



2030 WRG MONGOLIA ENGAGEMENT

Key Lessons Learned on Multi-Stakeholder Governance

Executive Summary

This report captures the lessons learned from 2030 Water Resources Group's (2030 WRG) Mongolia Multi-Stakeholder Platform (MSP) to strengthen 2030 WRG's ongoing and future multi-stakeholder programmes, marking the exit of the 2030 WRG as the facilitator and secretariat of the Mongolia MSP. To do this, relevant documentation was reviewed, and key partners were interviewed, including members of the 2030 WRG team. The focus was both on the overall program (approach, milestones and achievements, theory-in-use) and 2030 WRG's functioning as the multi-stakeholder platform facilitator.

Setting the Scene

Mongolia faces important water resources challenges. High reliance on groundwater due to rainfall variability, in combination with its increasing consumption by industries and mounting pollution are putting pressure on limited groundwater resources. A high-demand scenario under a technical assessment conducted by 2030 WRG sketches a reality that by 2030, 43% of the total water demand in the capital city of Ulaanbaatar, and by 2040, 34% of the water demand in the mining sector, will not be met by existing supplies. This strain on Mongolia's water resources is intensified by climate change, leading to an annual mean air temperature increase of 2.25°C, which is triple the global average.

2030 Mongolia Engagement: A Brief Overview

To address the water resources challenges, important reforms to the legal and policy environment of water resources management have been ongoing for decades. Translating these reforms into practice proved difficult, though. This moved Tsakhiagiin Elbegdorj, then President of the People's Republic of Mongolia, to ask 2030 WRG in 2011 to support Mongolia in improving its water resources management through an MSP approach. In 2013, the 2030 WRG Mongolia partnership was officially launched.

2030 WRG engagements follow a three-step process of engagement known as Analysis-Convening-Transformation (ACT). Accordingly, 2030 WRG kickstarted its Mongolia engagement with a targeted analysis of the country's water challenges and opportunities. This was followed by convening a multi-stakeholder platform Steering Board comprising public and private sector and civil society decision-makers. The analytics identified three workstreams:

WORKSTREAM

1

Water demand reduction and supply augmentation

WORKSTREAM

2

Water valuation and incentives for sustainable water management

WORKSTREAM

3

Strengthening water governance with multi-stakeholder partnership

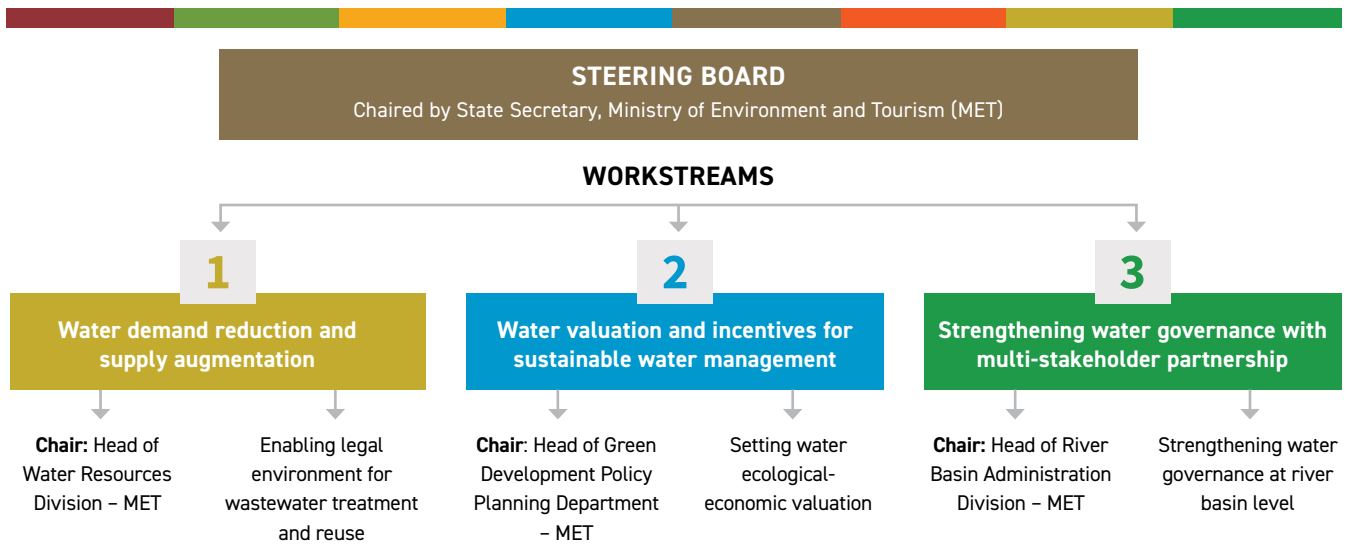


Figure 1. 2030 WRG Mongolia partnership workstreams overview

While 2030 WRG facilitated the processes, local partners were always in the lead. The engagement that followed supported the Mongolian Government to strengthen water resources governance and management at a national level and at the river basin level. Central to this was 1) generating analytics to focus and ground multi-stakeholder processes and dialogues, 2) improving the policy framework, including supporting policy instruments, for more effective implementation, 3) incentivizing and stimulating more sustainable water resources management practices, and 4) strengthening water resources governance and management at the river basin level. Key activities were analyzed, multi-stakeholder consultations conducted, joint appraisals of international best practices undertaken, lessons identified, and capacity building undertaken. The following key achievements can be celebrated:

1. Outputs contributing to improved water resources policy framework, including supporting policy instruments:

- Revised and improved methodology for water ecological-economic valuation
- National Standards for Treated Wastewater Reuse (MNS6734: 2018)
- Revised and improved water pollution fee law, including uptake of polluter pays principle and a simpler methodology to estimate pollution levels in domestic and industrial wastewater
- Assessment and recommendations for improving urban water tariff system
- New national Integrated Water Resources Management (IWRM) strategy and plan, aligned with the new national development policy program, Vision 2050, and the Environmental Targeted Program (ETP)

2. Outputs contributing to improved water resources management: incentivizing and stimulating better water resources management

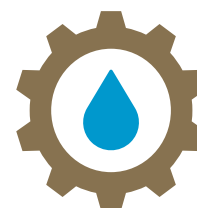
- Voluntary Code of Practice for mine water management signed by 11 mining companies
- Golden Drop award
- Demo project at the Teachers' Development Institute in Ulaanbaatar to show feasibility and added value of reusing treated wastewater and providing a replicable approach
- Wastewater reuse projects in Ulaanbaatar resulting from 2030 WRG's technical hydro-economic analysis on Ulaanbaatar city, which mobilized close to \$100 million from the Millennium Challenge Corporation
- Groundwater portal and dashboard

3. Output contributing to improved water resources governance and management at the river basin level

- Improved River Basin Council (RBC) guidelines
- Improved capacity and knowledge dissemination at the stakeholder level to ensure adequate performance of the RBC

Multi-stakeholder Platform Resilience Appraisal

To appraise 2030 WRG's performance as facilitating unit, the KORUMO multi-stakeholder platform resilience dashboard (MSP resilience dashboard) was used. It has five indicators to evaluate performance: visioning, facilitation, adaptability, governance, and financial sustainability. KORUMO scored 2030 WRG's performance based on their review. 2030 WRG scored well, especially in terms of facilitation, governance, and financial sustainability. They were fully in service of the MSPs and principles such as transparency, ownership and inclusion guided the entire process. This was time-consuming and labor intensive, but it was also fundamental to the achievements of the program. In terms of visioning, 2030 WRG also performed well. Their performance could have been improved, however, by adding an adaptive theory-of-change to the design of the ACT approach.



Lessons Unearthed

LESSON 1

Safeguard shared vision by guiding multi-stakeholder interventions with explicit, coherent, and consistent visioning.

The programme reveals a coherent and consistent theory-in-use. To safeguard unity and effectiveness of multi-stakeholder processes an explicit theory-of-change is beneficial.

LESSON 2

Effective facilitation of an MSP implies working in service of the MSP. Having a neutral broker can stimulate a successful MSP, especially in tense situations where trust between partners

is lacking and stakeholders are not yet aligned in terms of the interests they pursue. Neutrality should be complemented with competence. In particular, the ability to thoroughly understand the context and its inherent complexities, but also the different stakeholders' needs and interests. Regarding stakeholders, 2030 WRG learned that engaging the right stakeholders, in a balanced way from the start is an important ingredient for success. It might be time-consuming and labor intensive but is key to an effective MSP. Lastly, adhering to guiding principles like transparency, continuous engagement, inclusiveness, and the maintenance of high-quality will cultivate ownership, accountability, and respect. This is key to effectively facilitating an MSP.

LESSON 3

Be concrete and 'finish what you start'. By focusing on concrete outputs and anchoring such outputs for durability, stakeholders remain motivated, and the sustainability of

the MSP is more likely. If an output involves planning, involve the stakeholders who need to execute the plan. This will ensure higher impact. Accompany concrete outputs with a 'finish what

you start' attitude. Having milestones to celebrate intensify stakeholders' drive. In line with this, it is also worthwhile investing in an exit strategy of the external facilitator into the MSP design. It should be an integral part of the plan. This aligns expectations and can ensure a suitable exit at an opportune moment.

LESSON 4

Use analytics effectively and prioritize knowledge exchange. Analytics can be used to ground complex dialogues and processes. They can demystify challenges and provide a focus

on solutions. To realize this, stakeholders must understand the analytics involved and this often implies targeted engagement with specific stakeholders to guide them through relevant data and documentation.

In addition to using data, knowledge exchange should be a priority of any multi-stakeholder process. Knowledge exchange can drive progress by, for instance, avoiding MSPs from reinventing the wheel. It can also, however, drive replication and upscaling. Knowledge exchange is relevant at both international and local levels. In case of international lessons and best practices, it is relevant to include experts who can help translate and adapt foreign solutions to local realities effectively.

LESSON 5

Embrace serendipitous opportunism by being sensitive and responsive to contextual opportunities when envisioning an MSP.

Sometimes various elements, such as willingness and resources, come together to produce fruitful opportunities. Being sensitive and responsive to such situations can provide a notable impetus for progress.



Conclusion

Considering the water resources challenges that Mongolia faces, improving the country's water resources management is critical. In 2013, 2030 WRG and the Mongolian government launched the 2030 WRG Mongolian partnership to support efforts to improve water resources management in Mongolia. From 2013 to 2022, 2030 WRG led the MSP to implement more sustainable practices throughout the extractive sector, enabled a legal and policy environment that is more conducive to sustainable water resources management, and increased capacity where actual implementation of more sustainable management practices are relevant, i.e., at the river basin level.

Successful ingredients of the 2030 WRG approach included:

- Commitment to the MSPs and their partners
- Competent and knowledgeable interventions for impact on the ground
- Inclusive and qualitative engagements to align stakeholders and drive the sustainability of initiatives

This, together with the importance given to transparency, cultivated important levels of respect and ownership as well as mutual accountability. In addition, 2030 WRG facilitated the MSPs to anchor outputs in both legal and policy frameworks and human capacity. This is powerful, as it will increase the probability of the MSP's impact enduring. Partners are positive about the advances made and feel that they could not have attained these reforms and changes as competently and timely without the facilitation of 2030 WRG.

As 2030 WRG withdraws, it will be up to the local partners to reflect and see how they will move forward. The knowledge and competence are in Mongolia. Ultimately, it is up to the partners to take this forward. Facilitating multi-stakeholder processes to address complex issues, such as water resources management, however, is not straightforward and this is where this report and in particular the lessons included intend to contribute.

