DEVELOPMENT DIALOGUE ON SUSTAINABLE URBAN DEVELOPMENT IN MONGOLIA

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Keynote Speech

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Your Excellency Mr. Bayarsaikhan, Minister of Construction and Urban Development (MCUD) and Member of Parliament (MP) of Mongolia,

Your Excellency Mr. Bat-Uul, Mayor of Ulaanbaatar City

Excellencies,

Representatives of Development Partners,

Ladies and Gentlemen,

Urbanization is one of the defining trends in recent decades.

The movement of large populations from rural to urban areas in search of opportunity and security has dramatically reshaped the development landscape.

Governments around the world are grappling with the challenges and opportunities created by the increase in urban populations.

The real challenge is not just to construct adequate infrastructure, but also to help urban populations realize their dreams and aspirations for a better quality of life; safety and security; and a life of human dignity for themselves and their families.
In Mongolia in the 1950s only 20 percent of Mongolians lived in urban areas. By 2010 this had surged to 68%; significantly higher than the regional average of 42.2%.

Ulaanbaatar alone now houses 40% of the country’s population.

Sixty five percent of national GDP is now generated here, and urban settlements overall account for more than 80 percent of economic activity.

When people in the rest of the world think of Mongolia, they think of a nomadic nation herding livestock across the rolling steppes.

But Mongolia is now an urban country.

Those of us working in development; governments, international organizations and civil society, need to adjust our perspectives and frameworks to account for this change.

We need to increasingly focus on enhancing human development of city dwellers.

This is the theme and purpose of today’s dialogue.

To frame today’s discussion I would like to touch upon three key challenges, and the opportunities than can be created if managed well.

These challenges relate to sustainability, exclusion and participation.

**Sustainability**

The rapid growth of cities like Ulaanbaatar places a tremendous strain on its environment and infrastructure.

One of the most visible symptoms of this is air pollution.
The World Health Organization ranks Ulaanbaatar as one of the five cities in the world with the worst air pollution.

Air pollution here is driven mainly by transportation and heating.

In responding to this challenge, it is important to seize the opportunity to promote more sustainable and affordable options such as improved public transportation, incentives for energy efficient vehicles and urban planning that promotes walking and bicycling when and where possible, thus making the city livable.

There are many examples of visionary city governments that have successfully done just this, such as the Busway system in Jakarta and urban transportation planning in Latin American cities.

As Enrique Peñalosa, the former Mayor of Bogota said; “A developed country is not a place where the poor use cars, but where the rich use public transport.”
Similar visionary thinking can be applied to the challenge of energy demand and energy efficiency.

On the side, with its blue skies Mongolia offers ample opportunities to benefit from solar energy - a renewable source.

On the other hand, it is paramount that energy is used efficiently and with the least loss.

I was happy to learn that UNDP Mongolia has worked with the Ministry of Construction and Urban Development in developing building norms and standards for energy efficiency.

But of course success and energy gains will only be achieved if these standards are enforced and implemented.

Looking forward, it will be important to also recognize and plan for the impacts of climate change and increased climate variability.

While cities in Mongolia are not vulnerable to catastrophes such as typhoons or widespread floods, they still feel the impacts of climate change through the knock-on effects of harsh winters (dzuds) and summer droughts.

**Exclusion**

People migrate to cities in search of a better life; a safer environment, access to better services and facilities and the opportunity to earn higher incomes.

This promise is not always fulfilled. In many instances, migrants end up living in informal settlements in peri-urban areas, with limited access to government services and infrastructure and facing high levels of unemployment and poverty.

We can see the same in and around Ulaanbaatar.
Urban deprivation and inequality are not regularly analysed in Mongolia, and it is difficult to paint a detailed picture of exclusion at this point.

However there is evidence from our consultations with local partners and stakeholders that significant disparities exist in access to services and employment opportunities.

A 2010 World Bank study indicated that some ger areas had unemployment rate as high as 68 percent, compared to 23 percent in the better-off areas of the city.

These disparities and inequalities deprive many Mongolian citizens of the benefits that the country’s progress should bring.

It also creates social tensions that can manifest in crime and violence, particularly if those who are excluded are youth.

UNDP has worked with the Government of Bangladesh on improving livelihoods and living conditions of the poor.

We would be happy to provide more details about this and other projects that may help our partner institutions in Mongolia design effective strategies for reducing exclusion and urban poverty.

This brings me to the third issue that I wish to highlight today.

**Participatory Governance**

Participation and civic engagement are critical for good governance. In cities across the world, participatory approaches to governance have been linked with better quality service delivery, inclusive policies, and social cohesion.
Successful participatory approaches begin at the local level where citizens are most connected to government institutions and where they feel the greatest impact of policies on their daily lives.

Over the last 2 years, UNDP has been working with local councils around the country to build their capacities to better represent their constituencies in local planning efforts.

United Nations -HABITAT’s Community-led Ger Area Upgrading in Ulaanbaatar City project is another example of civic engagement in local development.

In order to empower ger area residents, local-level Community Development Councils were established which can take on the responsibilities of operation and maintenance of projects to address development issues in their respective neighbourhoods.

Successful participatory governance requires both a robust state and an active civil society with healthy levels of civic engagement.

This is why UNDP supports governments across the Asia and the Pacific to create mechanisms for citizens’ engagement in policy processes.

It also focuses on increasing the capacities and skills of civil society organizations to effectively participate and engage in decision making processes and increase government accountability.

**UNDP’s value**

UNDP recognizes the significance of urbanization and urban challenges at global and regional levels.
We have an urban development strategy in the Asia-Pacific that focuses on sustaining human development through inclusive and sustainable growth; building urban resilience; and offering solutions to the challenges of urban governance.

We recognize that for effective urban development, we must focus not only in supporting decentralized governments and structures at the urban level but also policy development at the national level.

UNDP stands ready to provide support to the urbanization policy making in Mongolia.

I would like to particularly highlight some concrete areas where we can strengthen our partnership on urbanization in Mongolia:

- UNDP is building a regional policy team that includes international experts on urbanization. They will work on scaling successful local initiatives up to national reforms across countries in Asia and the Pacific. We will focus on sharing information through a South-South urbanization exchange model.

- Here in Mongolia, a concrete partnership is already developing. At the invitation of the Ministry of Foreign Affairs and the Ulaanbaatar City administration, UNDP will be providing technical inputs to the proposed Northeast Asian Mayors’ Forum to be held here later in August.

  This high-profile meeting will bring together city administrators from six Northeast Asian nations to discuss common challenges and opportunities in making urban development dynamic, inclusive, and sustainable.

I congratulate and commend the Government of Mongolia, and particularly Your Excellency the Minister and Your Excellency the Mayor of Ulaanbaatar
City, for recognizing the importance of sustainable urban development as a way to promoting human development in the country.

UNDP very much looks forward to strengthening our existing partnerships with the government and stakeholders on addressing the urban challenges that Mongolia faces.

Let us work together.

Thank you.