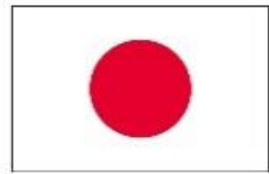




Japan
Fund for
Poverty
Reduction



From
the People of Japan

ADB Support for Sustainable Tourism in Mongolia

Country Case Study

Asian Think Tank Development Forum

17 November 2021



Overview

- Global biodiversity, wilderness, cultural values
- GOM vision: [global destination for nomadic culture](#)
- Tourism: small but emerging sector
- 2019: 7.2% of GDP, 7.6% of total employment, 88,700 jobs; 577,300 arrivals; sector growth (11.9%) > GDP growth (5.6%)
- By 2030: 11% (\$1.5 bn) of GDP, 95,000 jobs, 1 m arrivals/yr ([WWTC 2020](#))

- High priority to diversify economy, create jobs
- Focus on nature- and heritage- based tourism
- Protected area network >31.1 m ha (~19.8%)
- National targets: PA network 30% and 2 m arrivals / yr by 2030, scale up ecotourism, benefits for communities
- Domestic tourists: 31.2% of total tourism spending (2019)

**Globally
significant
wilderness,
biodiversity,
and heritage
values**











COVID-19 and tourism sector

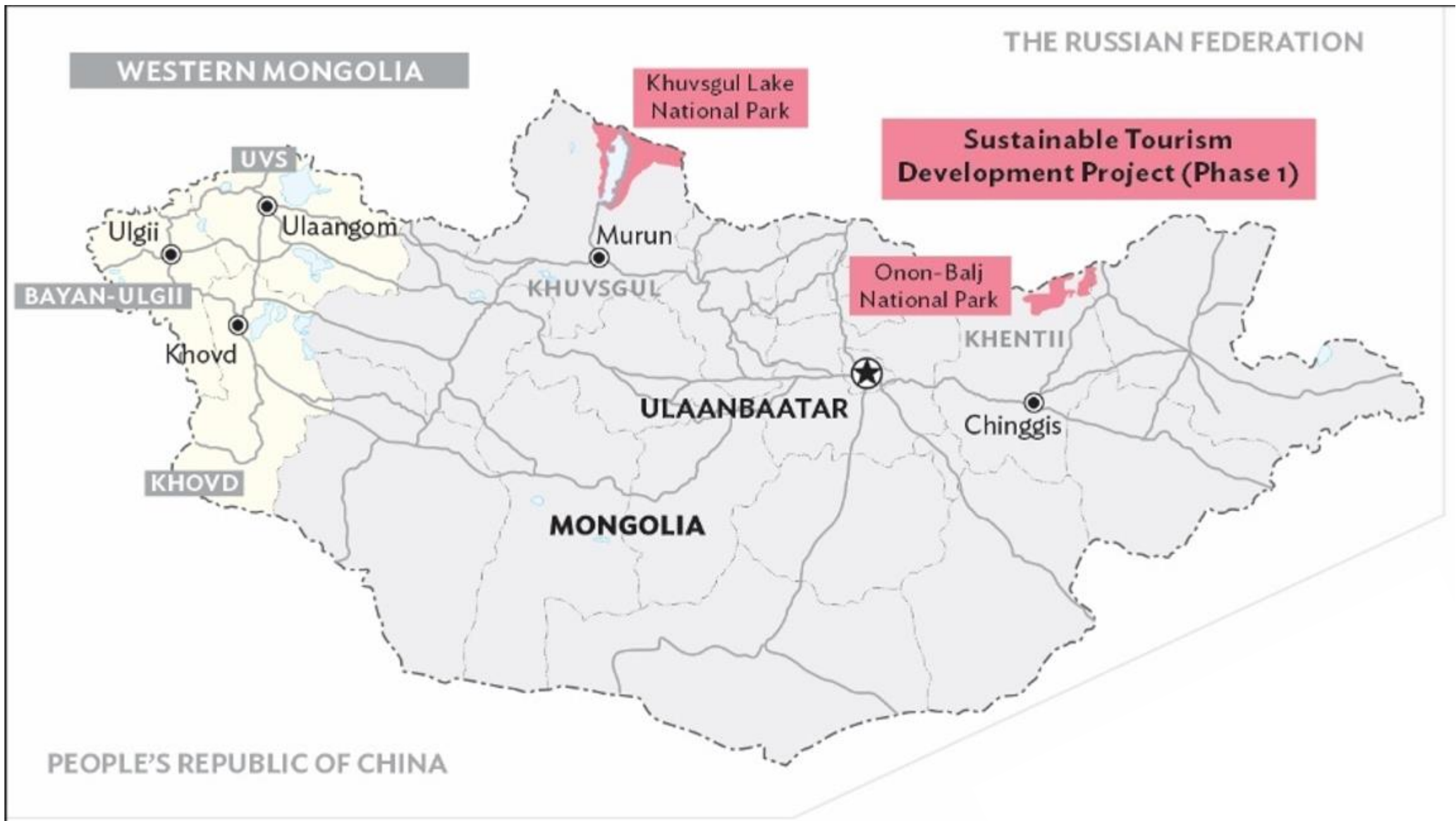
- 2020: border closures, decline—to almost zero—of international arrivals, estimated losses >\$421 m
- Rapid action, slow spread. Nov – 699 cases, 0 deaths
- 2021: Apr – 22,884 cases, 48 deaths ([WHO](#)), long shut-downs; 90% decline in revenue, visitor numbers
- >58% rural HH unable to generate income ([WBG 2021](#))
- National working group, e-Visa application system

ADB support 2015–2025

- Country and regional support
- 2015: Grant – 1 national park (**\$3 m, JFPR**)
- 2019: Loan – 2 national parks (**\$1.1 m JFPR, \$38 m**),
CAREC Regional Technical Assistance (**\$2.2 m**)
- 2021: Loan and Grant – 3 provinces (**\$2 m JFPR, \$30 m**)
- From 1 grant → thematic area of portfolio
- JFPR has been critical to catalyze support

ADB support characterized by:

- Focus on livelihoods, ecotourism, nature, culture
- Multi-sector approach addressing 4 key issues:
 - Limited inclusive planning and community benefits
 - Insufficient enabling infrastructure
 - Inadequate sanitation and waste management
 - Inadequate management of cultural heritage sites and protected areas



Features of project sites

- 8 protected areas, 5 provinces; urban, rural centers
- Remote. Low population densities
- Differing conditions – parks with high / low visitor numbers
- Rich cultural, ethnic diversity. Oldest rock art in Asia
- Transboundary borders – CAREC, PRC, Russian Federation
- UNESCO and Ramsar sites
- National priority for economic development

Core challenges

- Inadequate institutional frameworks for tourism planning
- Rural poverty. Few tourism skills, access to low-interest credit, or venues to sell products
- Limited infrastructure to catalyze tourism and protect resources at sensitive sites
- Protected areas underfunded, inadequate sanitation, increasing damage to natural values, rock art
- Post COVID-19 sector recovery and resilience



Approach

- **Manage** tourism (parks), **catalyze** tourism (rural sites)
- Integrated designs/safeguards, water, energy efficiency (EDGE), climate resilience, gender focus
- 1st grant, loan designed before pandemic; 2nd grant, loan during pandemic – new emphasis on economic revitalization, disease resilience
- Market analysis, post-COVID recovery projections
- The first lending projects for tourism in Mongolia

Project components

- Institutional: tourism master plan, *aimag* plans, park mgnt plans, tour camp manual and certification standards
- Livelihoods: revolving funds, financing, capacity building
- Infrastructure: tourist centers and streets, women-led markets
- Waste management: landfills, WWTPs, onsite toilets
- Post-COVID resilience: WASH program – youth-led, WHO-aligned
- Nature, heritage protection: HQ, camp sites, fee stations
- Digital Museum – e-resource independent of travel restrictions

Benefits

- Improved sector planning and standards
- New skills, jobs for communities and MSME: ~27,305 people
- Improved WASH standards, COVID resilience
- Empower women and youth
- Green building designs with universal access
- Improved visitor experience
- Improved management of 8 PAs, heritage sites >3.1 m ha

Key Messages

- Tourism important for MON post-COVID recovery
- Early post-COVID tourism: regional focus
- Parallel national and regional support essential
- Multi-sector approach needed
- Careful design planning to improve visitor experience but protect natural, cultural resources

Thank you

