Your Excellency Mr. SAIKHANBILEG, Cabinet Secretary  
Honorable Mr. DAVAASUREN, Member of Parliament and Chairman of the Budget Standing Committee,  
Vice Minister of the Ministry of Economic Development, Mr. CHULUUNBAT  
Vice Minister of the Ministry of Labor, Mr. BATHKHUYAG  

Distinguished Guests,  
Ladies and Gentlemen,  

I am very happy to welcome you to the fifth dialogue in our Development Dialogue series. I am grateful that in spite of a very busy schedule, Minister Saikhanbileg is giving us such strong support and has agreed to provide the opening remarks. Similarly, I am very grateful that Mr. Davaasuren has made time for us despite the budget discussions in the Parliament this week. Their presence today attests to the importance of the topic we will discuss as does the choice of this venue.  

Given the constraints of space in Government House because of numerous meetings, we ended up getting the largest space in the building! In many ways, it correctly reflects the importance of the issue that we intend to address through this Dialogue.  

UNDP launched the Development Dialogue series last November in partnership with the Ministry of Economic Development and support from the British Embassy, to support informed policy discussions among key stakeholders on issues of significance for the development of Mongolia.  

We organized 4 dialogues in the first year, attended by members of Parliament, and representatives from the Government, civil society, academia, media and international development organisations. We are today launching the new series of 4 Dialogues that will continue until March 2014.  

This 5th Dialogue today is organized as a panel discussion on the topic of ‘Promoting equality and inclusive growth in Mongolia’ - a topic that is of considerable importance for Mongolia.  

Ladies and Gentlemen,
The Mongolian growth story is one of success. The country has established a strong and stable democracy and achieved fast growth since its independence. But despite fast GDP growth, driven primarily by the mining sector, the country still faces many challenges and development has not been even.

This is evident from the 5th MDG Progress Report, which is soon to be released as well as the Poverty Map Study published last year, which show that even though most of the global MDG targets will be achieved by 2015, progress on many indicators is uneven across regions and vulnerable groups. It is clear that while some people have benefitted, others have fallen behind. An example of uneven development is from Nalaikh district, which has twice the average poverty level of Ulaanbaatar.

Why should this be so, especially when Nalaikh is only 40 kilometres from the capital city? Clearly, the fast paced economic growth that is so visible in Ulaanbaatar has so far not fully benefitted places like Nalaikh.

The message that we would like to give you today is that Mongolia needs growth, but not any kind of growth. It needs growth that is:

1. Equitable, meaning it reduces poverty and inequality; and
2. It is growth that is participatory.

These together make up inclusive growth. I will now elaborate on these elements a bit more.

Poverty is on the decline but in a country where growth is in the double digits there is really no reason why poverty should also be in the double digits. In a country where business is booming, there is no reason why some districts such as Nalaikh should still struggle with high unemployment. In a country with a vibrant and young population, there is no reason % of young people should have so much difficulty finding decent jobs.

On inequality: whether it is by creating jobs for those young people, or providing social infrastructure and support to female headed households who remain behind when their husbands go away to seek jobs in mining in other parts of the country or by further investments in health or education, there is much that can be done to identify and meet the needs of vulnerable groups such as youth, disabled, children, women and the poor to ensure they equally benefit from the growing wealth.
Inclusive growth also means **giving voice and the means for all groups of society to participate in and contribute to growth**. Whether it is the herders, the ethnic minorities, women, the disabled, the informal sector workers or others – they should all have the opportunity to shape the development agenda of Mongolia and have a part in its achievement.

**The Government of Mongolia is already taking strong steps in this regard.** Whether it is the push for decentralization which allows citizens to take even a stronger role in local decisions, especially the implementation of the Local Development Fund, or the launch of the Soum Development Fund, which aims to promote economic activity at even the smallest soums in the country or passing an election law that mandates 30% quota for women in political party lists – the Government is indeed doing much to promote inclusive growth.

**But a lot more needs to be done.** MDGs are soon coming to an end. Mongolia needs a new and bold vision for the longer term, a Post MDG agenda, on how it will promote inclusive growth. We need to **make inclusive growth a stated goal of the country’s development policy.** We need to **identify new targets through the lens of inclusive growth and sustainable development** and **commit to concrete and measurable actions to reach those targets.** It is only through such a vision that puts people in its center that we can **extend the benefits of Mongolia's rapid economic growth to all its people.**

Ladies and gentlemen,

This is what we would like to debate in our Dialogue today. What is inclusive growth? What does it mean for Mongolia? How can we achieve it? What the opportunities? What are the challenges?

I look forward to an active and interesting discussion and thank all of you for your presence here today.

Before concluding I would like to thank all our panelists and Vice Minister Chuluunbat for moderating the discussion.

**I hope the debate and the exchange of views today will generate ideas for promoting inclusive growth in Mongolia and, in some small way, help in achieving the overall objective of improving the lives of the present and future generations of Mongolians.**
Thank you.