

Mongolia

BEING PREPARED AND ACTING FAST:

A series of case studies on UNICEF's role in the delivery of effective social protection responses to COVID-19

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for every child



Mongolia:

Drawing on successful programmes to deliver a swift and effective social protection response

Mongolia's existing, near-universal Child Money Programme (CMP) was identified as the most suitable system to deliver an emergency cash transfer COVID-19 response, given that 96.6 per cent of children in Mongolia benefit from this flagship national programme. Furthermore, lessons learned from a recent government pilot implemented by UNICEF delivering shock-responsive cash transfers to mitigate climate risks were used in helping to implement a swift and effective response to the pandemic, building on the existing CMP implementation mechanism, its beneficiary database, payment and reporting systems, and national and local human resources. The government responded to the pandemic with a top-up to the CMP, increasing the benefit level by five times.

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Dambadarjaa, a herder from Tosontsengel soum, Zavkhan province, explains how an emergency cash transfer helped his family. “Our third daughter received the cash support. We don’t have regular income, so the cash was very timely and helpful in preparing for and coping with the winter.” He adds, “Zavkhan province had a severe winter at the time.”

UNICEF Mongolia and the Ministry of Labour and Social Protection designed a pilot programme through the national government social protection delivery system for the swift delivery of an emergency cash transfer to help vulnerable families cope with the impact of the winter months.

As Dambadarjaa’s wife Nansalmaa explains, “My daughter received cash into her child money account. We bought material to make a deel (traditional clothing). It keeps her warm. So I don’t have to worry. She likes her deel very much. She wears it all the time.”

Source: UNICEF Mongolia Country Office

Context

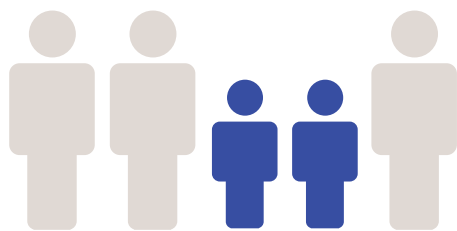
Children comprise one-third of Mongolia's population, representing the largest demographic group in the country. According to the National Statistics Office of Mongolia and the World Bank (2018), two in five people living in poverty are children under the age of 15, with poverty most prevalent amongst pre-school children. Mongolia is a landlocked country experiencing multiple and frequent weather related shocks. *Dzud* – a periodic winter weather disaster – occurs regularly, presenting challenges to deliver basic social services, and has a significant impact on child and family well-being lasting years, from enhanced risk of food insecurity and malnutrition to disruptions in school attendance.

In April 2019, UNICEF supported the Government to identify measures that were most effective in reaching vulnerable families during shocks, particularly climate-related risks including via the development of a feasibility assessment on shock-responsive social protection.

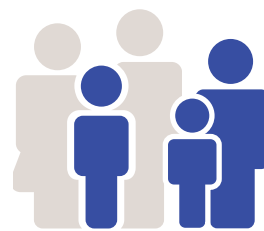
In 2019, UNICEF worked with the Government of Mongolia to assess the role of the existing Child Money Programme (CMP) in effectively reaching vulnerable families in the event of shocks, particularly climate-related risks. Given its near universal coverage, reaching 96.6 per cent of children, the CMP was identified as a critical system to strengthen for enhanced support. As a result, UNICEF supported the Ministry of Labour and Social Protection and the Zavkhan Provincial Government to implement a pilot programme, in collaboration with the United Nations Population Fund (UNFPA), the Food and Agriculture Organization of the United Nations (FAO) and the International Labour Organization (ILO), by expanding the government's monthly CMP by 200 per cent. This early action response for young children from herder households who were at risk of *dzud* was doubled for three consecutive months from February to April 2020. The evidence generated from this pilot and lessons learned proved to be of utmost relevance to support the government's strategy to formulate an appropriate response to the COVID-19 pandemic.

Figure 1: Rates of poverty in Mongolia

Who are the poor?



42% of the total poor are **children** (14 years old or younger).



Half of households with **3 children or more** are poor.

UNICEF's Response and Results

Transferring lessons from climate-responsive to shock-responsive social protection programmes:

Beginning in early 2020, the pandemic had a significant impact on the well-being of vulnerable children and their families. UNICEF worked alongside the Resident Coordinator's Office, and the Deputy Prime Minister's Office, who were managing the coordination of the pandemic response, to advocate for the expansion of the CMP programme for families most affected by the pandemic. Critical to the government's response was drawing on lessons learned from the pilot programme from December 2019, when the CMP delivery system was successfully tested and expanded to support families vulnerable to climate-related shocks. The government identified this measure as an effective modality, recognizing the impact on food security, particularly for children who were now staying at home along with the loss of household income due to restriction measures.

The government responded in April 2020 with an initial increase in the cash transfer of MNT 10,000, but soon realized this was inadequate to address the needs of vulnerable families. Consequently, the government increased the CMP to MNT 100,000 reaching 1.2 million children (more than two thirds of households) and leveraging about 850 billion MNT (US\$300 million). Monthly food stamps were doubled for five months for all household members. Persons with disabilities without social insurance, orphaned children, children with single parents and senior citizens not receiving pension benefits from social insurance also received an additional cash transfer for five months. UNICEF continued advocating for maintaining this programme, highlighting the multiplier effect of cash transfers on the local economy, resulting in an additional state budget allocation of US\$200 million which aimed to maintain the child benefit top-up for the first half of 2021.

In relation to the government's plan to discontinue the CMP top-up from July 2021, UNICEF continued to advocate for government and decision makers to sustain the measure given the continued hardship that households still faced. Recommendations were provided to the Prime Minister

of Mongolia, relevant ministers, Parliamentary Standing Committees and the newly elected President to keep the top-up and to reduce the size of the benefit gradually, if necessary. As of August 2021, discussions are ongoing at various levels of decision making.

Monitoring the effects of the child benefit on the most vulnerable families:

UNICEF supported the Ministry of Labour and Social Protection to monitor the child benefit top-up in order to continue generating evidence on how to effectively integrate shock-responsiveness into the social protection system. UNICEF partnered with the Asian Development Bank (ADB) to conduct a simulation exercise using the 2018 Household Socio-Economic Survey which showed how vertical expansion of the CMP would reduce poverty from 28.4 per cent to 24.7 per cent. The ADB assessment also concluded that the CMP top-up benefited the most vulnerable households. The review also looked at implementation mechanisms, how the top-up was being used by families to cope with the challenges they faced. The methodology was informed by the previous pilot, building on local research capacity to design and implement shock-responsive social protection programmes. The findings of this study are now being used to inform the government's decision on CMP programming.

Partnerships

The previous, ongoing and future technical support provided by the partnership of UNICEF and ADB was critical in guiding the development of the social protection system in Mongolia, building confidence and credibility among key decision-makers including the Ministry of Finance, international financial institutions, and development partners.

UNICEF collaborated with UN agencies, including ILO and FAO, as part of the SDG fund to extend social protection with enhanced shock-responsiveness to herders, and collaborated with UNDP and UNFPA in Mongolia on rolling out an integrated approach to SDG financing. These UN joint programmes enhanced collaboration with high levels of government, as well as improved coordination.

Lessons Learned

Preparedness enabled rapid mobilization to respond to the pandemic: Having the foresight to invest in the adaptive components of the social protection programme was key in successfully advocating for a response that would benefit the most vulnerable children and their families in Mongolia. The approach was previously tested, the evidence was clear, and the adjustments were relatively straightforward to implement. The clarity in UNICEF's strategic focus was critical in supporting the government to build a shock-responsive social protection system that was universal, inclusive and able to counter the negative coping strategies caused by shocks, whether climate-related or otherwise, including a health-related pandemic.

System-readiness facilitated additional financial support during a crisis: The provision of timely evidence on the design, implementation and impact of the child benefit was critical in making the case for securing the required budget allocations, both from domestic sources and from ADB, to maintain the top-up of the child benefit during the crisis and beyond. The sustainability of this programme is a concern for UNICEF, but evidence generation and policy advocacy with multiple partners increases the possibility of ensuring that the government will continue to invest in and strengthen this social protection programme.

Way Forward

Generating evidence to develop a national shock-responsive social protection strategy: UNICEF will continue to generate evidence on the impact of the CMP on poverty and inequality, particularly focusing on monitoring and evaluating the vertical expansion of the programme. Furthermore, UNICEF will continue to support a long-term strategy of investing in shock-responsive social protection systems with a focus on adaptability to multiple shocks and preparedness, institutional coordination mechanism including with non-governmental organisations and humanitarian agencies, as well as the affordability of such a programme.

Refining the national social protection system to address the needs of the most vulnerable children and families: The pilot programme and pandemic response revealed some exclusion and inclusion errors (both families who were excluded from the programme who should have received the transfer, and those that were included but who were no longer eligible), which points to the need to update the governmental Integrated Household Database. Presently, receiving the CMP is conditional on being registered in the database. The government is assessing requests of households who are not in the database for inclusion, and those who do not want to be in the database will make similar requests, increasing coverage to about 97 per cent. UNICEF is preparing to collaborate with the partners to work on various components of the system, to ensure the government is able to deliver a universal child benefit.

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