3 To monitor and review the effectiveness, applicability and usefulness of the rules and regulations of the URL for key processes such as planning for project implementation, rights conversion mechanism, determination of compensation and resettlement schemes, formation of the tripartite agreement, so on; and
- 2-4 To revise the project management guidelines drafted by the JICA Project Team based on learning from project implementation in the field level
- 2-5 To monitor interactions between the URL and other relevant laws such as the urban development law, the land acquisition and resettlement law (to be enacted), the land-related laws, the housing law and other infrastructure-related

laws.

Issue 3: A financial mechanism needs to be established, managed well and operated smoothly to support good-quality projects which provide necessary public service facilities.

- 3-1 To support and provide technical insights and advice on establishing the Urban Redevelopment Fund;
- 3-2 To assist the establishment of an evaluation and monitoring system which will help in the selection of commendable projects eligible to receive financial supports from the Urban Redevelopment Fund; and
- 3-3 To assist in organizing capacity development programs for banking institutions that will finance redevelopment projects and investors interested in urban redevelopment projects and compliant with the URL.

Issue 4: In compliance with the URL, capacity development programed need to be prepared for those who work for ger, housing and urban development projects. For this purpose, the Construction Development Center under MCUD needs to provide several training courses, including trainers training programs.

- 4-1 To establish a comprehensive training program on project management and implementation in compliance with the URL for all those who are involved in and/or concerned with urban redevelopment projects, including government officials, professionals and consultants, academe, and private business personnel in the construction sector;
- 4-2 To prepare training texts and materials for training courses as mentioned above; and
- 4-3 To facilitate trainers' training in order to foster trainers for this capacity development program.

Appendices

Appendix 1: Minutes of the 4th JCC Meeting

Appendix 2: Presentation Materials of the 4th JCC

Appendix 3: Minutes of the 5th JCC Meeting

Appendix 4: Presentation Materials of the 5th JCC

Appendix 5: Presentation Materials for the 5th Joint Task Force Meeting

Appendix 6: Presentation Materials for the 6th Joint Task Force Meeting


Appendix 7: Case Study of an Urban Redevelopment Project in North Unur

Appendix 8: Schedule of Training in Japan from October 1-20 2013

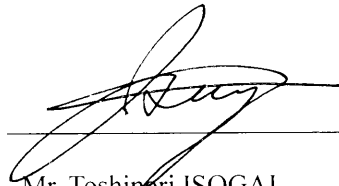
Appendix 1: Minutes of the 4th JCC Meeting

MINUTES OF MEETING
ON
4th MEETING OF JOINT COORDINATION COMMITTEE
FOR
THE PROJECT
ON
CAPACITY DEVELOPMENT IN URBAN DEVELOPMENT SECTOR
IN
MONGOLIA

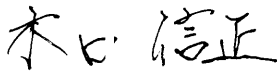
Ulaanbaatar, 20th November, 2012



Mr. R. ERDENE BUREN
Chairperson of Joint Coordination Committee,
State Secretary,
Ministry of Construction and Urban Development,
Mongolia



Mr. Toshinori ISOGAI
Resident Representative,
JICA in Mongolia,
Japan



Mr. Nobumasa KIGUCHI
Chief Advisor/ Project Manager,
JICA Project Team,
Japan

Based upon the Record of Discussions between the Government of Mongolia and Japan International Cooperation Agency (JICA) in Ulaanbaatar on 19th January 2010, JICA dispatched the JICA Project Team, headed by Mr. Junji GOTO, to Mongolia to commence “the Project on Capacity Development in Urban Development Sector in Mongolia” (hereinafter referred to as “the Project”) on 2nd June 2010. The Project Manager of the JICA Project Team has been changed to Mr. Nobumasa KIGUCHI since 22nd May 2012.

The Project has been conducted for two and half years and half a year remains before the end of the Project. At this stage of the Project, progress and achievement of the Project shall be evaluated to confirm the issues and remaining activities to be taken to accomplish the Project objective, and further to identify follow-up activities for sustainable capacity development in the targeted urban development sector in Mongolia after the Project.

A Joint Terminal Evaluation Team has been formed by the JICA Terminal Evaluation Team headed by Mr. Takeo OCHI, expert of JICA Tokyo Headquarter and the Mongolian Evaluation Team headed by Mr. Ts. Bayarbat, Director, Coordination of Urban Development and Land Management Policy Implementation Dep’t, (hereinafter referred to as “MCUD”). The Joint Evaluation Team has evaluated the Project from 15th November 2012 to 19th November 2012, and submitted the evaluation report to the JCC. The members of the Joint Evaluation Team are shown in Appendix 2.

Because of the reorganization of the Mongolian Government after the general election held on 29 June 2012, most of the JCC members have been changed. The new members of the JCC are listed in Appendix 3 attached thereto.


The 4th JCC Meeting with these new members, chaired by Mr. R. Erdeneburen, State Secretary, MCUD was held on 20th November 2012 at the Meeting Room of MCUD, with attendants as shown in Appendix 4 attached herewith.

In the meeting, Mr. Nobumasa KIGUCHI, Chief Advisor and Project Manager of the JICA Project Team, explained to confirm the objective and expected outputs of the Project and Dr. Katsuhide NAGAYAMA, Deputy Team Leader of the JICA Project Team, made a presentation on the progress and achievement of the Project. Mr. Takeo OCHI, Team Leader, the JICA Evaluation Team explained results of the project evaluation made by the Joint Evaluation Team including the remaining issues to be completed by the end of the project.

Through discussions at this meeting, a number of constructive comments and suggestions were raised by members of the committee, and the following comments are officially confirmed and noted:

1. Comments on the Progress and Achievement of the Project

- Mr. A. Khurelshagai, the Director of Administration of Land Affairs, Geodesy and Cartography (ALAGaC), requested to consider the employment issues for the residents who had to move to other areas due to redevelopment projects. The JICA Project Team

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clarified that the urban redevelopment projects proposed in the Urban Redevelopment Law (URL) didn't intend to create forced resettlement. But the point is very important, it is required to arrange and coordinate to be solved with the other related organizations when the urban redevelopment projects are implemented.

- Ms. R. Erdenetsetseg, the Director of Housing and Utilities Dep't. of MCUD, confirmed that the technical manuals were prepared to solve the current issues of redevelopment projects.

2. Comments on the Results of the Project Evaluation

- Mr. B. Tuguldur, the Senior Officer, Project Finance & Coordination Department Dep't. of Ministry of Finance, questioned the reasons why the evaluation team evaluated effectiveness of the project was moderate. The evaluation team explained that the achievement of the project purpose was not sufficient enough due to the delay of the establishment of the URL. However, the discussion process for the preparation of the law increased the understanding of the urban redevelopment projects among government officials including counterparts. The evaluation team believed that the MUGCUP project worked very well.
- Dr. Nagayama, the Deputy Project Manager of the JICA Project Team, asked the opinion of the Ministry of Finance on launch of UB city bonds. Mr. Tuguldur answered that the Ministry of Economic Development is now in charge of the matter.

3. Conclusions Made by the Joint Coordination Committee

After such intensive discussions as above, the followings were decided as the conclusions of the JCC

- (1) The objective, activities, and goals of the Project were accepted and agreed upon by the JCC.
- (2) The JCC has confirmed the progress and the remaining issues in the Project.
 - The URL has to be submitted to the Parliament as soon as practical; and
 - The Working Group for Rules and Regulations of the URL should be reorganized and will draft the rules and regulations by the end of December 2012.
 - A comprehensive roadmap of establishment of competent organizations and human resource development shall be prepared to cope with projects which are stipulated by the URL;
- (3) Further activities to be taken for successful termination of the Project were confirmed:
 - The members and organization of the Urban Development Task Force shall be restructured to achieve above (2);

- Project implementation guidelines and manuals shall be elaborated;
 - Institutional set up in Ulaanbaatar city shall be made to facilitate the implementation of the urban redevelopment projects;
 - A Land Readjustment Project Plan of the North Unur Area shall be formulated; and
 - A seminar shall be held to disseminate the result of the Project and the necessity of the Urban Redevelopment Law to the parties concerned.
- (4) Results of the terminal evaluation of the Project, conducted by the Joint Evaluation Team of the JICA and the Mongolian members, were accepted and agreed upon by the JCC. The project shall terminate in the end of May 2013. The evaluation report has been submitted to the JCC as shown in Appendix 5 attached herewith.
- (5) The following activities are requested by the Mongolian side to follow up the Project to functionalize the urban development system and materialize urban redevelopment projects under the URL in a sustainable manner.
- Assistance for the establishment and implementation of Ulaanbaatar City Development Master Plan 2030
 - Continued technical support including training for implementation of urban redevelopment under the new laws and regulations containing the Law on Urban Redevelopment
 - Assistance for the implementation of pilot projects in a model Ger area
 - Technical guidance on communication with citizens concerned when an urban redevelopment project is implemented as a practical matter
 - Assistance for urban plan formulation
 - Assistance for study on the establishment and implementation mechanism of the 'Urban Redevelopment Fund'
- (6) Next JCC meeting will be held in February 2013.

* * * *

Appendix 1: Plan of Operation (as of 20th of November, 2012)

		FY 2010												FY 2011												FY 2012												
		May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	1	2	3	4	5	
1	Draft outline of legal and administrative system for urban development will be formulated	1.1 To review the current overall legal framework and existing individual laws related to urban development such as the urban development law, the land law, the housing law, the construction law and identify problems	[Ongoing]												[Completed]												[Completed]											
		1.2 To review the current situation of urban development in UB City including the private sector, clarify the urban development project mechanism, and identify the problems	[Ongoing]												[Completed]												[Completed]											
		1.3 To grasp overall situation of law enforcement in urban development sector and identify problems associated with legal operation	[Ongoing]												[Completed]												[Completed]											
		1.4 To study Japanese and other countries' overall legal system for urban development	[Ongoing]												[Completed]												[Completed]											
		1.5 To formulate the outline of overall legal system for urban development suitable for Mongolia based on the current urban development situation, referring to other countries' experiences	[Ongoing]												[Completed]												[Completed]											
		1.6 To identify targeted laws and technical manuals for redevelopment of UB City to be dealt with in the project	[Ongoing]												[Completed]												[Completed]											
2	New and revised laws, enforcement regulations (implementation guidelines) and technical manuals for urban development will be drafted	2.1 To review the state of implementation of planned area development and redevelopment projects under MRTCUD and UB City, and identify the issues and problems related to urban development legal system including urban development finance for the project implementation	[Ongoing]												[Completed]												[Completed]											
		2.1.1 To conduct situational analysis of urban development and urban development project system	[Ongoing]												[Completed]												[Completed]											
		2.1.2 To identify and analyze problems	[Ongoing]												[Completed]												[Completed]											
		2.2 To monitor the pilot projects under the implementation in UB City and identify the problems through their implementation	[Ongoing]												[Completed]												[Completed]											
		2.3 To study Japanese laws related to urban development and urban development project system	[Ongoing]												[Completed]												[Completed]											
		2.4 To formulate the scheme models of planning and implementation of planned area development according to the urban development types such as old apartment reconstruction, Ger area redevelopment (from Ger to apartment), and land readjustment in Ger area	[Ongoing]												[Completed]												[Completed]											
		2.4.1 To formulate the project scheme model for redevelopment in old apartment area	[Ongoing]												[Completed]												[Completed]											
		2.4.2 To formulate the project scheme model for redevelopment in ger area (conversion of ger to apartment)	[Ongoing]												[Completed]												[Completed]											
		2.4.3 To formulate the project scheme model for redevelopment in ger area (ger area land readjustment)	[Ongoing]												[Completed]												[Completed]											
		2.5 To formulate the policy on revision and development of relevant urban development legal system and related technical guidelines to realize the above scheme models	[Ongoing]												[Completed]												[Completed]											
		2.6 To formulate drafts of new and revised laws, regulations (implementation guidelines) and technical manuals	[Ongoing]												[Completed]												[Completed]											
3	Role and responsibility of each agency which deals with urban development according to the above draft laws, regulations and technical manuals will be clearly defined and the institutional capacity will be improved	3.1 To analyze the current situation of government agencies in charge of urban development and redevelopment projects in UB City	[Ongoing]												[Completed]												[Completed]											
		3.2 To analyze the implementation system and implement projects in UB City	[Ongoing]												[Completed]												[Completed]											
		3.3 To formulate the orientation of institutional capacity development including ideal organization and institutional arrangement based on 3.2 to implement the drafts of 2.7	[Ongoing]												[Completed]												[Completed]											
		3.4 To prepare the road map for realization of the organization and institutional arrangement formulated in 3.3	[Ongoing]												[Completed]												[Completed]											
4	Operational capacity of urban development system of staff in charge will be enhanced	4.1 To conduct OJT through the revision and formulation work of laws, regulations and technical manuals	[Ongoing]												[Completed]												[Completed]											
		4.1.1 To examine how to conduct OJT	[Ongoing]												[Completed]												[Completed]											
		4.1.2 To conduct OJT	[Ongoing]												[Completed]												[Completed]											
		4.2 To implement the training programs in Mongolia and Japan for relevant government officials to promote redevelopment projects in UB City based on the analysis of 3.2	[Ongoing]												[Completed]												[Completed]											
		4.2.1 To assess the current individual staff capacity	[Ongoing]												[Completed]												[Completed]											
		4.2.2 To analyze the capacity gap at individual level based on 3.2	[Ongoing]												[Completed]												[Completed]											
		4.2.3 To prepare training programs	[Ongoing]												[Completed]												[Completed]											
		4.2.4 To prepare training materials	[Ongoing]												[Completed]												[Completed]											
		4.2.5 To conduct training programs in Mongolia	[Ongoing]												[Completed]												[Completed]											
		4.2.6 To conduct training programs in Japan	[Ongoing]												[Completed]												[Completed]											
4.3 To plan and implement dissemination and promotion activities about urban development project in UB City	[Ongoing]												[Completed]												[Completed]													
Project management and operation		JCC	[Ongoing]												[Completed]												[Completed]											
		Task Force Meeting	[Ongoing]												[Completed]												[Completed]											
		Seminar	[Ongoing]												[Completed]												[Completed]											
		Evaluation	[Ongoing]												[Completed]												[Completed]											

Plan
 ongoing completed JCC, Task Force Meeting, Seminar, etc

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Appendix 2: Members of Joint Terminal Evaluation Team

Name			Organization and Position
Mongolian Evaluation Team			
Mr. Ts. Bayarbat		Team Leader	Director, Urban Development and Land Relation Policy Dep't, MCUD
Ms. Yu. Dorjpa gma		Member	Senior Officer, Strategic Policy and Planning Dep't, MCUD
Ms. P. Enkhee		Member	Senior Urban Development and Land Relation Policy Dep't, MCUD
Mr. O. Mashba		Member	Head, Legal Affairs Dep't, UB city
Mr. O. Odbayar		Member	Division Director, Construction, Urban Development Planning Dep't, UB City
JICA Terminal Evaluation Team			
Mr. Takeo Och		Team leader	Senior Advisor, JICA
Mr. Sho Takano		Member	Cooperation Planning (Officer, Urban and Regional Development Division 1, Economic Infrastructure Department, JICA)
Ms. Noriko Ishibashi		Member	Evaluation

Appendix 3: Member of Joint Coordination Committee

Chairman	Mr. R. Erdeneburen	State Secretary, Ministry of Construction and Urban Development (MCUD)
Vice Chairperson	Mr. N. Gantumur	Vice Mayor in charge of Construction, Urban Development and Infrastructure, UB City
	Mr. G. Mergenbayar	Director, Strategic Policy and Planning Dep't, MCUD
Secretary	Mr. Ts. Bayarbat	Director, Coordination of Urban Development and Land Management Policy Implementation Dep't, MCUD

Members:

(1) Mongolian Side

Mr. B. Tsedensamba	Director, Construction and Building Material Policy Coordination Dep't., MCUD
Ms. R. Erdenetsetseg	Director, Housing and Utilities Dep't., MCUD
Mr. A. Khurelshagai	Director, ALAGaC, MCUD
Mr. B. Tuguldur	Senior Officer, Project Finance & Coordination Department Dep't., Ministry of Finance
Mr. Ch. Bat-Erdene	Director, Legal Policy Dep't., Ministry of Justice
Mr. G. Nandinjargal	Head, City Development Policy Dep't., UB City
Mr. N. Natsagdorj	Director, Construction, Urban Development and Planning Dep't., UB City
Mr. S. Ochirbat	Director, Investment Dep't., UB City
Mr. M. Batsaikhan	Director, Land Administration Dep't., UB City
Mr. O. Mashbat	Director, Legal Affairs Dep't., UB City
Mr. S. Gankhuyag	Director, Housing Project of Ger Area
Ms. E. Gankhuu	Head, Finance and Treasury Dep't., UB City
Mr. S. Tsahiur	Director, Urban Planning, Architecture and Design Institute (UPADI), UB City

(2) Japanese Side

Mr. Takanori Isogai	Resident Representative, JICA in Mongolia
Mr. Nobumasa Kiguchi	Chief Advisor/ Project Manager, JICA Project Team
JICA Experts	JICA Project Team

Appendix 4: Attendants at the 4th Joint Coordination Committee Meeting

Date / Time: 13:30 – 16:00, 20th November 2012

Venue: Meeting Room, Ministry of Construction and Urban Development, Ulaanbaatar


List of Attendants

Name	Organization	Position
Mongolian Side		
Chairperson		
Mr. R. Erdeneburen	Ministry of Construction and Urban Development (MCUD)	State Secretary
Vice Chairperson		
Mr. G. Mergenbayar	Strategic Policy and Planning Dep't, MCUD	Director
Secretary		
Mr. Ts. Bayarbat	Coordination of Urban Development and Land Management Policy Implementation Dep't, MCUD	Director
Member		
Mr. B. Tsedensamba	Construction and Building Material Policy Coordination Dep't., MCUD	Director
Ms. R. Erdenetsereg	Construction, Housing, Public Utilities Dep't, MCUD	Director
Mr. A. Khurelshagai	ALAGaC, MCUD	Director
Mr. F. Bilguun	ALAGaC, MCUD	Expert
Mr. D. Chinzorig	ALAGaC, MCUD	Expert
Mr. B. Tuguldur	Project Finance & Coordination Department Dep't., Ministry of Finance	Senior Officer
Mr. O. Mashbat	Legal Affairs Dep't, UB City	Director
Mr. T. Ganbat	Housing Project of Ger Area	Deputy Director
Japanese Side		
JICA in Mongolia		
Mr. Astumu Iwai	JICA in Mongolia	Deputy Resident Representative
Mr. Takayuki Tomihara	JICA in Mongolia	Project Formulation Advisor
Ms. A. Bulgan	JICA in Mongolia	Program Administrative Officer
JICA Project Team		
Mr. Nobumasa Kiyuchi	JICA Project Team	Chief Advisor/ Project Manager
Dr. Katsuhide Nagayama	JICA Project Team	Deputy Team Leader
Mr. Toshiaki Kudo	JICA Project Team	Member, Urban Redevelopment (1)
Ms. Rieko Sasaki	JICA Project Team	Member, Training Planning and Management (1)/ Urban Redevelopment (3)
Ms. Ts. Tungalag	JICA Project Team	Project Coordinator/ Urban Planning
Ms. Uyanga	JICA Project Team	Project secretary/coordinator
Mr. Nergui	JICA Project Team	Interpreter
Mr. Ankhaa	JICA Project Team	GIS operator
JICA Evaluation Team		
Mr. Takeo Ochi	JICA Terminal Evaluation Team	Team leader (Senior Advisor)
Mr. Sho Takano	JICA Terminal Evaluation Team	Member, Cooperation Planning (Officer, Urban and Regional Development Division 1, Economic Infrastructure Department)
Ms. Noriko Ishibashi	JICA Terminal Evaluation Team	Member, Evaluation (Consultant)

Notes:

- MCUD: Ministry of Construction and Urban Development
- ALAGaC: Administration of Land Affairs, Geodesy and Cartography
- UPADI: Urban Planning, Architecture and Design Institute of Ulaanbaatar City
- JICA: Japan International Cooperation Agency

Appendix 5: Terminal Evaluation Report

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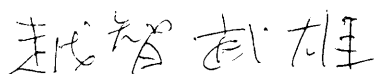
МОНГОЛ УЛСЫН
ХОТ БАЙГУУЛАЛТЫН САЛБАРЫН
ЧАДАВХИЙГ БЭХЖҮҮЛЭХ ТӨСЛИЙН
ЭЦСИЙН ҮНЭЛГЭЭНИЙ
ХУРЛЫН ПРОТОКОЛ

Монгол Улсын Хот байгуулалтын салбарын чадавхийг бэхжүүлэх төслийн (цаашид “Төсөл” гэнэ) эцсийн үнэлгээний ажлыг 2012 оны 11 – р сарын 13 – наас 21 – ний өдрүүдэд Монголын талын үнэлгээний баг болон ЖАЙКА - гийн үнэлгээний баг хамтран зохион байгууллаа.

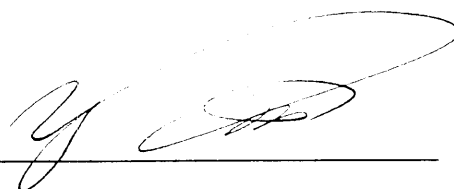
Төслийн үйл ажиллагааны үр дүнгийн үнэлгээ хийхийн тулд эцсийн үнэлгээний баг нь холбогдох хүмүүс болон байгууллагуудтай уулзаж, хэлэлцүүлэг хийн санал бодлоо солилцсон.

Дүн шинжилгээ хийсний үр дүнд эцсийн үнэлгээний хамтарсан баг нь хавсаргасан бичиг баримтын агуулгыг хүлээн зөвшөөрсөн болно.

Улаанбаатар хот, 2012 оны 11 – р сарын 20



Такео ОЧИ
Ахлах зөвлөх
Японы Олон улсын
хамтын ажиллагааны байгууллага
Япон Улс



Цогтын БАЯРБАТ
Дарга
Хот байгуулалт, газрын
харилцааны бодлогын
хэрэгжилтийг зохицуулах
газар
Барилга, хот
байгуулалтын яам
Монгол Улс

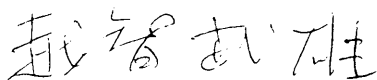
MINUTES OF MEETING
FOR
TERMINAL EVALUATION
OF
THE PROJECT
ON
CAPACITY DEVELOPMENT IN URBAN DEVELOPMENT SECTOR
IN
MONGOLIA

Terminal evaluation of the Project on Capacity Development in Urban Development Sector in Mongolia (hereinafter referred to as “the Project”) was jointly conducted by Mongolian Evaluation Team and JICA Evaluation Team from the 13th to 21st November, 2012.

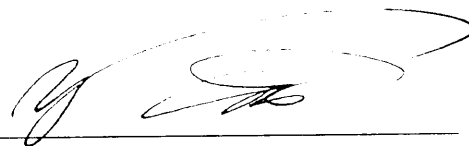
The Terminal Evaluation Team had a series of discussions and exchanged views with people and organizations concerned in order to evaluate the achievement of the Project.

As a result of the analysis, the Joint Terminal Evaluation Team agreed to the matters in the documents attached hereto.

Ulaanbaatar, November 20, 2012



Mr. Takeo Ochi
Senior Advisor
Japan International Cooperation
Agency
Japan



Mr. Tsogt Bayarbat
Director General
Urban Development and Land Affairs
Policy Implementation and
Coordination Department,
Ministry of Construction and Urban
Development, Mongolia

Attached Documents

Main points discussed

(1) Joint Evaluation Report

The Joint Terminal Evaluation Team was formed by the Japanese Evaluation Team headed by Mr. Takeo OCHI, senior advisor of JICA Tokyo Headquarter and the Mongolian Evaluation Team lead by Mr. Tsogt Bayarbat, Director, Urban Development and Land Affairs Policy Implementation and Coordination Department, MCUD.

The Joint Evaluation Team confirmed the attached Joint Terminal Evaluation Report that shows the results of the project evaluation including the remaining issues to be completed by the end of the project.

The Joint Terminal Evaluation Report will be submitted to Joint Coordinating Committee on 20th November 2012.

(2) Requests for further support from the Mongolian side

Through the series of discussions, the Mongolian side expressed the following requests for further support from JICA.

1. Assistance for the implementation of Ulaanbaatar City Development Master Plan 2030
2. Continued technical support including training for implementation of urban redevelopment under the new laws and regulations containing the Law on Urban Redevelopment
3. Assistance for the implementation of pilot projects in a model Ger area
4. Technical guidance on communication with citizens concerned when an urban redevelopment project is implemented as a practical matter
5. Assistance for urban plan formulation
6. Assistance for a study on the establishment and implementation mechanism of 'Urban Redevelopment Fund'.

ATTACHED Joint Terminal Evaluation Report

**JOINT TERMINAL EVALUATION REPORT
ON
THE PROJECT ON CAPACITY DEVELOPMENT
IN URBAN DEVELOPMENT SECTOR IN MONGOLIA**

Ulaanbaatar, November 20, 2012

Mongolian Evaluation Team

Mr. Tsogt Bayarbat	Team Leader	Director General, Urban Development and Land Affairs Policy Implementation and Coordination Department, MCUD
Ms. P. Enkhѐe	Member	Senior Officer, Urban Development and Land Affairs Policy Implementation and Coordination Department, MCUD
Ms. Yunden lorj Dorjpagma	Member	Senior Officer, Strategic Policy and Planning Department, MCUD
Mr. O. Mash bat	Member	Head, Legal Affairs Department, UB city
Mr. O. Odbayar	Member	Head, Urban Development Division, Construction, Urban Development and Planning Department, UB City

JICA Evaluation Team

Mr. Takeo Cchi	Team leader	Senior Advisor, JICA
Mr. Sho Takano	Member	Cooperation Planning (Peace Building and Urban and Regional Development Division 1, Economic Infrastructure Department, JICA)
Ms. Noriko shibashi	Member	Evaluation Analysis

Table of Contents

1. Outline of the Terminal Evaluation
 - 1-1. Objective of the Evaluation Study
 - 1-2. Schedule of the Study
 - 1-3. Interviewed Personnel

2. Outline of the Project

3. Project Performance and Implementation Process
 - 3-1 Achievement of the Project Activities
 - 3-1-1 Output 1
 - 3-1-2 Output 2
 - 3-1-3 Output 3
 - 3-1-4 Output 4
 - 3-1-5 Activities remained
 - 3-2 Achievement of Outputs
 - 3-3 Achievement of Overall Goal
 - 3-4 Achievement of Project Purpose

4. Implementation Process of the Project

5. Evaluation Results
 - 5-1 Evaluation with Five Criteria
 - 5-1-1 Relevance
 - 5-1-2 Effectiveness
 - 5-1-3 Efficiency
 - 5-1-4 Impact
 - 5-1-5 Sustainability
 - 5-2 Factors that contributed and constrained the effects of the Project
 - 5-2-1 Contributing factors
 - 5-2-2 Constraining factors

6. Conclusion of Evaluation

7. Recommendations & Lessons Learned

7-1. Recommendations

7-2. Lessons learned

Annex

Annex 1: Time Schedule of Evaluation

Annex 2: Major Interviewees

Annex 3: PDM

Annex 4: Plan of Operation

Annex 5: List of Mongolian counterpart personnel trained in Japan

Annex 6: List of seminars organized

Annex 7: List of JICA Experts assigned

Annex 8: List of Mongolian counterparts assigned

Annex 9: List of equipment provided by the project

Annex 10: Local cost allocation

Annex 11: List of legislation, manuals, and training materials prepared

1. Outline of the Terminal Evaluation

1-1. Objective of the Evaluation Study

This terminal evaluation study was executed to analyze the achievement degree of the Project purpose and the Outputs to confirm the subject to be done in the remained project period and find out recommendations and suggestions for the future activities.

1-2. Schedule of the Study

Evaluation was conducted from November 13 to 20, 2012. See Annex 1.

1-3. Interviewed Personnel

See Annex 2.

2. Outline of the Project

【Project Period】

From June 2010 to May 2013

【Overall goal】

Implementation of urban development projects in UB City promotes to realize land use and the improvement of living environment according to the UB urban master plan.

【Project purpose】

Implementation capacity of development projects of planned areas to realize urban redevelopment according to the UB urban master plan is enhanced.

【Outputs】

1. Draft outline of legal and administrative system for urban development will be formulated.
2. New and revised laws, enforcement regulations (implementation guidelines), and technical manuals for urban development will be drafted.
3. Role and responsibility of each agency which deals with urban development according to the above draft laws, regulations and technical manuals will be clearly defined and then institutional capacity will be improved.
4. Operational capacity of urban development system of staff in charge will be enhanced.

See Annex 3 PDM for more details

3. Project Performance and Implementation Process

3-1 Achievement of the Project Activities

The Activities of the Project were implemented as described in the annexes listed below.

- Plan of Operation (See Annex 4)
- List of Mongolian counterpart personnel trained in Japan (See Annex 5)

3-1-1 Output 1: Draft outline of legal and administrative system for urban development will be formulated

Activity 1-1 To review the current overall legal framework and existing individual laws related to urban development such as the urban development law, the land law, the housing law, the construction law and identify problems

- Based on the 1st draft of the Urban Redevelopment Law from the Urban Redevelopment Working Group, the JICA Project Team extensively discussed the draft chapter by chapter.
- Project Team provided advises to the Working Group of legal legislation organized by the former government to formulate urban development related laws and rules and regulations to modify the draft Law.

Activity 1-2 To review the current situation of urban development in UB City including the private sector, clarify the urban development project mechanism, and identify the problems

- Three types of urban redevelopment projects below were studied and identified the progress and analyzed the issues to be addressed.
 - Ger area urban redevelopment (Ger-to-apartment)
 - Old apartment reconstruction
 - Land Readjustment in Ger area

Activity 1-3 To grasp overall situation of law enforcement in urban development sector and identify problems associated with legal operation

- It was understood that there were no specific legal systems for urban redevelopment project implementation.
- The concept of “urban redevelopment” in Mongolian term was analyzed. It was found that Urban Development Law and Land Law stipulated only basic principles that were not enough to implement urban redevelopment projects.

Activity 1-4 To study Japanese and other countries' overall legal system for urban development

- Legal systems and articles of laws in Japan were introduced in the discussion of the draft Urban Redevelopment Law.

- A series of seminars on urban redevelopment projects and related laws were held. (Refer to See Annex 6 for the list of seminars organized.)

Activity 1-5 To formulate the outline of overall legal system for urban development suitable for Mongolia based on the current urban development situation, referring to other countries' experiences

- The legal issues were studied by two Task Forces composed of representatives from 13 departments and divisions of four organizations, namely MRTCAD, ALACGaC, Ulaanbaatar City government and Urban Planning, Architecture and Design Institute (UPADI). The studies done by the Task Forces were input to the Working Group of legal legislation
- Based on discussion with Mongolian counterparts, the JICA project team drafted the overall legal system regarding urban development.
- A draft legal structure was formulated through the discussions among the Task Forces and the Working Group of legal legislation and C/Ps. The draft was agreed in the second JCC meeting organized in March 2011.
- In 2011, JICA project team discussed with the Working Group of legal legislation and agreed that:
 - The Urban Redevelopment Law is categorized as a sublaw under the Urban Development Law,
 - Related sublaws and bylaws include Urban Redevelopment Law, Amendment of Urban Development Law, Architecture Activity Law, Park and Green Space Law, and Parking Law,
 - Regulations to implement urban redevelopment projects need to be established in the form of bylaws, minister's orders, ordinances, decrees, etc.

Activity 1-6 To identify targeted laws and technical manuals for redevelopment of UB City to be dealt with in the project

- Through the series of discussions with the Task Force, C/Ps and the other stakeholders, all related laws (especially the Urban Development Law and the package of land-related laws) were streamlined.
- Necessary laws, bylaws¹, and technical manuals were identified as follows:

Law	Urban Redevelopment Law (new) Amended Urban Development Law
Bylaw	Bylaw of Land Readjustment Project Bylaw of Urban Redevelopment Project (Ger-to apartment)

¹ The term has been changed to 'rules and regulations', which is specified in Urban Redevelopment Law, since February 2011.

	Bylaw of Old Apartment construction Project
Technical	Manual of Land Readjustment Project
Manual	Manual of Urban Redevelopment Project (Ger to apartment)
	Manual of Old Apartment Construction Project

Source: JICA MUGCUP Progress Report No.2.

- In the course of project implementation, instead of the above bylaws, the following seven rules and regulations stipulated in the draft Law on Urban Redevelopment need to be drafted. These rules and regulations were drafted first in November 2012:
 1. Methodologies for Calculation of Compensation and Rules for Payment
 2. Rules on Land Reduction and Contribution for Land Readjustment Project
 3. Rules on Land Acquisition, Expropriation and Resettlement
 4. Rules and Guidelines to Manage Project Implementation Process
 5. Rules and Guidelines to Facilitate Old Apartment Reconstruction Projects
 6. Project Implementation Model
 7. Model Format of Tripartite Contract/Agreement
- The following draft manuals were prepared:
 1. Technical manual No.1: Urban redevelopment detailed plan
 2. Technical manual No.2: Implementation plan for land readjustment project
 3. Technical manual No.3: Project management guideline for urban redevelopment project
 4. Technical manual No.4: Right Conversion Plan and Real Estate Appraisal for Urban Redevelopment Project

3-1-2 Output 2: New and revised laws, enforcement regulations (implementation guidelines), and technical manuals for urban development will be drafted.

Activity 2-1 To review the state of implementation of planned area development and redevelopment projects under MRTAUD and UB City, and identify the issues and problems related to urban development legal system including urban development finance for the project implementation

- Ongoing and planned urban redevelopment projects were reviewed.
- Issues and problems in the legal system, implementation procedures, financial system and consensus building, etc, have been studied.

Activity 2-2 To monitor the pilot projects under the implementation in UB City and identify the problems through their implementation

- The Project Team and C/Ps monitored the progress of land readjustment projects and urban redevelopment projects under implementation.

0.1.1

- The monitored projects were:
 - Zuun Ail project (Old apartment reconstruction)
 - Shoe factory workers' 27 & 28th apartment area in Khan Uul District (Old apartment reconstruction)
 - 44 Apartment area (Old apartment reconstruction)
 - East Selbe Area (Urban redevelopment)
 - Apartment for Temporary Use in 7th khoroolol in Sukhbaatar district (Urban redevelopment)
 - Bayankhoshuu Project (Land readjustment)
 - North Unur Project (Land readjustment)

Activity 2-3 To study Japanese laws related to urban development and urban development project system.

- Legal systems and articles of laws in Japan were introduced in the discussion of the draft Urban Redevelopment Law.

Activity 2-4 To formulate the scheme models of planning and implementation of planned area development according to the urban development types such as old apartment reconstruction, Ger area redevelopment (from Ger to apartment), and land readjustment in Ger area

- Three types of models of urban redevelopment projects were prepared and proposed.
- Models of land readjustment and Ger to apartment were partly applied to North Unur project area.
- The final models are expected to be shown in the technical manuals.

Activity 2-5 To formulate the policy on revision and development of relevant urban development legal system and related technical guidelines to realize the above scheme models

- Based on the proposal of JICA project team the Task Forces had a direction of the revision and development of laws and rules and regulations regarding urban development.

Activity 2-6 To formulate drafts of new and revised laws, regulations (implementation guidelines) and technical manuals

- The Working Group on legal legislation prepared a draft Urban Redevelopment Law for deliberation at the ministerial Council, the Cabinet, and then the Economic Development Council of the Parliament. The draft law is currently under discussion in the Ministry to submit to the Parliament at the time of Terminal Evaluation.
- Regarding the rules and regulations related to the above Law, the project completed the first draft of four out of the seven rules to be prepared. The other three are yet to be completed.

Activity 2-7 To verify the applicability of the above drafts of laws, regulations and manuals to the pilot projects implemented in UB City and finalize the drafts.

- This activity is not yet started since Law on Urban Redevelopment is yet to be finalized.

3-1-3 Output 3: Role and responsibility of each agency which deals with urban development according to the above draft laws, regulations and technical manuals will be clearly defined and then institutional capacity will be improved.

Activity 3-1 To analyze the current situation of government agencies in charge of urban development and redevelopment projects in UB City

- 13 departments and divisions of four organizations namely MRTCUD, ALACGaC, Ulaanbaatar City government and Urban Planning, Architecture and Design Institute (UPADI), all of which were the members of the Task Forces organized by the Project, were analyzed.

MRTCUD		- Urban Development and Land Relation Policy Dept.
		- Construction, Housing and Public Utilities Policy Dept.
ALACGaC		- Urban Development and Planning Division
		- Land Management Division
		- Land Privatization Division
Ulaanbaatar Government	City	- Urban Development Policy Department
		- Construction, Urban Development and Planning Dept.
		- Land Administration Department
		- Urban Service Division, Office of Mayor
		- Investment Planning Division, Investment Dept.
		- Legal Affairs Dept.
Urban Planning, Architecture and Design Institute		- Urban Planning Dept.
		- Design Dept.

- Roles and responsibilities of the above mentioned organizations related to urban development and redevelopment projects were identified in 2011.
- A recent turn of government took place in August 2012 resulted in reorganizations of the Ministry. The new name of the ministry and the other organizations² are as below:
It is understood that the names of departments concerned also changed. Similarly, Ulaanbaatar City expects reshuffles in November 2012.

Ministry of Construction - Strategic Policy and Planning Dept.

and Urban Development
(MCUD, formerly MRTUCUD)

- Urban Development and Land Relation Policy Coordination Dept.
- Housing and Public Utilities Policy Dept.
- Construction and Construction Material Policy Coordination Dept.
- Land Management and Land Privatization Division
- Land Market and Economic Division

Administration of Land
Affairs, Geodesy and
Cartography (ALAGaC,
former ALACGaC)

Not applicable

Construction Development
Center³

Ulaanbaatar City
Government

- Urban Development Policy Department
- Construction, Urban Development and Planning Dept.
- Land Administration Department
- Urban Service Division, Office of Mayor
- Investment Planning Division, Investment Dept.
- Legal Affairs Dept.
- Housing Project of Ger area
- Urban Planning Dept.
- Design Dept.

Urban Planning,
Architecture and Design
Institute

Activity 3-2 To analyze the implementation system and implementation capacity of the relevant government agencies based on the results of 2-1 and 3-1

- As a part of capacity assessment, the issues to be analyzed were identified.

Activity 3-3 To formulate the orientation of institutional capacity development including ideal organization and institutional arrangement based on 3-2 to implement the drafts of 2-7

- Capacity improvement policy with Ulaanbaatar City administration before the turn of government was discussed. However, the orientation of institutional development is yet to be clarified due to the turn of government in August 2012.

Activity 3-4 To prepare the road map for realization of the organization and institutional arrangement formulated in 3-3

- The JICA project team prepared a proposal on reorganizing institutional arrangement and submitted it to MCUD and Ulaanbaatar City. However, the road map is yet to be ready due to the turn of government in August 2012.
- At advent of a new government, the organizational structure of both MRTUCUD and the concerned departments of Ulaanbaatar City were amended. The departments concerned to this project also faced reshuffle so did the roles and responsibilities of each department concerned. Therefore, this activity is yet to be completed.

³ Formerly a unit of ALACGaC in charge of training.

3-1-4 Output 4: Operational capacity of urban development system of staff in charge will be enhanced.

Activity 4-1 To conduct OJT through the revision and formulation work of laws, regulations and technical manuals.

- Capacity assessment of C/Ps was conducted in order to identify their training needs.
- On-the-job training in North Unur land readjustment project has been conducted. The purpose of this on-the-job training is to enhance capacity of C/Ps in a cycle of planning of urban redevelopment projects.

Activity 4-2 To implement the training programs in Mongolia and Japan for relevant government officials to promote redevelopment projects in UB City based on the analysis of 3-2

- The training in Japan was organized four times with the participation of 35 participants in total during the project period. The participants included senior officers of concerned departments as well as the mayor of Ulaanbaatar City.
- Regarding in-country training, 12 times of training programmes regarding urban redevelopment, land readjustment, and old apartment reconstruction were conducted.
- The details of training conducted in Japan and its participants were in Annex 5.

Activity 4-3 To plan and implement dissemination and promotion activities about urban development projects in UB City

- The following activities have been implemented so far.
 - Seminar on urban redevelopment project targeted professionals to exchange the opinions
 - Workshops and a seminar on old apartment reconstruction mechanisms in Japan and Mongolia targeting representatives of apartment buildings and professionals to exchange the opinions
 - Dissemination of leaflets on public involvement in the urban development process to introduce Ger area redevelopment projects in Unur area
 - Presentation on land readjustment projects in a TV forum organized by UB City inviting residents of 6 Ger areas

3-1-5 Activities remained

There are three remaining activities needed to be done during this project period.

- Regarding Activity 2-4, the scheme models of planning and implementation of urban redevelopment projects are yet to be finalized. The models are expected to be finalized in the technical manuals by the end of the Project.

- Regarding Activity 2-6, preparation of rules and regulations under Urban Redevelopment Law are yet to be ready so did the technical manuals.
- Regarding Activity 3-4, the preparation of a road map to organizational improvement is yet to be completed.

These two activities are expected to be completed by the end of the project to some extent. However, the achievement depends on the real establishment of the Law on Urban Redevelopment and the form of the new government organization in charge of urban redevelopment in both MCUD and Ulaanbaatar City.

3-2 Achievement of Outputs

The Outputs are evaluated by the corresponding indicators and other related information as described below:

(1) Output 1

Output 1:	Draft outline of legal and administrative system for urban development will be formulated.
Indicator	Draft of overall legal system outline for urban development will be formulated by Oct 2010

This indicator was achieved in 2011 since the project prepared the overall legal system through the discussion with the Legal System Task Force organized by the project.

(2) Output 2

Output 2:	New and revised laws, enforcement regulations (implementation guidelines), and technical manuals for urban development will be drafted.
Indicator	By the end of the projects, the following documents are formulated New and revised laws related to urban development, regulations, technical manuals.

This indicator is yet to be achieved.

The Legal System Task Force worked on formulation of Urban Redevelopment Law, and rules and regulations.

It is confirmed that the following drafts of laws, rules and regulations and technical manuals are prepared at the time of Terminal Evaluation in November 2012.

- 1 Urban Redevelopment Law

- 2 Methodologies for Calculation of Compensation and Rules for Payment
- 3 Rules on Land Reduction and Contribution for Land Readjustment Project
- 4 Rules and Guidelines to Manage Project Implementation Process
- 5 Model Format of Tripartite Contract/Agreement

The following manuals were drafted:

- 1 Technical manual No.1: Urban redevelopment detailed plan
- 2 Technical manual No.2: Implementation plan for land readjustment project
- 3 Technical manual No.3: Project management guideline for urban redevelopment project
- 4 Technical manual No.4: Right Conversion Plan and Real Estate Appraisal for Urban Redevelopment Project

Urban Redevelopment Law is currently under discussion within the Ministry and to be submitted to upcoming spring session (April to July) of Parliament in 2013.

Regarding rules and regulations, the project completed the first drafts of four rules out of the seven. The other three namely, Rules and Guidelines to Facilitate Old Apartment Reconstruction Projects and Project Implementation Model and so on would be prepared.

The other manual for public involvement is to be completed by the end of the project period.

(3) Output 3

Output 3:	Role and responsibility of each agency which deals with urban development according to the above draft laws, regulations and technical manuals will be clearly defined and then institutional capacity will be improved.
Indicator 3-1	By July 2012, institutional improvement plan will be formulated
Indicator 3-2	TOR for each agency will be agreed among them

The project prepared an institutional improvement plan and proposed to the organizations concerned in the former government in 2012. Therefore, the first indicator of Output 3 was achieved.

However, the turn of government in 2012 resulted in reorganization of the above organizations, emergence of a new units and divisions, and replacement of the former C/P officers. Particularly in Ulaanbaatar City government, a unit named 'Housing Project of Ger Area' was established in November 2012 under the leadership of mayor of Ulaanbaatar City. This unit is expected to lead the implementation of Ger area redevelopment projects.

At the time of Terminal Evaluation, the functions and responsibilities of reorganized departments

and new units and divisions including the above mentioned Housing Project of Ger Area unit, are yet to be clarified, leaving one activity 3-4 incomplete.

Therefore the second indicator of Output 3 is yet to be achieved. This achievement depends on the progress of the restructure of the Ministry and Ulaanbaatar City.

(4) Output 4

Output 4:	Operational capacity of urban development system of staff in charge will be enhanced.
Indicator 4-1:	Working groups can prepare the legal system improvement by the end of the project
Indicator 4-2:	Staff can implement the pilot project with implementation guideline and technical manual

The first indicator is yet to be achieved however is expected to be achieved by the time of project termination in May 2013. The second indicator would not be achieved during the project period. The project only managed to complete the formulation and amendment of related laws. Thus the rules and regulations and manuals produced by the project are yet to be utilized in the pilot project implementation.

This delay was caused by the fact that drafting law on Urban Redevelopment took much longer than the planned period. It was mainly because of the following two factors: firstly the unexpected necessity for coordination with the National Security Committee required amendment of the draft law incorporating the suggestions, the process of which took five months in total. Second cause was replacement of JCC members and senior officers due to the change of senior counterpart personnel as well as the recent turn of government in August 2012. Therefore, the legal system improvement activities are still on-going at the time of Terminal Evaluation. Considering the loss of one third of project period, it is understood that the achievement of this level might be appropriate.

3-3 Achievement of Overall Goal

Overall Goal:	Implementation of urban development projects in UB City promotes to realize land use and the improvement of living environment according to the UB urban master plan.
Indicator:	Compared to the beginning of the project, urban development project will be more facilitated and the number of housing supply, development area, number of development project sites will be increased.

Chin

The indicator is yet to be achieved at the time of Terminal Evaluation.

As a result of the project, laws and rules and regulations necessary for the implementation of urban redevelopment will be established. The necessary organization structure in Ulaanbaatar City will also be established. Besides, the new Mayor of Ulaanbaatar City showed serious commitments in implementation of Ger Area redevelopment. So, the situation is moving forward to the overall goal. However, the prospect of achieving this indicator is not clear at the moment.

3-4 Achievement of Project Purpose

Project Purpose:	Implementation capacity of development projects of planned areas to realize urban redevelopment according to the UB urban master plan is enhanced.
Indicator 1	By the end of the project, the schedule for approval of formulated draft laws is clearly set up.
Indicator 2	Technical manual are operated.

The first indicator is yet to be achieved at the time of Terminal Evaluation. It can be expected to be achieved by the end of the project period. The schedule for approval of Urban Redevelopment Law is expected to be clarified by the end of the project period.

As explained in Output 4, unexpected delay of five months was partly caused by necessary arrangement with the other government organizations. Considering the loss of five months of project period it is understood that the achievement of this level might be appropriate.

The second indicator is yet to be achieved at the time of Terminal Evaluation and would not be achieved by the end of the project period as explained in Output 4.

Chin

B. B.

4. Implementation Process of the Project

<Progress of the Activities>

The Activities of the Project found some delays after the second year of the Project Period. Those delays were flexibly adopted and the implementation periods of such activities were prolonged. Such delays were caused by the other ministries⁴, reorganization of Legal System Task Force and frequent changes of C/P personnel in the Task Forces and JCC which affected the decision making process, and finally recent government reshuffle caused a big change.

<Ownership and Monitoring>

Although the Mongolian C/Ps' recognition toward the project is very high, the changes in JCC members and reorganization of concerned C/P organizations also affected monitoring of project activities and decision making process of Mongolian side.

<Participation in discussion among the Experts and C/Ps>

Mongolian C/Ps showed good commitment to the project. Communication with Japanese Experts and consultant team was relatively good. However, as the stay of the JICA short-term experts were not long enough to make deep communication with the C/Ps during their stay.

⁴ The process of drafting legislation goes through the reviews by the all ministries and build consensus.

5. Evaluation results

5-1 Evaluation with Five Criteria

5-1-1 Relevance

Relevance of this project is high. The Project is relevant to the policy of the GoM and to the needs of local residents of Ulaanbaatar City. It is also in line with the assistance of the Government of Japan (GoJ).

- Relevance to the policy and the needs of the target groups.
GoM gives high priority in urban development in Ulaanbaatar City to meet the swift development and urbanization. GoM has several policies highlighting the importance of urban development and redevelopment of urban areas as well as new development programme.
- Relevance to GoJ's assistance
JICA also provides assistance to urban development in Ulaanbaatar City according to JICA assistance programme to GoM.

5-1-2 Effectiveness

Effectiveness of the Project is judged to be moderate.

- Prospect of achieving the Project Purpose
As described in the earlier section, one of the two indicators of the Project Purpose cannot be achieved by the end of the Project. Although the Urban Redevelopment Law is expected to be officially approved in Parliament, the preparation of related rules and regulations and manuals are not completed. So, the implementation of the pilot project using those manuals is yet to be started as the indicator. Thus, the full achievement of the project purpose would not be expected during the project period.
However, the Minutes of Understanding (MoU) was made between Minister of Construction and Urban Development and Mayor of Ulaanbaatar City in October 2012. This MoU stipulates that land readjustment and urban redevelopment in Ger Area shall be executed from 2013 to 2016. So, the real implementation of urban redevelopment projects will be realized right after the Project. Therefore it is understood that the effectiveness of the project is moderate

5-1-3 Efficiency

The efficiency of this Project is judged to be high.

- Achievement level by indicators
According to the indicators of the Outputs, most of the Outputs of the Project would be achieved by the end of the Project period. The combination of JICA long-term Experts and consultant team produced successful outputs in formulation of draft Urban Redevelopment

Law and draft rules and regulations and technical manuals.

Regarding the inputs from the Mongolian side, C/P personnel working in the Task Forces were often replaced and key decision makers in JCC were also changed. The changes in such decision makers affected the speed of achieving the expected outputs according to the planned schedule. Although it is an external factor, the turn of government toward the end of the project period affected adversely the smooth production of outputs.

The training programmes in Japan were organized in appropriate timing for Mongolian C/P organizations. The training in Japan provided senior officers and decision makers including the mayor of Ulaanbaatar City with new vision toward urban development and in particular the concept of urban redevelopment. It led to various senior officers to broaden the view on urban development and deepen the high level collaboration between Mongolian side and Japanese side.

5-1-4 Impact

There is no tangible impact observed so far. No negative impact is observed.

- Prospects of achieving the Overall Goal

As is described in earlier section, Overall Goal is yet to be achieved according to the indicator. However, the current mayor who participated in the training programme in Japan valued the Japanese model of urban redevelopment and took highly of JICA Master Plan 'The Study on City Master Plan and Urban Development Program of Ulaanbaatar City'. The series of training programmes in Japan were successful in providing new scope and vision toward senior officers of Mongolian side.

5-1-5 Sustainability

The sustainability of this project is expected to be high but yet partially unclear.

- Policy Aspect

There are no major changes in the importance of urban development related policy and the issue of redevelopment would be highlighted for Ulaanbaatar City.

- Organizational and Financial Aspect

Under the new Mayor's instruction, the new organizational structure to facilitate urban redevelopment has been developed but it has not yet finalized with clear roles and responsibilities of each organizations.

The City decided to allocate the necessary budget for the Unur land readjustment project.

- Technical Aspect

Through the Project a lot of staff member enhanced their expertise of urban redevelopment. However, the newly assigned officers are yet to clarify the knowledge applied in urban redevelopment.

5-2 Factors that contributed and constrained the effects of the Project

5-2-1 Contributing factors

None

5-2-2 Constraining factors

The reshuffle of decision makers in the Task Forces and JCC as well as the turn of the government affected the overall progress of the project.

6. Conclusion of Evaluation

Although the project purpose is yet to be fully achieved, the project has achieved one of the most important outputs of laying legal ground for urban development and redevelopment. Accordingly, it is concluded that the Project would be terminated in May 2013, as scheduled.

7. Recommendations & Lessons Learned

7-1. Recommendations

(1) The remaining activities to be completed by the end of the Project

It is highly recommended that the Project focus on the followings until the termination of the project period

1. To establish the rules and regulations necessary for the implementation of urban redevelopment projects based on the Law on Urban Redevelopment.
2. To draft technical manuals to apply the Law on Urban Redevelopment and the relevant rules and regulations.
3. To restructure the members and organization of the current Urban Development Task Force to achieve the above 1 and 2.
4. To make recommendations on the establishment of institutional setup in City of Ulaanbaatar to facilitate the implementation of urban redevelopment projects.
5. To hold a seminar to disseminate the result of the Project and the necessity of Urban Redevelopment to the parties concerned.

(2) The project should terminate in the end of May 2013 as planned because of the following reasons:

1. Although it is difficult that the project purpose will be fully achieved in May 2013, in the end of the Project it is highly expected that the new Law on Urban Redevelopment is established and the drafts of the related rules and regulations will be finalized.
2. The organizational setup in UB City to facilitate urban redevelopment projects is also expected to be structured by the end of the Project.
3. Therefore, the institutional arrangement will be ready to launch urban redevelopment projects in the end of the Project.

(3) The follow up assistance of JICA is necessary after the Project.

Although the Project terminates as planned, follow-up assistance is required to facilitate the implementation of urban redevelopment projects.

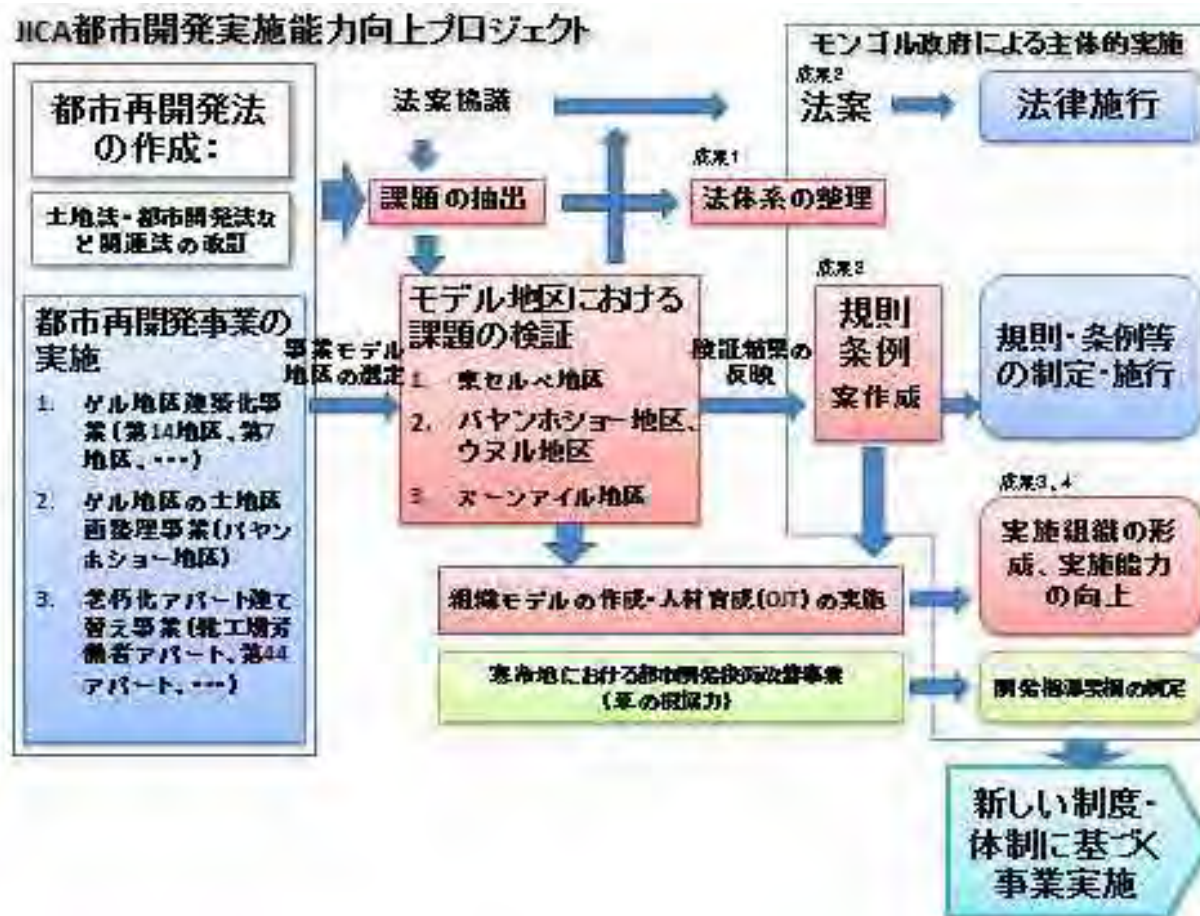
7-2. Lessons learned

The purpose of the Project is the enhancement of the implementation capacity of urban development. The capacity enhancement requires legal and institutional improvement, where various kinds of stakeholders need to be involved. Without collaboration among the stakeholders concerned, the legal and institutional improvement cannot be achieved.

In the Project two task forces were established, namely, the Legal System Task Force and the Urban Development Task Force. The participation of the stakeholders concerned in these task forces facilitated inter-organizational discussion and cooperation, which worked quite effectively to implement the Project.

Like this Project, when the project requires for the participation of various kinds of stakeholders, it is very important that the project starts with a project implementation structure that effectively involves the stakeholders concerned into the project.

Appendix 2: Presentation Materials of the 4th JCC





国際協力機構 (JICA)
建設都市開発省 (MCUD)
ウランバートル市役所



第4回合同調整会議 (JCC) -モンゴル国都市開発実施能力向上プロジェクト- (MUGCUP)



2012年11月20日
JICAプロジェクトチーム

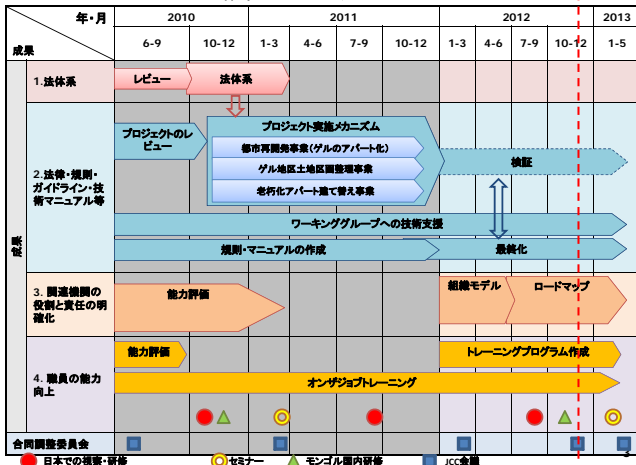
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説明項目

- ➡ 1. プロジェクトチームの作業進捗報告 (2012年2月～2012年11月上旬)
2. 【成果1, 2】都市再開発に係る法体系と実施規則等の策定
3. 【成果3, 4】都市再開発事業推進のための能力向上 (組織・人材)
4. 今後の作業方針

2

作業フローとスケジュール



JCC及びタスクフォース協議の開催状況

協議	日程
タスクフォース協議	2010年6月30日
第1回JCC	2010年7月2日
第1回合同タスクフォース協議	2010年9月2日
都市開発タスクフォース協議	2010年9月15日
法制度タスクフォース協議	2010年12月9日
都市再開発グループ協議	2010年12月10日
ゲル地区再開発グループ協議	2011年2月23日
アパート地区再開発グループ協議	2011年3月7日
第2回合同タスクフォース協議	2011年3月11日
第2回JCC	2011年3月15日
都市再開発グループ協議	2011年9月8日
老朽化アパート建て替えグループ協議	2011年9月13日
法制度タスクフォース協議	2011年11月30日
第3回合同タスクフォース協議	2012年2月13日
第3回JCC	2012年2月16日
第4回合同タスクフォース協議	2012年6月7日
第5回合同タスクフォース協議	2012年11月2日



第3回JCC (2012年2月16日)



第5回合同タスクフォース協議 (2012年11月2日)

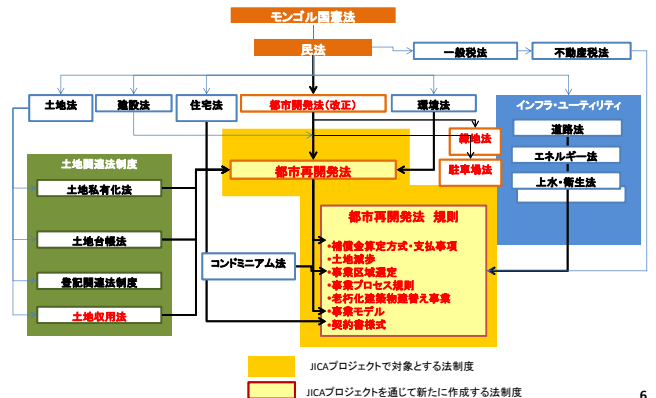
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説明項目

1. プロジェクトチームの作業進捗報告 (2012年2月～2012年11月上旬)
- ➡ 2. 【成果1, 2】都市再開発に係る法体系と実施規則等の策定
3. 【成果3, 4】都市再開発事業推進のための能力向上 (組織・人材)
4. 今後の作業方針

5

【成果1】都市再開発に係る法体系の構成と策定進捗状況 都市計画・都市開発の全体法体系



6

都市再開発法関連規則策定

課題別の規則策定

都市再開発法の関連規則

1. 補償金算定方式・支払事項
2. 土地減歩
3. 事業地区選定
4. 事業プロセス
5. 老朽化建築物建替え事業
6. 事業モデル
7. 契約書様式



事業プロセスの理解促進

関連規則策定のための基本指針

事業実施マニュアル

関連規則策定ワーキンググループ

- 議長：未定
- 事務局：未定
- メンバー：
 - ALAGaC土地関連都市開発局各課
 - ウランバートル市建設都市開発・計画局
 - ウランバートル市役所土地局
 - ゲル地区開発局

事業実施マニュアル(案)の作成状況

1. 基本計画策定マニュアル
2. 事業計画策定マニュアル
3. 事業運営マニュアル
4. 評価・補償マニュアル
5. 住民参加マニュアル



ドラフトをもとにウヌル北地区での基本計画・事業計画を土地局カウンターパートと作成中



ウヌル北地区の土地利用計画案

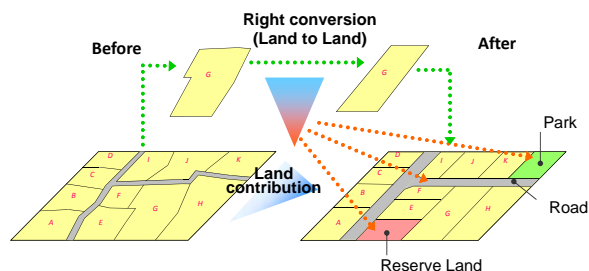


事業実施マニュアル(案)モデル地区の土地利用計画案

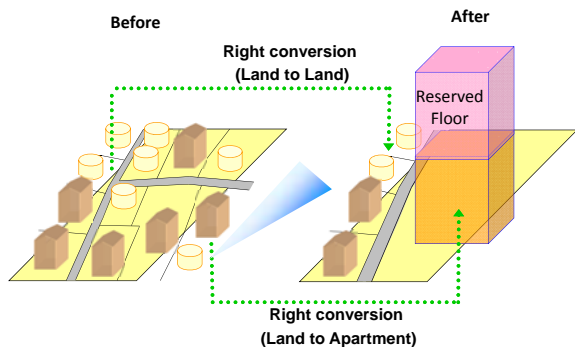
権利変換と事業タイプ



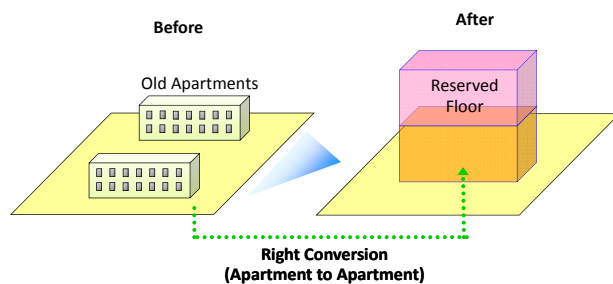
ゲル地区土地区画整理事業



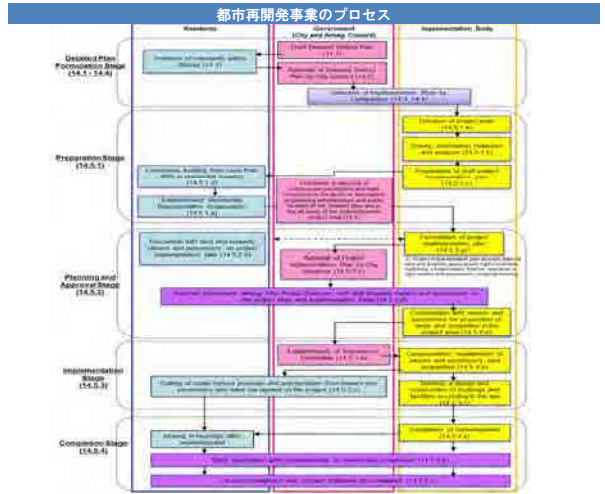
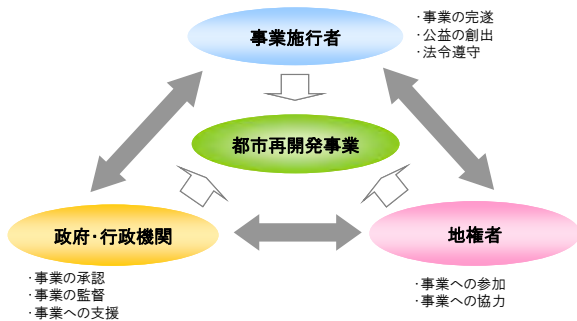
ゲル地区再開発事業



老朽化アパート建替事業



三者契約



説明項目

1. プロジェクトチームの作業進捗報告 (2012年2月～2012年11月上旬)
2. 【成果1, 2】都市再開発に係る法体系と実施規則等の策定
- ➔ 3. 【成果3, 4】都市再開発事業推進のための能力向上(組織・人材)
4. 今後の作業方針

15

組織・能力強化にかかる提案

進行中...法・規則の整備

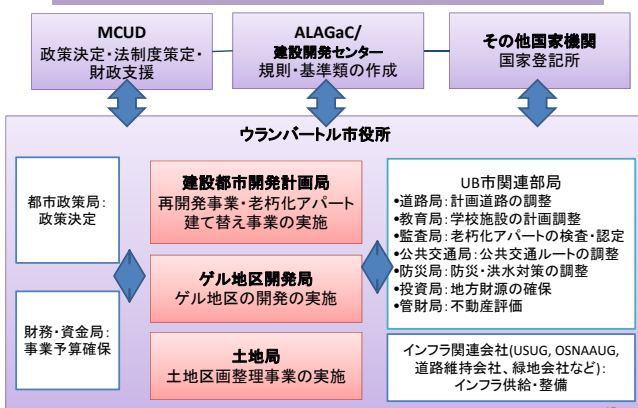
1. **ワーキンググループの継続**: 関連法制度間、関係部局間での調整機能の強化
2. **パイロット事業の継続と推進**: パイロット事業から得られる教訓の法制度・マニュアルへの反映

今後...実施体制の整備

3. **事業担当部局の組織強化**: **UB市ゲル地区開発局の新規設立に伴う組織間の業務分担および連携強化**、UB市建設局での事業推進に向けた担当者の育成
4. **事業資金の確保**: 政府による各種補助制度の充実(都市再開発基金の設立含む)、事業会計の独立
5. **人材育成のための研修・トレーニングの充実**: 各種マニュアルの作成と活用、既存コースにおける再開発事業の追加

16

事業担当部局の組織強化 事業推進に向けた組織体制と役割分担



17

土地区画整理事業推進のための組織強化

提案

・土地区画整理事業を一貫して推進する担当ユニットの創設(短期)

- 事業計画策定と全体の調整と推進
- 公共公益施設にかかる用地取得の推進(都市開発法・土地収用法)→用地取得課との調整
- 補償規則に基づく適切な土地評価と補償→土地評価・価格課、用地取得課との調整
- 事業の独立会計管理の指導
- 土地区画整理事業にかかる広報活動の促進

・土地区画整理事業担当部局の創設(中期)

18

都市再開発事業・老朽化アパート建て替え事業の組織強化

提案

(1) 都市再開発法を実施する管理体制を整備する

- 都市再開発事業、老朽化アパート建て替え事業の各担当ユニットの設立/担当者の任命(短期):
 - 計画承認から事業施行までを一貫して担当
 - 民間施行事業の場合は担当者を派遣し、都市再開発法第13条に基づき技術支援を行う(事業計画書の作成、事業認可、三者契約)
 - プロジェクトの独立会計の指導と公的資金支援
- 都市再開発事業担当部局の設立(中期)

(2) 建築指導の仕組みを充実させる

- ディストリクト・レベルでの建築局設立もしくは建築担当者の任命
- 市民に対する建築申請手続きの理解・周知

19

人材育成・能力強化のための研修プログラム

会議名	開催日
都市計画セミナー	2010年9月2日
第1回本邦研修(高官8名)	2010年10月
民間企業向けセミナー	2011年6月
第1回ラーニングセッション	2010年11月25日
第2回本邦研修(12名)	2011年9-10月
モデル地区での土地区画整理事業の計画策定演習	2011年4月～継続実施中
第3回本邦研修(高官7名)	2012年9月
第4回本邦研修(8名)	2012年10月
老朽アパート建替えワークショップ、セミナー	2012年11月6-8日
技術セミナー	2013年2月予定
市民への広報	2013年2月予定



人材育成プログラムの提案等

1. 研修・トレーニングコースの設営

- 建設開発センターでの都市開発研修コースの設立
- 大学での専門コース(都市開発、不動産関連)の設立

2. 教材・ツールの策定

- MUGCUPマニュアルの活用
- 諸外国の教材・資料のライブラリー化

3. 国内外との技術・人材交流の推進

- アイマゲ関係者を招いた都市再開発法説明セミナー
- 日本の技術支援: JICA研修への継続的な参加、短期専門家招へいによるトレーニング実施
- 国際援助機関による海外研修への参加

4. 民間企業や市民に対する理解促進・啓発

- 広報活動(都市再開発法・事業実施説明パンフレット、ビデオなど)
- モデル地区での市民向けワークショップ
- 民間企業向けセミナー

21

説明項目

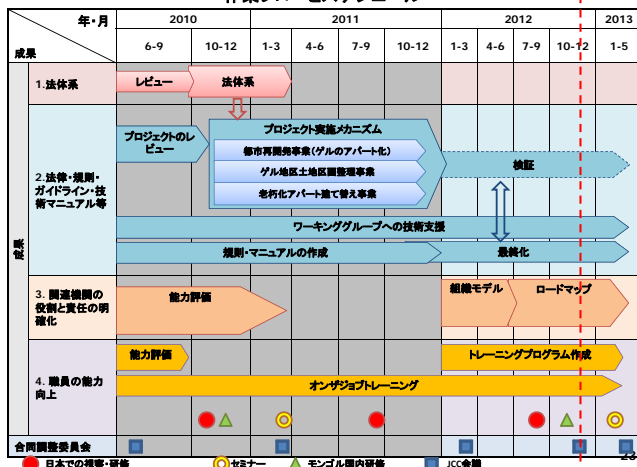
1. プロジェクトチームの作業進捗報告 (2012年2月～2012年11月上旬)

- 【成果1, 2】都市再開発に係る法体系と実施規則等の策定
- 【成果3, 4】都市再開発事業推進のための能力向上(組織・人材)

➡ 4. 今後の作業方針

22

作業フローとスケジュール



今後の作業方針・スケジュール

1. 都市再開発法の国会承認プロセスを注視

- 11月、省、内閣及び今秋の国会での審議の為の準備

2. 都市再開発法に関連する7つ規則案の策定

- 12月末を目途に、ALAGaCの新ワーキングチームによるドラフト作成

3. 都市再開発法の運用を行う為の組織体制の整備(UB市)

- ゲル地区住宅プロジェクト、土地局、建設都市計画開発局との役割・権限の調整

4. 人材育成・能力強化プログラムの実施(UB市)

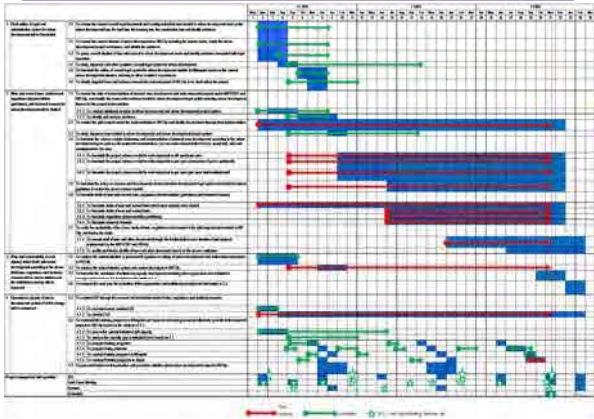
- 各種プログラムの実施
- 建設開発センターにおける再開発事業研修プログラムの作成

第5回 Joint Coordination Committee (JCC)開催: 2013年2月

- 最終成果の確認とプロジェクト終了後のフォローアップの確認

24

PO (Plans of Operation)の確認



ご静聴ありがとうございました。





**Result of
Terminal Evaluation of
the Project on
Capacity Development
in Urban Development Sector
in Mongolia (MUGCUP)**



November 20, 2012
Terminal Evaluation Team

1

Objective of the Terminal Evaluation

1. To analyze the achievement degree of the Project purpose and the outputs
2. To confirm the subject to be done in the remained project period
【Project Period】 From June 2010 to May 2013
3. To find out recommendations and suggestions for the future activities.

2

Terminal Evaluation Team

Mongolian Evaluation Team

Mr. Tsogt Bayarbat	Director General, Urban Development and Land Affairs Policy Implementation and Coordination Department, MCUD
Ms. P. Enkhee	Senior Officer, Urban Development and Land Affairs Policy Implementation and Coordination Department, MCUD
Ms. Yundendorj Dorjpagma	Senior Officer, Strategic Policy and Planning Department, MCUD
Mr. O. Mashbat	Head, Legal Affairs Department, UB city
Mr. O. Odbayar	Head, Urban Development Division, Construction, Urban Development and Planning Department, UB City

JICA Evaluation Team

Mr. Takeo Ochi	Senior Advisor, JICA
Mr. Sho Takano	Cooperation Planning (Peace Building and Urban and Regional Development Division 1, Economic Infrastructure Department, JICA)
Ms. Noriko Ishibashi	Evaluation Analysis

3

Activities remained

1. The scheme models of planning and implementation of urban redevelopment projects (project mechanisms) are yet to be finalized.
2. Preparation of rules and regulations under Urban Redevelopment Law as well as technical manuals are yet to be ready.
3. Preparation of a road map to organizational improvement is yet to be completed.

4

Achievement of the Project Purpose

Project Purpose	Implementation capacity of development projects of planned areas to realize urban redevelopment according to the UB urban master plan is enhanced.
Indicator 1	By the end of the project, the schedule for approval of formulated draft laws is clearly set up.
Indicator 2	Technical manuals are operated.

1. The first indicator can be expected to be achieved by the end of the project period.
2. The second indicator would not be achieved by the end of the project period.

5

Evaluation Results

1. Relevance (Suitable for Mongolian needs and policies):
High
2. Effectiveness (achievement of the project purpose):
Moderate
3. Efficiency (appropriateness of inputs):
High
4. Impact (resulted by the project, positive and negative):
Not observed so far
5. Sustainability (of the project purpose, moving to the overall goal):
Expected to be high but yet partially unclear

6

Recommendation 1

(1) The remaining activities until the end of the Project

1. To **establish the Law on Urban Redevelopment and its rules and regulations** necessary for the implementation of urban redevelopment projects
2. To **draft technical manuals** to apply the Law on Urban Redevelopment and the relevant rules and regulations
3. To **restructure the members and organization** of the current Urban Development Task Force to achieve the above 1 and 2.
4. To **make recommendations on the establishment of institutional setup** in City of Ulaanbaatar to facilitate the implementation of urban redevelopment projects.
5. To **hold a seminar to disseminate the result of the Project** and the necessity of Urban Redevelopment to the parties concerned.

7

Recommendation 2 & 3

(2) The project should terminate in the end of May 2013 as planned

The institutional arrangement (laws and regulations & organization setup) to implement urban redevelopment will be ready to launch urban redevelopment projects in the end of the Project.

(3) The follow-up assistance of JICA is necessary after the Project.

8

Requests for further support from the Mongolian side

1. Assistance for the establishment and implementation of Ulaanbaatar City Development Master Plan 2030
2. Continued technical support including training for implementation of urban redevelopment under the new laws and regulations containing the Law on Urban Redevelopment
3. Assistance for the implementation of pilot projects in a model Ger area
4. Technical guidance on communication with citizens concerned when an urban redevelopment project is implemented as a practical matter
5. Assistance for urban plan formulation
6. Assistance for study on the establishment and implementation mechanism of the 'Urban Redevelopment Fund'

9

ご静聴ありがとうございました。

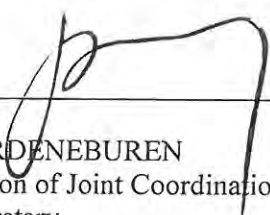


10

Appendix 3: Minutes of the 5th JCC Meeting

MINUTES OF MEETING
ON
The 5th MEETING OF JOINT COORDINATION COMMITTEE
FOR
THE PROJECT
ON
CAPACITY DEVELOPMENT IN URBAN DEVELOPMENT SECTOR
IN
MONGOLIA

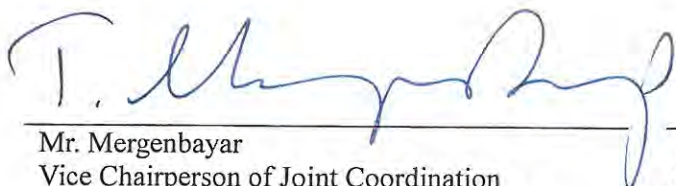
Ulaanbaatar, 24th May, 2013



Mr. R. ERDENEUREN
Chairperson of Joint Coordination Committee,
State Secretary,
Ministry of Construction and Urban Development



Mr. Toshinobu KATO
Resident Representative,
JICA in Mongolia,



Mr. Mergenbayar
Vice Chairperson of Joint Coordination
Committee,
Director, Department of Strategic Policy and
Planning,
Ministry of Construction and Urban Development



Mr. Nobumasa KIGUCHI
Chief Advisor/Project Manager
JICA Project Team

Based upon the Record of Discussions between the Government of Mongolia and Japan International Cooperation Agency (JICA) in Ulaanbaatar on 19th January 2010, JICA commenced “the Project on Capacity Development in Urban Development Sector in Mongolia” (hereinafter referred to as “the Project”) on 2nd June 2010.

The Project has been conducted for three years and will be terminated by the end of May 2013. At the last stage of the Project, the achievement of the Project shall be reviewed, and follow-up activities need to be confirmed for sustainable capacity development in the urban redevelopment sector in Mongolia after the Project.

Based on the objectives mentioned above, the 5th JCC Meeting was held on 24th May 2013 at the Meeting Room of MCUD, chaired by Mr. Mergenbayar, Director of Strategic Policy and Planning, MCUD for Mr. R. Erdeneburen, State Secretary, MCUD. Attendants are as shown in Appendix 2 attached herewith. Because of the new administration of the Mongolian Government after the general election held on 29 June 2012, the JCC was reorganized with new members as shown in Appendix 3 attached therewith.

The meeting started with the chairperson’s address to express his appreciation to the JICA Project Team as well as JICA for its long efforts made for the Project. Then, Mr. Nobumasa KIGUCHI, Chief Advisor/Project Manager of the JICA Project Team, reviewed the overall objective and performed outputs of the Project, followed by Dr. Katsuhide NAGAYAMA, Deputy Team Leader of the JICA Project Team, who made a presentation to confirm the achievement of the Project.

After these discussions, Mr. Ts. Bayarbat, Director of the Urban Development and Land Management Policy Implementation Department, MCUD, proposed for further supports from JICA required for effective implementation of the urban redevelopment projects after the Project.

At this meeting, a number of constructive comments and suggestions were raised by members of the committee, and the following comments are officially noted:

1. Comments on the Progress and Achievement of the Project

- (1) The UB City has selected 10 companies to implement the priority Ger area redevelopment projects and is about to make project contracts with them. Once the Urban Redevelopment Law (URL) is enacted, the on-going process, being undertaken by the UB City, should be adjusted so as to comply with the Law. Some risks and apprehensions are presumed in future, because UB City’s regulations for the Ger area development are different from the Law in some principles. Our efforts are highly required to pass the Law as soon as possible. (Ms. Gankhuu)
- (2) In practice, more than two households often reside in the one hash (lot). Rules and regulations to be attached to the URL should address to solve such a complex situation in the right conversion mechanism. (Mr. Narangeler)
- (3) The Tripartite Agreement shall make clear the right conversion process and who shall pay the registration fees for the new rights. (Ms. Elbegsaikhan)
- (4) Mongolian counterparts have been working together with JICA Team. How does the JICA team evaluate the Mongolian counterpart team’s performance during three years as well as the achievement of JICA Team’s target? (Mr. Bayarbat). To

this question, the JICA team responded as follows:

- MCUD has made outstanding efforts to draft the URL and ALAGaC has also been working for preparation of the rules and regulations with best efforts. The UB City counterparts are all enthusiastic to seek for practical methods to improve Ger areas. Therefore, JICA Team highly appreciates all counterpart personnel. In terms of the level of the current achievement, however, the URL and rules/regulation are not enacted yet, the ultimate goal has not be achieved yet, so it can be said that JICA Team's overall performance is 75%. (Mr. Kiguchi)
 - Despite the political climate was drastically changed in the past three years, our targets are about to be achieved. All counterpart members have done their best to dart the URL, sharing a common recognition that the Law is vital and indispensable for Mongolia to manage cities' modernization under the market economy. Therefore, another evaluation can subjectively be made, that is, the counterpart's performance is assessed to be 100%. (Dr. Nagayama)
- (5) Further activities to tackle with four (4) outputs, based on the current achievements, are proposed by Mr. Bayarbat as follows:
- Output 1: All stakeholders, including national/local government officials, real-estate developers, banking/financial institutes, academic professionals, consultants and citizens, understand the underlying concepts and the executing process of urban redevelopment projects stipulated in the Urban Redevelopment Law (URL) and its relevant rules and regulations.
 - Output 2: A number of urban redevelopment projects are implemented in compliance with the URL and its rules/regulations in order for in Ulaanbaatar City to materialize its urban policy.
 - Output 3: A financial mechanism to be established with JICA's assistance is well-managed and well-operated to support good-quality projects which provide necessary public service facilities.
 - Output 4: Well-functioning capacity development will be programed and managed for all those who work for Ger, housing and urban projects in compliance with the URL. For this purpose, the Construction Development Center provides several training courses, including trainers training programs.

2. Comments on the Proposal for Further Support from JICA for Implementation of the Urban Redevelopment Projects

Mr. T. Kato, Resident Representative, JICA in Mongolia, mentioned that as he recognized the importance of the Project to facilitate the modernization and democratization process of Mongolia and strong enthusiasm of all counterpart personnel to drive the Project, he will made best effort to continuously support the Project, called "MUGCUP 2". He suggested that MCUD, to this end, should prepare the official document to require such a JICA technical support in consultation with Ministry of Economic Development in due date.

3. Conclusions Made by the Joint Coordination Committee

After such intensive discussions as above, the followings were decided as the conclusions of the JCC.

- (1) The JCC has confirmed the progress and the achievement of the Project.
- The Project will successfully be terminated by the end of May 2013 with sufficient achievement and outputs, although some issues still remain to be solved by the Mongolian counterparts.
 - Drafting of the Urban Redevelopment Law (URL) is about to be finalized in coordination with the Ulaanbaatar City Government, and shall be submitted to the Parliament until the end of June 2013 so that the URL will be enacted in the Autumn Session of the Parliament in 2013. Utmost efforts shall be made to achieve this target by MCUD.
 - The Working Group should continuously work for preparation of the draft rules and regulations so that the drafting process should be accorded with the enactment process of the URL.
 - The on-going ten (10) Ger area redevelopment projects initiated by the Ulaanbaatar City Government are expected to be successfully implemented and should be coordinated in the process with the URL once the Law is enacted.
 - The demarcation of official responsibilities and mandates among relevant departments of the Ulaanbaatar City Government should be further elaborated so as to smoothly facilitate the implementation of urban redevelopment projects in compliance with the URL as well as the regulations of the UB City.
 - JICA Project Team shall prepare final reports and documents in time, as expected.
- (2) The follow-up activities with three (3) main issues, called “MUGCUP 2”, shall be pursued as follows:
- MUCD will officially request to JICA for the next year 2014 technical assistance program through the official bilateral procedures as scheduled.
 - It is desired by the Mongolian side that once the URL is enacted, the MUGCUP 2 shall be commenced as soon as possible, taking into account the importance of monitoring the practical effectiveness of the Law and the Rules/Regulations.
 - The long-term JICA expert will be dispatched and posted at the UB City Government to provide advice on the implementation of Ger area redevelopment projects from August 2013, and MCUD will also collaborate with him for follow-up activities.

* * * *

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N. 12

Appendix 1: Plan of Operation (as of 24th of May, 2013)

		FY 2010											FY 2011											FY 2012											FY 2013					
		May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
1 Draft outline of legal and administrative system for urban development will be formulated	1.1	To review the current overall legal framework and existing individual laws related to urban development such as the urban development law, the land law, the housing law, the construction law and identify problems																																						
	1.2	To review the current situation of urban development in UB City including the private sector, clarify the urban development project mechanism, and identify the problems																																						
	1.3	To grasp overall situation of law enforcement in urban development sector and identify problems associated with legal operation																																						
	1.4	To study Japanese and other countries' overall legal system for urban development																																						
	1.5	To formulate the outline of overall legal system for urban development suitable for Mongolia based on the current urban development situation, referring to other countries' experiences																																						
	1.6	To identify targeted laws and technical manuals for redevelopment of UB City to be dealt with in the project																																						
2 New and revised laws, enforcement regulations (implementation guidelines), and technical manuals for urban development will be drafted	2.1	To review the state of implementation of planned area development and redevelopment projects under MRTUCUD and UB City, and identify the issues and problems related to urban development legal system including urban development finance for the project implementation																																						
	2.1.1	To conduct situational analysis of urban development and urban development project system																																						
	2.1.2	To identify and analyze problems																																						
	2.2	To monitor the pilot projects under the implementation in UB City and identify the problems through their implementation																																						
	2.3	To study Japanese laws related to urban development and urban development project system																																						
	2.4	To formulate the scheme models of planning and implementation of planned area development according to the urban development types such as old apartment reconstruction, Ger area redevelopment (from Ger to apartment), and land readjustment in Ger area																																						
	2.4.1	To formulate the project scheme model for redevelopment in old apartment area																																						
	2.4.2	To formulate the project scheme model for redevelopment in ger area (conversion of ger to apartment)																																						
	2.4.3	To formulate the project scheme model for redevelopment in ger area (ger area land readjustment)																																						
	2.5	To formulate the policy on revision and development of relevant urban development legal system and related technical guidelines to realize the above scheme models																																						
	2.6	To formulate drafts of new and revised laws, regulations (implementation guidelines) and technical manuals																																						
	2.6.1	To formulate drafts of new and revised laws which have already been started																																						
	2.6.2	To formulate drafts of new and revised laws																																						
2.6.3	To formulate regulations (implementation guidelines)																																							
2.6.4	To formulate technical manuals																																							
2.7	To verify the applicability of the above drafts of laws, regulations and manuals to the pilot projects implemented in UB City and finalize the drafts																																							
2.7.1	To review draft of laws and other documents through the feedback from case studies of pilot projects implemented by the MRTUCUD and UB city																																							
2.7.2	To modify and finalize drafts of laws and other documents based on the above verification																																							
3 Role and responsibility of each agency which deals with urban development according to the above draft laws, regulations and technical manuals will be clearly defined and the institutional capacity will be improved.	3.1	To analyze the current situation of government agencies in charge of urban development and redevelopment projects in UB City																																						
	3.2	To analyze the implementation system and implement projects in UB City																																						
	3.3	To formulate the orientation of institutional capacity development including ideal organization and institutional arrangement based on 3.2 to implement the drafts of 2.7																																						
	3.4	To prepare the road map for realization of the organization and institutional arrangement formulated in 3.3																																						
4 Operational capacity of urban development system of staff in charge will be enhanced.	4.1	To conduct OJT through the revision and formulation work of laws, regulations and technical manuals																																						
	4.1.1	To examine how to conduct OJT																																						
	4.1.2	To conduct OJT																																						
	4.2	To implement the training programs in Mongolia and Japan for relevant government officials to promote redevelopment projects in UB City based on the analysis of 3.2																																						
	4.2.1	To assess the current individual staff capacity																																						
	4.2.2	To analyze the capacity gap at individual level based on 3.2																																						
	4.2.3	To prepare training programs																																						
4.2.4	To prepare training materials																																							
4.2.5	To conduct training programs in Mongolia																																							
4.2.6	To conduct training programs in Japan																																							
Project management and operation	4.3	To plan and implement dissemination and promotion activities about urban development project in UB City																																						
	JCC																																							
	Task Force Meeting																																							
	Seminar																																							
	Evaluation																																							

→ ongoing → completed ☆ JCC, Task Force Meeting, Seminar, etc.

86

M.H. N

Appendix 2: Attendants at the 4th Joint Coordination Committee Meeting

Date /Time: 9:30 – 11:30, 24th May 2013

Venue: Meeting Room, Ministry of Construction and Urban Development, Ulaanbaatar

List of Attendants

Name	Organization	Position
<Mongolian Side>		
Mr. G. Mergenbayar	Strategic Policy and Planning Dep't, MCUD	JCC Vice Chairperson, Director
Mr. Ts. Bayarbat	Coordination of Urban Development and Land Management Policy Implementation Dep't, MCUD	JCC Secretary, Director
Mr. B. Tsedensamba	Construction and Building Material Policy Coordination Dep't, MCUD	Director
Ms. Dondomaa	Strategic Policy and Planning Dep't, MCUD	Senior Officer
Ms. Elbegsaikhan	ALAGaC, MCUD	Division Head
Ms. Khulan	Foreign Relation Dep't, MCUD	Division Head
Mr. Bayantuul	Foreign Relation Dep't, MCUD	Senior Officer
Ms. Tsolmon	Housing and Utilities Dep't, MCUD	Officer
Ms. Gankhuu	Finance and Treasury Dep't, UB City	Division Head
Mr. Narangerel	Urban Planning, Architecture and Design Institute	Chief Engineer
<Japanese Side>		
Mr. Toshinobu Kato	JICA in Mongolia	Resident Representative
Mr. Yutaka Wakisaka	JICA in Mongolia	Program Officer
Ms. A. Bulgan	JICA in Mongolia	Program Officer
Mr. Nobumasa Kiguchi	JICA Project Team	Project Manager
Dr. Katsuhide Nagayama	JICA Project Team	Deputy Team Leader
Ms. Rieko Sasaki	JICA Project Team	Training Planning and Management
Ms. Ts. Tungalag	Staff for JICA Project Team	Project Coordinator/ Urban Planning
Ms. Uyanga	Staff for JICA Project Team	Project Secretary/coordinator
Mr. Nergui	Staff for JICA Project Team	Interpreter
Mr. Ankhaa	Staff for JICA Project Team	GIS operator

Notes:

- MCUD: Ministry of Construction and Urban Development
- ALAGaC: Administration of Land Affairs, Geodesy and Cartography

Appendix 3: Member of Joint Coordination Committee

Chairman:	Mr. R. Erdeneburen	State Secretary, Ministry of Construction and Urban Development (MCUD)
Vice Chair:	Mr. S. Ochirbat	Vice Mayor in charge of Construction, Urban Development and Investment, UB City
	Mr. G. Mergenbayar	Director, Strategic Policy and Planning Dep't, MCUD
Secretary:	Mr. Ts. Bayarbat	Director, Coordination of Urban Development and Land Management Policy Implementation Dep't, MCUD
Mongolian Side:		
	Mr. B. Tsedensamba	Director, Construction and Building Material Policy Coordination Dep't., MCUD
	Ms. R. Erdenetsetseg	Director, Housing and Utilities Policy Implementation Dep't., MCUD
	Mr. A. Khurelshagai	Director, ALAGaC, MCUD
	Mr. B. Batarsaikhan	Director, Construction Development Center
	Mr. B. Tuguldur	Division Director, Finance Policy & Debt Management Dep't., Ministry of Finance
	Mr. Ch. Bat-Erdene	Director, Legal Environment Reform Policy Dep't., Ministry of Justice
	Mr. S. Bayarbaatar	Head, Strategy Policy and Planning Department, UB City
	Mr. N. Natsagdorj	Director, Master Planning Dep't., UB City
	Ms. L. Narantuya	Director, Investment Authority, UB City
	Mr. Sh. Tumrbaatar	Director, Property Relation Dep't., UB City
	Mr. S. Otogongerel	Director, Legal Affairs Dep't., UB City
	Mr. S. Gankhuyag	Director, Ger Area Development Dep't., UB City
	Ms. E. Gankhuu	Head, Finance and Treasury Dep't., UB City
	Mr. S. Tsahiur	Director, Urban Planning, Architecture and Design Institute (UPADI), UB City
Japanese Side:		
	Mr. Toshinobu Kato	Resident Representative, JICA in Mongolia
	Mr. Nobumasa Kiguchi	Project Manager, JICA Project Team
	Dr. Katsuhide Nagayama	Deputy Team Leader, JICA Project Team