



# QUALITY OF LIFE AND MIDDLE CLASS

SOCIAL WELFARE AND SOCIAL INSURANCE SYSTEM REFORM

AFFORDABLE HOUSING

EMPLOYMENT AND START-UP BUSINESS

HEALTHY AND ACTIVE LIFESTYLE

LAND RELATIONS

**GOAL 3.** Sustainably increase family income by promoting employment, cultivate active and creative families with adequate housing, develop middle class able to run competitive micro, small, and medium businesses in an enabling investment environment and capable of sustaining their families; and supported with satisfying living conditions.





OBJECTIVE 3.1. Develop life-guaranteeing social protection services and strengthen the social insurance system to improve the quality of life.

#### THE OBJECTIVE'S STAGES OF IMPLEMENTATION AND EXPECTED RESULTS

# STAGE I (2021–2030)

The period to reform the social welfare system.

- 1. Expand social insurance coverage.
- 2. Transfer pension insurance to a multi-layer scheme.
- 3. Provide social protection and welfare services fit to needs of various population groups and social development demands.
- 4. Fully cover vulnerable groups under social welfare services.
- 5. Provide adequate social welfare assistance to targeted vulnerable households and citizens.
- 6. Set up a fully independent social insurance system by fostering a proper management of the social insurance fund, and making it cost-effective.

# STAGE II (2031–2040)

The period to improve risk-free social welfare system.

- 1. Formulate the investment policy of the social insurance fund.
- 2. Create pensions reserve fund from incomes generated from mineral deposits and mortgage loans.
- 3. Carry out a partial transition of pensions insurance to the semi-saving system and turn social insurance premiums of customers born after 1979, into actual savings.
- 4. Introduce new types of welfare services that meet the needs of target, vulnerable groups and tailored to local circumstances.
- 5. Establish development centers to provide a long-term care and services for seniors.

# STAGE III (2041–2050)

The period to provide comprehensive social welfare services that improve the quality of life.

- 1. Commence the transition of pension insurance to a stage of full savings.
- 2. Develop social welfare services fit to the needs of households and citizens.

### **ACTIVITIES TO BE IMPLEMENTED IN 2021-2030 OF THE OBJECTIVE**

- 3.1.1. Implement a specific program to incorporate citizens and herders, engaged in the informal sector, into social insurance.
- 3.1.2. Refine the Social Insurance Law and related legal environment.
- 3.1.3. Provide basic pensions to all seniors.
- 3.1.4. Introduce supplementary private pension insurance, provide opportunities to get pensions from both the state and private pension funds, and support the financial market.
- 3.1.5. Improve social insurance database and monitoring. Carry out in cooperation with local administrations the training and advocacy work on compulsory social insurance of households and individuals, self-employed in production and services.
- 3.1.6. Formulate investment policies of the social insurance fund.
- 3.1.7. Create pensions reserve fund from incomes generated from mineral deposits and mortgage loans.
- 3.1.8. Carry out a partial transition of pensions insurance to the semi-saving system and turn social insurance premiums of customers born after 1979, into actual savings.
- 3.1.9. Commence the transition of the pension insurance system to the stage of full savings.
- 3.1.10. Channel social welfare assistance, support and services to improving the livelihood of the target vulnerable groups in line with their needs.
- 3.1.11. Enhance social protection activities through refining the database of social welfare beneficiaries by the introduction of blockchain technology.
- 3.1.12. Introduce a new type of caring services tailored to local specifics as well as welfare services based on public participation with a view to promote development and protection of target group households and to raise their livelihood.
- 3.1.13. Set up development centers designed to provide long-term assistance and services to seniors.
- 3.1.14. Pursue a policy of ensuring a workplace initially for one member of a vulnerable group household.
- 3.1.15. Enroll uneducated and unemployed heads of target group households and their members of labor age into vocational or capacity-building training in pursuit of the policy on turning them into professional workers.
- 3.1.16. Establish a circulation fund and a system of renting books and textbooks for children of target group households who attend primary schools, provide discounts for children's uniforms and bear some expenses related to meals and transportation of children living in boarding facilities.



- 3.1.17. Focus on nurturing educated, and knowledgeable Mongolian citizens free from poverty through fully enrolling children of target households into kindergartens and schools, providing them with an opportunity to get an education and have access to professional and diploma training scholarships.
- 3.1.18. Create a consolidated and comprehensive system of long-term assistance and services for seniors and persons with disabilities.

Figure 3.1 Reform of Social Insurance Sector



All seniors will receive basic pension.

Supplementary private pension insurance will be introduced to enable both state and private pension funds and to support financial markets.

Figure 3.2 Pension Insurance

Introducing Partial Transition to a Semi-saving Social Insurance System and Creating Savings for Insurers Born after 1979

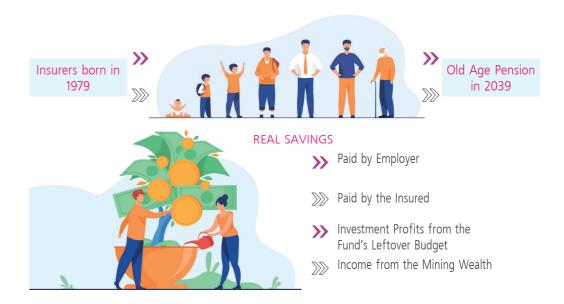
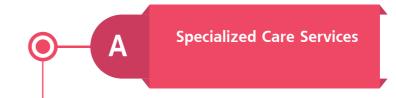


Figure 3.3 Social welfare Services



- Introducing Alternative Social Care Services in Collaboration with Private and Local Government Organizations
- Creating Legal Environment for Paid and Unpaid Services
- Providing State Budget Capitation Compensations to Individuals, Private Entities and NGOs for Providing Free Specialized Care Services







# AFFORDABLE HOUSING

OBJECTIVE 3.2. Create conditions for providing affordable housing fit to the needs and purchasing power of households.

### THE OBJECTIVE'S STAGES OF IMPLEMENTATION AND EXPECTED RESULTS

STAGE I (2021–2030) The period to introduce a system for the provision of affordable housing based on the purchasing power of households.

- 1. Introduce an affordable housing system based on the purchasing power of households.
- 2. Strengthen an affordable housing financing system in line with purchasing power of households.

STAGE II (2031–2040) The period to improve the quality and standards of affordable housing in conformity with the purchasing power of households and green development model.

1. Improve the conditions of ger district by increasing access to and provision of affordable, and quality green housing that conform to the purchasing power of the population.

STAGE III (2041–2050) The period to increase access to and provision of comfortable and quality housing fit to the needs.

1. Provide households with comfortable and quality housing fit to their needs and purchasing power.

# **ACTIVITIES TO BE IMPLEMENTED IN 2021-2030 OF THE OBJECTIVE**

- 3.2.1. Render policy support for providing affordable housing to the population and for promoting a green development model in the capital city, its satellite towns, villages, and the countryside.
- 3.2.2. Make construction blueprints of housing to fit the purchasing power of citizens, and improve norms, standards, relevant laws and legal environment.
- 3.2.3. Implement progressively the housing programs and projects in line with cities and settlements' development plans and render support for providing citizens with safe and comfortable housing fit to their income.
- 3.2.4. Implement with the participation of the state, local administrations and private sector the "Rent Housing" program for sixty thousand households.

- 3.2.5. Carry out replanning of ger districts in cities and settlements with citizens' participation with a view to transforming the districts into residential areas with central, semi-autonomous and stand-alone utility infrastructure.
- 3.2.6. Provide affordable housing through giving tax and financial support to economic entities implementing housing projects so that a certain part of apartments is rented by citizens with low to medium income or sold at low cost.
- 3.2.7. Introduce a temporary shelter system to target group citizens in dire need of housing within the state welfare benefits.
- 3.2.8. Promote advanced experiences and pursue favorable environment standards in housing planning to provide inhabitants with social infrastructure for rest and leisure, greenery, swimming pool and sports grounds.
- 3.2.9. Revise the housing funding system and optimize its organizational structure.
- 3.2.10. Expand opportunities for citizens to become eligible for mortgage loans by establishing an optimal insurance scheme for mortgage loans.
- 3.2.11. Implement flexible and multi-pillar mortgage loan policies that embrace both investments in the form of savings and discount funds designed to provide affordable housing adjusted to the population's purchasing power.
- 3.2.12. Create a sustained system of policy and financial support for introducing green housing.
- 3.2.13. Use state and local budgets as well as other investment sources to provide as a priority the engineering infrastructure to common and fringe zones of ger districts, create space for the construction of new housing through direct exchange of sites with built infrastructure for state-owned or private housing in line with the will and initiatives of citizens.
- 3.2.14. Carry out replanning of land plots of ger district households based on their will, initiative and participation, render policy support for activities designed to establish social and engineering infrastructure, greenery and playgrounds and provide funding opportunities from the state budget and other sources not prohibited by Law.
- 3.2.15. Provide banking and financial support for housing projects that envisage infrastructure building with smart, advanced technique and technology based on minimum use of natural resources within the state and local budgets, foreign and domestic loans and assistance and concession agreements.



















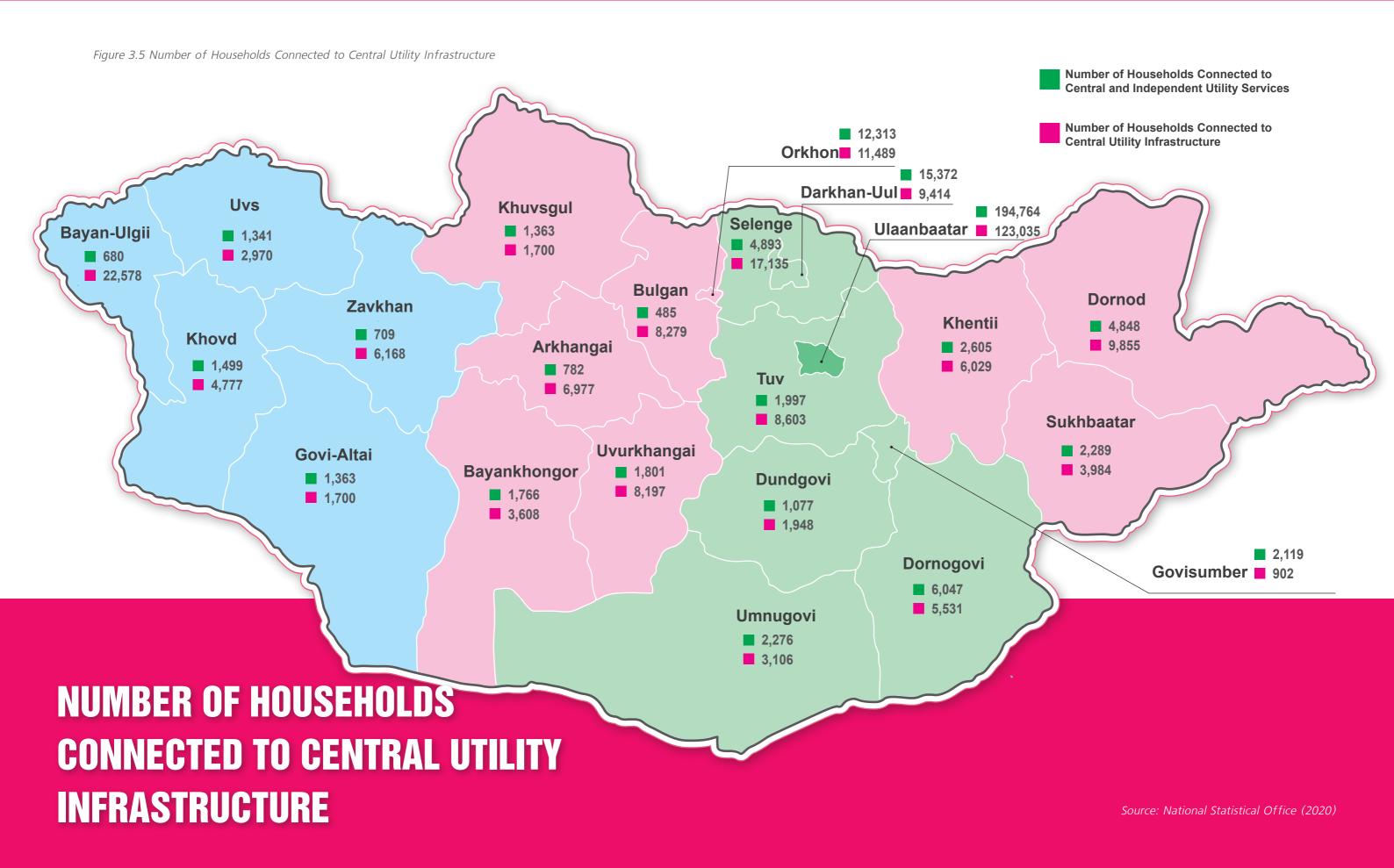
















OBJECTIVE 3.3. Render employment support, develop business know-how and skills, and raise the competitiveness of small and medium enterprises.

# THE OBJECTIVE'S STAGES OF IMPLEMENTATION AND EXPECTED RESULTS

STAGE I (2021-2030) The period to intensify activities aimed at promoting employment, creative initiatives, attitudes and skills, and supporting entrepreneurship.

- 1. Create an enabling environment to provide all the necessary support and assistance for young people to pursue their entrepreneurial aspirations.
- 2. Enhance an enabling environment for micro, small and medium businesses.
- 3. Encourage productive and decent job creation, entrepreneurship and creativity, and reduce poverty, and expand middle class.
- 4. Reduce inequality in all sectors of the society, increase the number of middle-income citizens and improve the quality of life.
- 5. Provide up to 75 percent of herders and farmers with sufficient power sources, equipments and technology, soft loans and other financial support to enable them to run family business, and create an optimal scheme to distribute their products to markets.
- 6. Ensure a stable business income source for herders and farmers.

STAGE II (2031–2040) The period to raise the competitiveness of small and medium enterprises.

1. Develop public-private partnerships for financing the introduction of innovations, technologies and knowledge-sharing, promote the production of export-oriented products and services, and support their access to export markets, and create an opportunity for micro, small, and medium businesses to compete on world market.

STAGE III (2041–2050) The period to step up the competitiveness of micro, small, medium entreprises.

1. Promote the culture of micro, small and medium enterprises able to compete on world market, and to develop innovation, new technology and knowledge-based micro, small and medium enterprises in line with the world standards.

### **ACTIVITIES TO BE IMPLEMENTED IN 2021-2030 OF THE OBJECTIVE**

- 3.3.1. Connect aimag and soum communities and cooperatives and citizens engaged in family business and individual entrepreneurs with financial markets, ensure interlinkage of projects on setting up cost cluster network, and create workplaces in an organized way to the state and aimag procurement schemes.
- 3.3.2. Establish trading centers in soums for direct sale of products and create a distribution network.
- 3.3.3. Render support for small and medium enterprises and economic entities, establish a storage and trading complex of public property.
- 3.3.4. Keep an integrated registration of jobless target group households and citizens seeking membership at cooperatives and conduct mediation work.
- 3.3.5. Carry out "One Settlement-One Product" campaign to support the independence and creativeness of rural citizens and spread the campaign to each soum.
- 3.3.6. Establish the information system, comprising all required data for ensuring a sustained development of the branch.
- 3.3.7. Render support for implementing pilot projects in the food production sector on procurement of raw materials and manufacturing adjusted to local specifics.
- 3.3.8. Support the implementation of pilot projects in agriculture and light industry to procure raw materials and manufacturing adjusted to local specifics.
- 3.3.9. Provide land to herders, crop cultivators and vegetable growers at discount rates.
- 3.3.10. Implement projects on manufacturing products of small, medium and final processing in food, agriculture, light industry and construction sectors.
- 3.3.11. Pursue policies in support of ecosystems encouraging creative endeavors and strivings.
- 3.3.12. Implement measures aimed at enforcing creative initiatives, attitudes, skills, customs and activities of the population.
- 3.3.13. Work out and implement the "Youth Entrepreneurship" national program.
- 3.3.14. Take comprehensive measures on providing the young people engaged in start-up business with the necessary knowledge and skills to expand and step up their business and promote the related infrastructure.
- 3.3.15. Introduce modern forms of financing designed for start-ups and establish an effective financial system.
- 3.3.16. Elaborate and implement a program on connecting the national big economic entities and foreign-invested economic entities with micro, small and medium businesses and on promoting supplies.
- 3.3.17. Support micro, small and medium businesses through state purchases, provide



- them with required raw materials and equipment, ensure human resources reserves, and create professional workers' database.
- 3.3.18. Create an enabling environment for lending loans without any bail to micro, small and medium businesses by big economic entities based on the state purchasing agreement.
- 3.3.19. Expand and improve the activities of the loan security fund and promote its
- 3.3.20.Increase financial remuneration and support for micro, small and medium businesses and create an enabling legal environment.

- 3.3.21. Promote cooperation with the financial sector to ensure inclusiveness and acceptability of loan products offered by financial institutions for business people.
- 3.3.22. Improve the inclusiveness and quality of services that facilitate the formalization of business activities.
- 3.3.23. Digitalize information related to export and import markets, create opportunities to enter the export market and provide relevant policy support.

# **KEY EMPLOYMENT INDICATORS**

**EMPLOYMENT RATE** 

54.4%

**UNEMPLOYMENT RATE AND** PERCENTAGE 10%

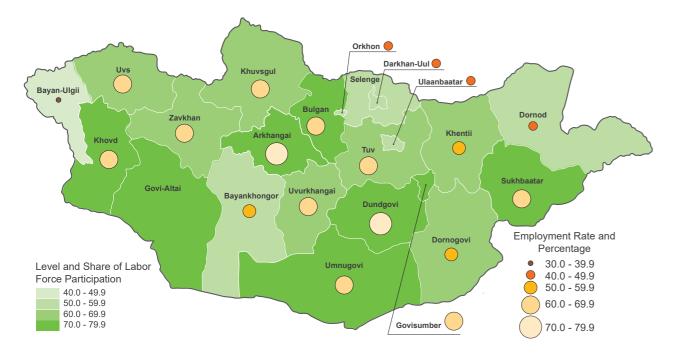
THE END **OF YEAR** 2019

PROMOTE EMPLOYMENT **AND INCREASING ACCESS TO SERVICES** 

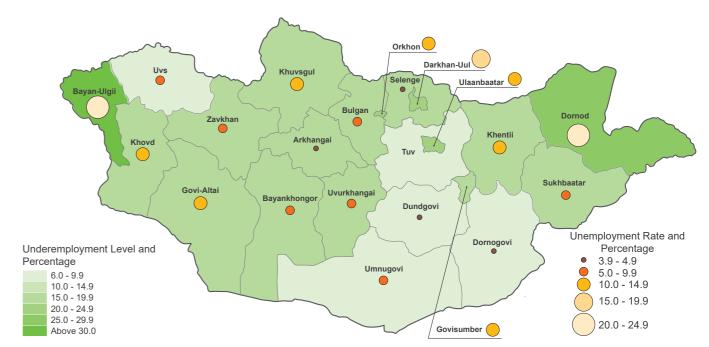
REGISTERING **INFORMAL SECTOR**  **ACCELERATING WORK TO ESTAB-LISH DATABASES FOR EMPLOYMENT AND EDUCATION MARKETS** 

**PROMOTING SOCIAL INSURANCE COVERAGE** 





- Promote Employment and Increasing Access to Services
- Improving Legal Environment to Formalize Informal Sector



Source: National Statistical Office (2020)

- Developing E-services for Labor and Education Markets
- Promoting Social Insurance Coverage





# FUNDING IN SUPPORT OF THE MIDDLE CLASS

OBJECTIVE 3.4. Provide financial services and risk protection designed to expand the middle class.

# THE OBJECTIVE'S STAGES OF IMPLEMENTATION AND EXPECTED RESULTS

STAGE I (2021–2030) The period to reinforce financial services aimed at expanding the middle class.

1. Set up a system for implementing the policy of targeted financing, discounts, and accessible services.

STAGE II (2031–2040) The period to invest in activities aimed at expanding the middle class.

1. Constantly develop demand-driven targeted financing and discounts, and to increase budget allocation and expenditures for activities aimed at expanding the middle class.

STAGE III (2041–2050) The period to expand the middle class and protect fully from financial risks.

1. Stabilize and develop in line with the international standards the household-friendly banking and financial services aimed at expanding the middle class, to implement risk protection policy allowing households to self-sustain.

# **ACTIVITIES TO BE IMPLEMENTED IN 2021-2030 OF THE OBJECTIVE**

- 3.4.1. Promote banking and financial activities favorable to citizens with low and medium income.
- 3.4.2. Create loan products (like trust loans, leasing and new types of multiple financial services) that meet demand by increasing and diversifying loan products to develop micro, small and medium businesses.
- 3.4.3. Provide scholarships for children of households with low or medium-income to acquire education in science, technology, engineering and mathematics.



OBJECTIVE 3.5. Encourage citizens and families with an active lifestyle and create an enabling environment for physical culture and sports.

# THE OBJECTIVE'S STAGES OF IMPLEMENTATION AND EXPECTED RESULTS

STAGE I (2021–2030)

The period to set up a quality, accessible and effective physical culture and sports system

- 1. Set up a flexible and open system based on public and private partnership that provides physical culture and sports services to the public.
- 2. Improve quality and performance-based financing and insurance system for physical culture and sports services.
- 3. Introduce an online service in physical culture and sports, and to create an integrated national database.
- 4. Enhance the support to human resources development, and capacity-building in physical culture and sports.

STAGE II (2031–2040) The period to develop an effective physical culture and sports system that fosters citizens with healthy life-

- 1. Set up a system to support active lifestyle, and introduce into planning of residential complex and districts in urban setting the creation of a comfortable environment for physical culture, sports and healthy lifestyle align with the international standards and requirements.
- 2. Develop priority areas in physical culture and sports and support talent identification following the changes occurred in the form and content of work, life and professional pattern.

STAGE III (2041–2050) The period for maturity of citizens and families, active in physical culture and sports.

1. Introduce artificial intelligence-based technologies and services to cultivate citizens and families with daily habits of active physical education and sports.



### **ACTIVITIES TO BE IMPLEMENTED IN 2021-2030 OF THE OBJECTIVE**

- 3.5.1. Transform physical culture into universal movement, elaborate and implement life-long education program on fostering active lifestyle in line with the needs of citizens and households.
- 3.5.2. Organize every four years a nationwide Games in different sports for citizens.
- 3.5.3. Establish minimum qualification standards according to age groups through conducting physical capabilities evaluation tests of citizens.
- 3.5.4. Support the physically active lifestyle of the population and enhance research study, training and advocacy of active lifestyle
- 3.5.5. Provide physical culture and sports services with in a supportive environment that meets international requirements and standards and increase their availability.
- 3.5.6. Introduce accredited and independent quality management according to the type of physical culture and sports services and implementation results.
- 3.5.7. Improve funding for physical culture and sports and provide funds taking into account compliance with clients' needs, quality of services, and proceeding from outcome and implementation results.
- 3.5.8. Create an integrated information database and platform to ensure management, organization and continued operation of information technology in the field of physical culture and sports.
- 3.5.9. Provide support for technology investments into physical culture and sports sector and the introduction of new advanced technology.
- 3.5.10. Organize services in the field of physical culture and sports in accordance with the population density, geographical location, demographic composition, migration and demand for services.
- 3.5.11. Renew qualification requirements for issuing license and accreditation to organizations engaged in conducting training on physical culture and sports program and transfer their functions to independent professional organizations.
- 3.5.12. Improve the system of the talent identification of children and young people, training and developing high performance athletes
- 3.5.13. Implement measures on planning, training and remunerating human resources in physical culture and sports to meet local demands and prepare human resources in the fields that are a priority and in most demand.



OBJECTIVE 3.6. Ensure equality, justice, national economic security and sustainable development by implementing smart and citizen-centered governance and management system on land.

# THE OBJECTIVE'S STAGES OF IMPLEMENTATION AND EXPECTED RESULTS

STAGE I (2021–2030) The period to create a healthy, safe and comfortable living environment through increasing the effectiveness and accessibility of state policy planning and implementation in regard to the land relations, geodesy and cartography.

- 1. Create an open and transparent land relations environment for citizens and the general public to rationally and efficiently use land and its resources.
- 2. Introduce land exchange and an integrated multi-purpose cadastre system, streamline a state monitoring arrangement of the unfield land database and its use.
- 3. Set up a permanent monitoring system for land and land use and introduce a scheme of land protection and its rehabilitation.
- 4. Upgrade the geodetic network of Mongolia and arrange for all scale topographic maps for the entire territory of the country.

STAGE II (2031–2040) The period to introduce smart and citizen-centered governance and management system on land with location-based spatial information.

- 1. Set up and strengthen land monitoring and integrated management system.
- 2. Develop and utilize a national integrated special information platform.

STAGE III (2041–2050) The period to ensure equality, justice, national economic security and sustainable development by implementing smart and citizen-centered governance and management system on land.

1. Set up and enhance an accessible and smart land management system.



#### **ACTIVITIES TO BE IMPLEMENTED IN 2021–2030 OF THE OBJECTIVE**

- 3.6.1. Improve the legal environment for urban development and land relations based on the adequate population residence and settlement system.
- 3.6.2. Create an integrated planning system of land organization based on knowledge and participation of citizens and the public.

Figure 3.7 Integrated Management Planning System for Land Use



Source: Minister of Construction and Urban Development (2020)

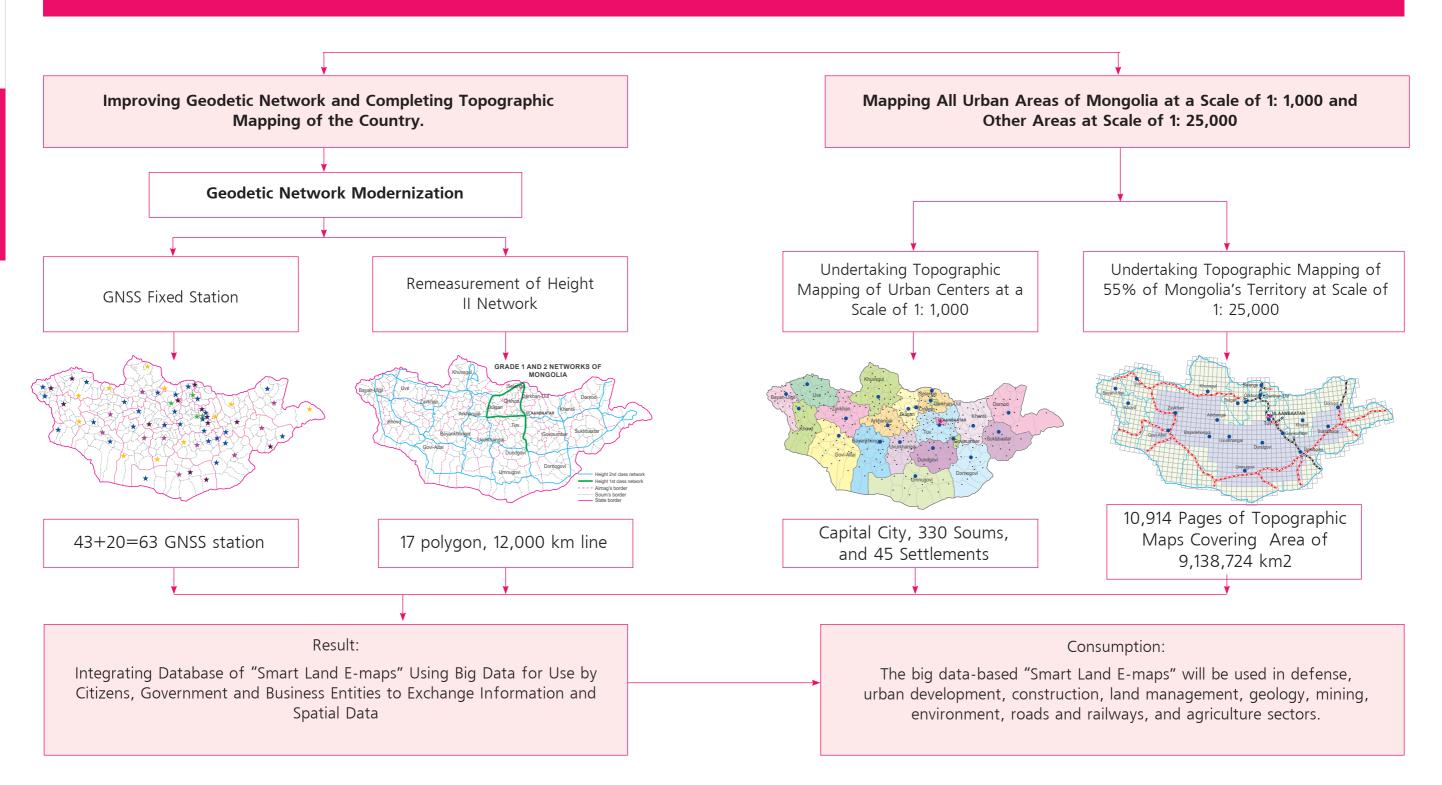
- 3.6.3. Establish a smart integrated land cadaster system and improve the availability of citizen-centered state services.
- 3.6.4. Conduct the nationwide census on land use according to its utilization purpose, make cadastral maps and register in the information database.

- 3.6.5. Establish a digital land stock exchange within the competence of the state administrative organization in charge of land issues and create an integrated system of land and immovable property.
- 3.6.6. Establish a geodesic measurement infrastructure throughout Mongolia's territory consisting of stations with regular operation and connected to the international geodesic network and create a digital system for disseminating their information to customers.
- 3.6.7. Carry out digital mapping of Mongolia's territory containing real-time information, deliver information promptly to customers, and provide locational and thematical maps and atlas of one approved pattern in compliance with customers' demand and needs.
- 3.6.8. Create an integrated system of geodesic measurements related to the planning, building, expanding and exploiting urban development and engineering infrastructure and housing.
- 3.6.9. Raise the efficiency of land use and protection based on land, nature, socioeconomic potential and capacity, promote land organization that is feasible and effective for citizens and economy, and ensure eco-balance.
- 3.6.10. Introduce and develop a permanently operating control system over land use and monitoring based on remote survey technology.
- 3.6.11. Create and develop an integrated system of land cadaster of three and four dimensions.
- 3.6.12. Establish a land evaluation system, payment, tax and stock exchange based on artificial intelligence and blockchain technology.
- 3.6.13. Promote a three-dimensional system of land and immovable property based on advanced technology.
- 3.6.14. Make at the national level a three-dimensional drawing of land location and underground engineering lines network.
- 3.6.15. Establish an international geodesic station of very-long-baseline interferometry (VLBI).
- 3.6.16. Increase the impact of location-based spatial information on socio-economic development.
- 3.6.17. Introduce internationally recognized standards and create innovations and partnerships for implementing effective land governance and management to ensure sustainable development of nature, economy and society.



Figure 3.8 Geodetic Network Modernization

# IMPROVING GEODETIC NETWORK AND COMPLETING TOPOGRAPHIC MAPPING OF THE COUNTRY





Creating Market for Land, Real Estate and Propertes Based on Reliable Information



Information will be Open And Transparent For Monitoring By Citizens, Government And Public





Full Registration of Immovable Properties



**Creating Integrated Database of Properties** 



INTRODUCING THREE-DIMENSIONAL CADASTRAL SYSTEM OF IMMOVABLE PROPERTIES



Reducing Disaster Risks



Increasing Income from Land and Real Estate Sales by 2-3 Times

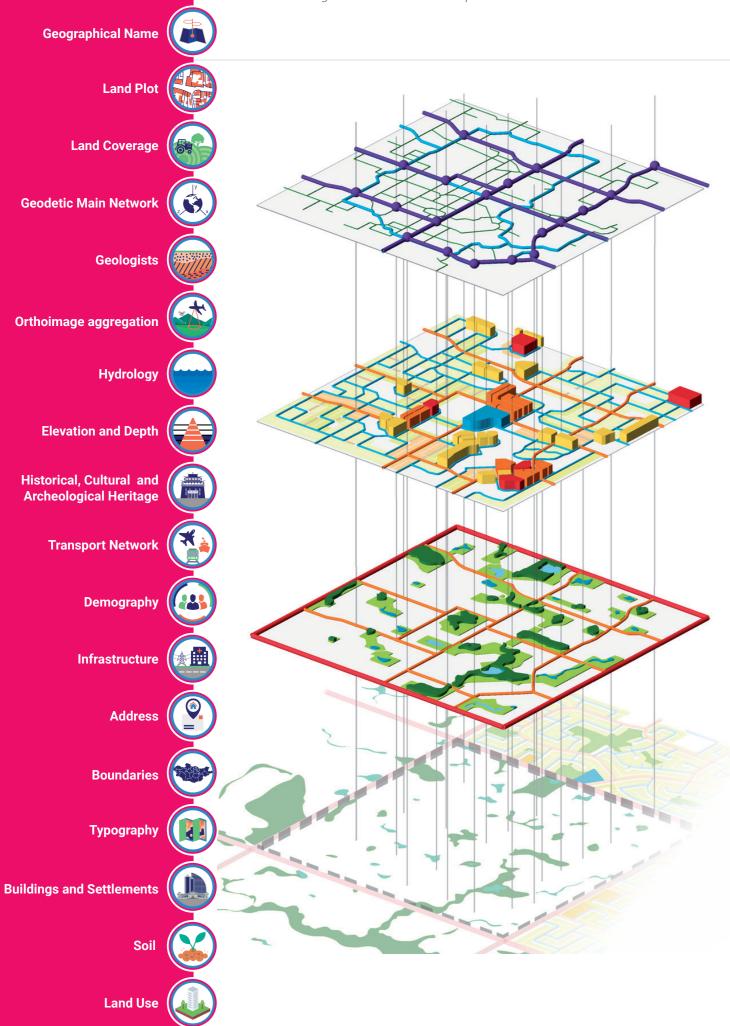


Increasing Tax Base by 4-5 Times

Source: Minister Of Construction And Urban Development (2020)

Figure 3.9 Integrated Three-Dimension Cadastral Database

# LOCATION BASED SPATIAL INFORMATION









MAP OF A
GOVERNMENT
ORGANIZATION AND
MAP OF CITIZENS,
PUBLIC AND BUSINESS
OPEN ELECTRONIC
SERVICES

Provide all sectors with locationbased spatial information and support rational decision-making.



# SPATIAL DATA INFRASTRUCTURE

Spatial Data, Standard, Policy, Metadata, Human Resources, Technology, etc.

# **DIGITAL ECONOMY**

- Smart E-government
- Land Management
- Strategic Economics and Urban Planning
- Population and Settlement
- Transportation
- Disaster Management
- Emergencies Services
- Mining
- Agriculture
- **Environment**
- Health and Social Care
- Infrastructure, Water, Electricity, Heating
- Trade
- Other Sectors: Culture, Tourism, etc.

Source: Ministry of Construction and Urban Development (2020)