



**OPENING REMARKS AT THE 1<sup>ST</sup> PAGE CONFERENCE  
FROM OYUN SANJAASUREN, MINISTER OF ENVIRONMENT, MONGOLIA**

Indeed, it is a great pleasure to be here in Dubai for the first PAGE Conference.

Hon. Minister Dr Rashid Ahmed Mohammed bin Fahad  
Mr Achim Steiner, Executive Director of UNEP  
Ladies and Gentlemen:

The greening of the economy has the potential to be a new engine of growth. It is not an impediment. It is not anti-market. It is not anti-business. Green development is a smart thing to do and will save precious resources. All of us in this room know this; that is why we are here in Dubai today. But it is not necessarily common knowledge and back in our countries, we still face hard work convincing many that this is the case.

Green economy is not only smart and progressive, it is an imperative. Climate change, population growth projections of 9 billion by 2050 and ever increasing demand for food energy and water, but also environmental pollution resulting in poor health of people, make the case that the green economy is very urgent.

Ours is a critical generation. This generation needs to be the generation people look back and say, "they recognised the severity of the problem and got it right."

The technology exists. The funds can be raised. We need to mobilise and we do not have the luxury of time.

Green economy is no longer thought of as a luxury for only developed and wealthy countries. Many developing emerging economies are having initiatives in this direction and with the political will to seriously commit to sustainable green development. We look forward to hearing about the UAE's new exciting Green Growth Strategy and other PAGE countries experiences these two days.

In our Asian region, the following countries are leading with greening their economies:

The Republic of Korea – impressive Green Growth path  
China – Eco Civilization  
Japan – 3R Initiative  
Vietnam – Green Economy  
Kazakhstan – Green Bridge Initiative  
Mongolia- Green Development Strategy

## 1. Brief background of Mongolia

- a. In 2012, our country, with a population of only 3 million people, had a 12.7 billion dollar GDP and 12.3% GDP growth rate.
- b. Compared to 15 years ago, our **GDP has grown tenfold**, our **GDP per capita has increased six fold** and our **government budget has grown twenty-fold**.
- c. About half of the population in Ulaanbaatar live in individual felt dwellings (yurts) without sanitation or heating. This constitutes 200,000 households, who burn coal in stoves for heating. Consequently, the air pollution of UB presents the #1 environmental health challenge for our capital.
- d. Mongolia intends to update and develop much of its infrastructure over the coming 10-20 years. As major investment decisions are being made, it is a unique opportunity to insert the green solutions into the plans, designs and implementations
- e. **Large-scale public investments are going to be taking place**, where we will transition these people to different forms of dwellings that are connected to the larger grid. This year alone, we will be building housing for 30,000 households.
- f. **95% of energy production is fossil fuel based**. The rest is from hydropower and wind energy. The current capacity of energy is 922 MW.
- g. With increased population growth, rural to urban migration, and economic growth **our energy demand is expected to quadruple by 2030**. It is our main challenge to figure out how to make this new energy demand met in a cleaner manner. Our industrial output energy intensity level is five times the world average intensity rate. There are immense opportunities for improving our energy efficiency.

## 2. Why Mongolia is joining PAGE

- a. In 2012, the new government transformed what used to be the Ministry of Environment and Tourism into the Ministry of Environment and Green Development, and then made it one of the four core ministries. Then, the government decided to pursue a more environmentally friendly government strategy.
- b. In 2013, Mongolia was a proud host of the World Environment Day, and welcomed the Executive Director of UNEP, His Excellency Achim Steiner. **Mongolia and UNEP announced** that we were one of first countries to join the PAGE initiative.
- c. Our Ministry, together with the Ministry of Economic Development, drafted the **Green Development Strategy**, which was approved by the Cabinet and is currently tabled at the parliament for discussion.
  - a. The main goals of the strategy follows the themes of **climate change adaptation, green financing, green employment, promotion of our environmental and cultural heritage, and sustainable development governance**.
  - b. Last November, we organized a series of workshops and meetings with the partners of PAGE. This May, we will be publicizing the initial report and our plans for the next few years.
  - c. Mongolia intends to invest heavily in housing, public buildings, infrastructure and energy in the next decades. There will be an inevitable **lock-in** in the environmental footprint of our development path, for many decades to come. And our Green Development Strategy lays the groundwork of our **departure from the existing trajectory of the brown economy to a green economy**.

### 3. Measures that have already been undertaken

- a. Clean technology- no taxes on sales of clean technologies (44 technologies and equipment, mostly renewable energy equipment, but also cleaner stoves and energy efficient lights)
- b. Renewable energy- feed-in-tariff, no import taxes.
  - i. Mongolia constructed its first large-scale wind farm last year.
  - ii. The feed-in-tariff system and exemption from import taxes were designed to support such initiatives.
- c. We are working on regulations for air and water polluters paying pollution fees.
- d. Revenues for use of natural resources , water, forestry, land fees etc, go directly to village and province funds. The good news is that there is a legally binding minimum of the revenues must be spent back on environmental protection and rehabilitation.

### 4. An example of public sector investment needs and potential for the PAGE-Mongolia cooperation

- a. We are making important decisions on infrastructure- railways, highways, electricity plants, and buildings, both public buildings and private housing.
- b. The Green Economy Report by UNEP states that the building sector, which is one of the largest contributors to greenhouse gas emissions, has the highest potential to reduce global GHG emissions.
- c. Let me use Mongolia's public investment in education facilities, particularly the construction of school buildings, as an example of where we have very clear needs from the PAGE initiative.
- d. Mongolia currently **needs to build 1,100 schools, kindergartens and dormitories**. Approximately \$3 billion dollars will have to be invested for this.
- e. This year, our plan is to build 200 schools. Only a few years ago, we typically built 20 schools a year.
- f. Even if we decide to build these schools in the greenest manner, **we do not yet have the capacity, experience or knowledge base** to make this happen. We need to address ways to make these schools energy and water efficient, which use heating sources other than just coal.
- g. If we, with the help of PAGE, can create the technical expertise and the knowledge and technology for building greener schools to architects, energy auditors, engineers, planners and so forth, it will be a great success.
- h. We can show that investing in green buildings is in fact money saving, resource saving and energy saving in the long term. Contrary to the current sentiment, we can show that this path is in fact pro-market and pro-business.

### 5. Mongolia's traditional environmental nomadic herding customs

- a. Mongolia is an example of a country that has not contributed much to the cause of climate change and yet is experiencing a disproportionate impact. The average temperature has risen by 2.1 degrees Celsius – three time more than the world average. As a direct effect, desertification, pasture degradation and melting permafrost are threatening nomadic pastoralism. A quarter of our population are still nomadic herders whose sole source of income is from their livestock, and the livestock depend directly on pastures and the climate.
- b. We like to believe that our traditional nomadic civilization is a green civilization. In modern terminology, it is **as if** our herders conduct life cycle analysis of their use of their animals.

- c. A single sheep will give a family its meat, its milk, its wool, and its felt. The felt will be used to make the felt lining of the nomads' yurts, or to make a warm winter shoe.
- d. Herders even make good use of all animal dung by burning them for heating in their yurts. Very interesting is the fact that herders also use them to build the walls of their animal winter shelters, and by creating a floor of dung to keep them warm. From cradle to grave, the herder focuses on every part of their animal to make sure that everything gets used.
- e. Having recognized our vulnerability, our Ministry's climate change coordination office has been leading many programs and initiatives on climate change mitigation and adaptation.
- f. In January 2013, we signed a bilateral agreement with Japan involving the **Joint Crediting Mechanism**, in which our two countries will implement projects to reduce GHG emissions through the transfer of low carbon technologies and finance. These reductions will be used as offset credits reduction targets.

## **6. What we expect from PAGE and similar initiatives**

- a. Our challenge is that despite the political will and our draft green strategy, what we need is technology, human capacity and initial knowledge as shown in our example with schools.
- b. We would like close cooperation with PAGE in the transfer of knowledge and information, in training professionals such as green architects, energy auditors, engineers and constructors. We want the assistance to address our country-specific needs (i.e. our cold weather, heating needs in the winter).

We are very excited to be a part of this partnership and I have high expectations for its future outcomes. With the help of this initiative, we believe we can leapfrog from our current brown economy to that of a green economy. I do not think that PAGE is just a nice idea, it is an historic responsibility of our generation to make it right.