

Mongolia became a member of the NDC Partnership



The NDC Partnership aims to enhance cooperation so that countries have access to the technical knowledge and financial support they need to achieve large-scale climate and sustainable development targets as quickly and effectively as possible. Through its in-country engagement, the NDC Partnership engages directly with ministries and other stakeholders to assess needs and identify opportu-

nities for collaboration across sectors, regions, and international partners. The Partnership members provide targeted and coordinated technical assistance, from supporting policy and strategy formulation and implementation of NDCs, to mobilizing resources and designing monitoring and evaluation frameworks.

The NDC Partnership also increase knowledge sharing by developing global knowledge products, filling gaps in existing research, and building a community of learning around the experiences of countries. The first NDC Partnership Forum in Mongolia will be organised in 2017 to discuss Mongolia's current climate change policy framework, institutional scenario, and assessment of the first phase (2011-2016) of National Action Program on Climate Change, and the NDC implementation roadmap, including main strategy and mechanism to implement and promote it.

(More information: [www.ndcpartnership.org](http://www.ndcpartnership.org))

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# JOINT CREDITING MECHANISM

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## TWO MORE PROJECTS IN MONGOLIA REGISTERED UNDER THE JOINT CREDITING MECHANISM (JCM)

The Joint Committee between Mongolia and Japan registered two JCM projects "10MW Solar Power Project in Darkhan City" and "Installation of 2.1MW Solar Power Plant for Power Supply in Ulaanbaatar Suburb" in May 2017.

Both projects are supported by the Ministry of Environment, Japan through its Financing Programme for JCM Model Projects. They join the list of projects implemented in Mongolia under the Mechanism, with two energy-efficient heating infrastructure projects already registered and three other projects preparing for registration.



10MW Solar Power Project in Darkhan City

By replacing grid electricity generated using fossil fuels, the 10MW solar power plant in Darkhan City is expected to reduce 11,221 tCO<sub>2</sub>e of greenhouse gas emissions per year, making it the biggest JCM project in Mongolia to date.

The solar power plant can potentially provide clean energy to 20,000 households and reduce energy import from Russia. The other registered project, 2.1MW grid-connected solar power plant in Monnarán Ulaanbaatar suburb, is expected to reduce approximately 1,677 tCO<sub>2</sub>e of greenhouse gas emissions per year. Participants of both projects will monitor the reductions using measurement, reporting, and verification (MRV) methodologies approved by the JCM Joint Committee between Mongolia and Japan and are expected to issue JCM credits in the future. As of September 2017, the Joint Committee has approved three methodologies for projects covering installation off energy-saving transmission lines, high efficiency heat only boiler, and solar PV system.

Globally, the JCM has 40 approved methodologies (for energy efficiency, renewable energies, biogas, biomass, transportation, and waste gas/heat utilization) and 20 registered projects. The JCM is implemented on a bilateral basis between Japan and 17 partner countries. (More information:

## Mongolia and Japan issued the JCM credits from two projects

After one year of project monitoring, the Mongolian and Japanese government issued JCM credits for the greenhouse gas emissions reductions through two projects, "Centralization of heat supply system by installation of high-efficiency heat only boilers in Bornuur soum" and "Installation of high-efficiency heat only boilers in 118th School of Ulaanbaatar City" in September 2016. Based on project participants' request, the Japanese side issued 125 credits and the Mongolian side issued 32 credits to their respective JCM registry systems. Companies wishing to issue credits from their projects are required to open accounts in the Japanese or Mongolian registry system. The credits issued to the Japanese registry will be accounted appropriately as Japan's reduction.

## Highlights

- The Mongolian and Japanese government registered two new JCM projects of solar photovoltaic power plant
- The Green Climate Fund approved a USD 20 million fund to support loans for projects by Mongolian small and medium enterprises.
- Mongolia submitted its First Biennial Update Report (BUR) to the UNFCCC in August 2017. It includes Mongolia's National Greenhouse Gas Inventory for year 1990 and 2014.
- Mongolia plans to communicate its subsequent "Nationally Determined Contributions" in 2018.
- Mongolia became a member of the NDC Partnership, a coalition of countries and institutions working together to mobilize support and achieve ambitious climate goals while enhancing sustainable

[www.jcm.go.jp/mn-jp](http://www.jcm.go.jp/mn-jp), [www.jcm-mongolia.com](http://www.jcm-mongolia.com)

## The Green Climate Fund approved a USD 20 million funding for a small-medium business loan programme in Mongolia

The Green Climate Fund (GCF) announced its approval for a USD 20 million funding for "Business loan programme for GHG emissions reduction" in Mongolia with XacBank, a GCF Accredited Entity. This funding will enhance XacBank's ability to support loans to Mongolian enterprises investing in energy efficiency and renewable energy projects. The GCF's contribution (consisting of 97.5% loan and 2.5% grant) will be blended with other financial sources to fund low-carbon projects that will help Mongolian enterprises adopt enduring, low-carbon business models, and help alleviate the current prevalence of high financing costs and relatively short-term loan periods. In accordance with GCF's gender focus, at least half of the financial support will go towards women-led Micro, Small and Medium-Sized Enterprises.

The GCF was set up by the Parties to the UNFCCC to support the efforts of developing countries to respond to the challenge of climate change by limiting or reducing their GHG emissions and adapting to



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climate change. It aims to deliver equal amounts of funding to mitigation and adaptation through grants, loans, equity or guarantees. To channel its resources, the GCF works through Accredited Entities whose activities include proposals development and project or program management.

(More information: [www.greenclimate.fund](http://www.greenclimate.fund))

## Mongolia published its National Greenhouse Gas Inventory with information of emissions in 2014

Mongolia published its latest National Greenhouse Gas Inventory in its Initial Biennial Update Report submitted in August 2017.

Emissions of GHGs from various sources and sink categories have been estimated using methodologies that are consistent with the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, even though non-Annex I Parties are not obliged to do so,

because the guidelines include updated methods and improved default values.

In general, IPCC Tier 1 method was applied, although there were selected categories such as fuel combustion and fugitive emissions from solid fuels, and LULUCF, for which Tier 2 method was used. In general, emissions and removals from each sector increased in 2014 compared to the base year.

### Mongolia's GHG emissions/removals by sectors in 1990 and 2014

| Sector                               | Emissions (GgCO <sub>2</sub> e) |                  | Change from 1990 (GgCO <sub>2</sub> e) | Change from 1990 (%) |
|--------------------------------------|---------------------------------|------------------|--|----------------------|
|                                      | 1990                            | 2014             |  |                      |
| Energy                               | 11,091.14                       | 17,267.79        | 6,176.64                               | 55.69                |
| Industrial processes and product use | .66                             | 328.06           | 109.39                                 | 50.03                |
| Agriculture                          | 10,585.30                       | 16,726.98        | 6,141.68                               | 58.02                |
| Waste                                | 55.62                           | 159.91           | 104.29                                 | 187.49               |
| Total (excluding LULUCF)             | 21,950.73                       | 34,482.73        | 12,532.00                              | 57.09                |
| LULUCF                               | -23,024.18                      | -24,451.93       | -1,427.75                              | 6.20                 |
| <b>Net total (including LULUCF)</b>  | <b>-1,073.46</b>                | <b>10,030.80</b> | <b>11,104.26</b>                       | <b>1,034.44</b>      |

In the Chapter of Mitigation Actions and Their Effects, Mongolia outlined its climate change mitigation policies and actions as described in the INDC. In addition, it included international market mechanism activities including the Clean Development Mechanism (CDM) and the JCM.

| Sector      | Measure  |
|-------------|--|
| Energy      | Increase the share of renewable energy in the energy production from 7.62% (2014) to 30% in 2030.  |
|             | Reduce system loss in distribution and delivery and ineffective consumption from 13.7% and 14.4% (2014) to 7.8% and 9.1% by 2030.  |
|             | Decrease heat loss in buildings and increase energy efficiency by 40% by 2030, compared to 2014.   |
|             | Reduce fuel consumption of vehicles and engines by upgrading road network to tarmac road at 11,000 km by 2021 and electrify main rail roads.   |
|             | Increase number of gas and fuel efficient vehicles of public transportation by increasing the share to 13% by 2030.  |
| Industry    | Fully introduce dry technology in cement production by 2030.   |
|             | Increase productivity through advanced technology by 25% by 2025.  |
|             | Supply fuel demand by domestic production to meet Euro 5 standard 100% by 2030.  |
| Livestock   | To decrease livestock number.  |
|             | To improve livestock productivity and to increase the export of raw materials.   |
|             | To retain the proper ratio of the number, type and structure of the herd by increasing number of camel by 0.3%, horse by 3.1%, cattle by 8%, sheep by 2.7% and decreasing number of goat by 14.1% in herd structure by 2021 compared to the level of 2008. |
| Agriculture | To establish forest strip zone in arable land by ensuring legal framework to build enclosure to protect soil from erosion of wind and water.   |
|             | To increase the yield to 20.0 centner/ha by 2025.  |
|             | To reject traditional technology of plough by encouraging and supporting zero and reduced tillage technology.  |
| Forest      | To increase naturally regenerated and planted forest area by 1,500 thousand ha by 2030.  |
|             | To decline forest area affected by fire and insect by 70% (fire) and 100% (insect) by 2030.  |
| Waste       | To reduce depletion of resources and raw materials, reduce waste through effective production, introduce zero waste technology.  |
|             | To increase recycling by 7.6 times by 2022 compared to 2013.   |
|             | To reproduce 40% of waste in 2030.   |
|             | To reduce waste incineration by 40% in 2030  |

## Mongolia plans to communicate its subsequent "Nationally Determined Contributions" in 2018

Mongolia submitted its Intended Nationally Determined Contributions (INDC) in 2016 which turned into a First NDC after the country ratified the Paris Agreement in 2017. The mitigation policies and measures communicated in the NDC are expected to achieve 14% reduction in total national GHG emissions excluding LULUCF by 2030 compared to the projected emissions under BAU scenario. Mongolia also emphasized the importance of climate change adaptation, highlighting the country's high vulnerability. Adaptation undertakings cover animal husbandry and pasture, arable farming, water resource, and forestry sectors.

The Paris Agreement requires all of its Parties to put forward their best efforts through their NDCs and

to strengthen them in the years ahead. All Parties are also required to report their emissions and their implementation efforts on a regular basis. Mongolia plans to renew its First NDC in 2018. In the same year, Parties will organise a facilitative dialogue to evaluate how NDCs meet the short-term goal of peaking global emissions and the long-term goal of achieving net zero emissions by the second half of this century. This dialogue will prepare Parties to start the process of taking stock of collective efforts towards the goal of the Agreement and to inform further individual actions by Parties. This process, called 'global stocktake', will take place every 5 years.

(More information:

<http://www4.unfccc.int/ndcregistry/Pages/Home.aspx>)