

2023

IMPACT REPORT



LIST OF ACRONYMS

ADB	Asian Development Bank
BEST	Business Excellence for Sustainability and Transparency
CCR	Caritas Czech Republic
EU	European Union
ILO	International Labor Organization
KoSEA	Korea Social Enterprise Promotion Agency
LLC	Limited Liability Company
MCUD	Ministry of Construction and Urban Development
MLSP	Ministry of Labor and Social Protection
MOEL	Korean Ministry of Employment and Labour
MoU	Memorandum of Understanding
NBFI	Non-banking financial institute
NGO	Non-governmental organization
PIN	People In Need
SDG	Sustainable Development Goal
SME	Small, and Medium Enterprise
SOGE	Switching on the Green Economy
SSE	Strengthening Social and Solidarity Economy ToC Sustainable Finance Association
USAID	United States Agency for International Development
YBI	Youth Business International
YBM	Youth Business Mongolia
SMESSC	Small and Medium Enterprises, Services Support Center

CONTENTS

MESSAGE FROM THE EXECUTIVE DIRECTOR	4
BOARD OF DIRECTORS	5
ABOUT US	6
VISION, MISSION, AND CORE VALUES	6
BRANCH OFFICES OF DEVELOPMENT SOLUTIONS NGO	7
OUR SERVICES	10
ACTIVITY RESULTS /FACTSHEET/	11
PROJECTS AND PROGRAMS	12
PARTNER ORGANIZATIONS	58

MESSAGE FROM THE EXECUTIVE DIRECTOR



Greetings valued beneficiaries, partners, and board members,

Development Solutions NGO, focused on addressing challenges and expanding opportunities for its beneficiary entrepreneurs, is operating across 15 branches located in Ulaanbaatar, aimag centers, and some soums.

In 2023, we delivered services to 17,479 beneficiaries through various activities including training, meetings, consulting, mentoring, and accelerator programs. We facilitated loans totaling MNT 62.6 billion and helped create 1,500 new jobs. I am proud to acknowledge that these achievements were made possible by the collaborative efforts of our employees and customers, along with the effective and close cooperation with our partner organizations.

Specifically, the “Business Excellence for Sustainability and Transparency” (BEST) program, funded by the United States Agency for International Development (USAID), was directed towards empowering small and medium-sized enterprises capable of substituting imports this year.

The “Local Agriculture Support Strategy” program, conducted in partnership with Oyu Tolgoi LLC, has successfully completed its fourth year. This initiative advised herders in Khanbogd soum of Umnugovi province to form a joint cooperative and establish a meat processing factory. This marks the first instance in Mongolia where the “one sum-one cooperative” model has been implemented, representing a significant advancement for the farmers in one soum to collaboratively establish their own meat factory. This successful practice has the potential to be expanded to all 330 soums across Mongolia.

The Switching on the Green Economy (SOGE) project, funded by the European Union’s (EU) SWITCH Asia program was implemented in Ulaanbaatar, Erdenet, and Selenge province in collaboration with People In Need Mongolia (PIN), Caritas Czech Republic (CCR) in Mongolia, and Mongolian Sustainable Finance Association (ToC), has engaged 190 small and medium entrepreneurs. The SOGE project, running until 2025, will support agri-food and beverage MSMEs and retailers in adopting circular economy practices by providing technical assistance tailored to their needs and developing a market-based eco-labeling system to promote behavior change and facilitate access to green finance.

Funded by the Asian Development Bank, the “Circular Economy and Empowering Tourism Sector MSMEs for Green Business” project was implemented in Ulaanbaatar, Arkhangai, and Khuvsgul provinces, engaging 767 SMEs.

We look forward to collaborating with anyone to address the challenges faced by herders, start-ups, SME owners, and suppliers in the mining sector in 2024.

Warm regards,

EXECUTIVE DIRECTOR, **AMARMEND. P**

THE BOARD OF DIRECTORS

The Board of Directors at Development Solutions NGO includes five independent members from the legal, educational, banking, and mining sectors. These members are dedicated to fostering local, business, and economic growth as a part of their commitment to social responsibility. As the top governing entity, the Board is tasked with making strategic and timely decisions, convening for regular meetings quarterly.



Board chair
Oyun, Luvsandorj

*Professor of Finance Program,
Business School, National University of
Mongolia*



Board member
Gantumur, Jigjidsuren

*Senior Project Loan Manager,
Khan Bank Business Credit Policy
Regulation Department*



Board member
Tuya, Zorig

*Executive Director of
New Urbanism LLC*



Board member
Baatarbold, Jukov

CEO of Tenger Daatgal LLC



Board member
Erdenechimeg, Jambaldorj

*Former President of the Mongolian
Women's Federation*

ABOUT US

Since its establishment on August 14, 2008, Development Solutions NGO has successfully implemented more than **100 projects** and programs. With its professional team, the organization offers extensive support to MSMEs in developing entrepreneurial mindsets, attitudes, business skills, sales strategies, and securing financing, acting as a catalyst for the growth and advancement of its customers.

Our organization operates across **15** branch offices with **71** staff, **34** of whom work in Ulaanbaatar and **37** in **14** local branches.

VISION

Development Solutions is an **INNOVATIVE, RESULT-ORIENTED, AND TOP-NOTCH ORGANIZATION** providing a set of professional business development services.

MISSION

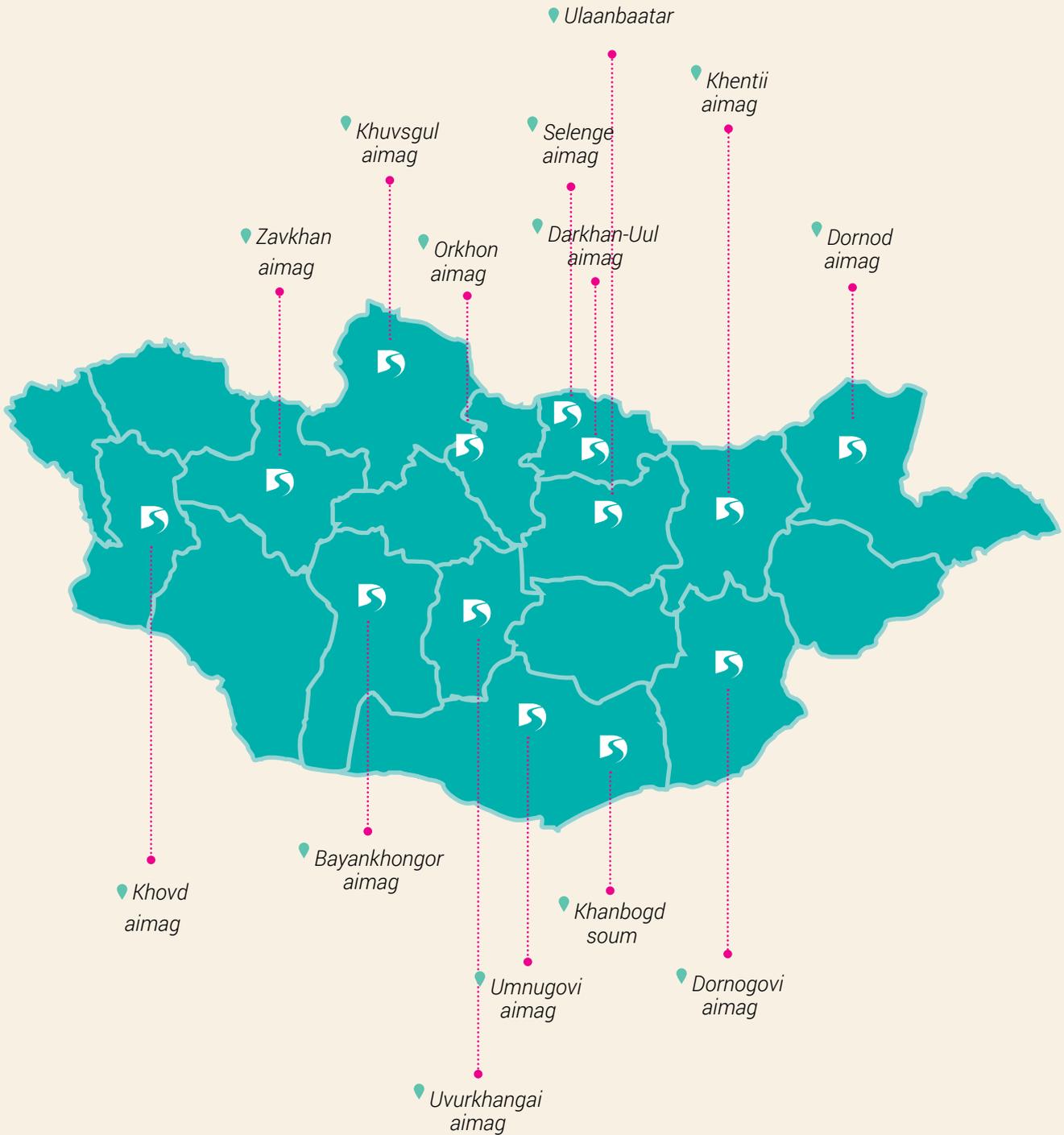
Development Solution works to:

- Improve the quality of community life
 - Develop business capacity
- Support environmentally sound social and economic growth with innovative and result-oriented solutions.

CORE VALUES

- › Development Solutions is **A NON-PROFIT, INDEPENDENT MONGOLIAN NON-GOVERNMENTAL** organization.
- › Development Solutions offers **A WIDE RANGE OF VALUE-ADDED, LONG-TERM, AND COMPREHENSIVE BUSINESS DEVELOPMENT SOLUTIONS TAILORED TO THE NEEDS** of each customer.
 - › Every employee of our organization values **EFFECTIVE COOPERATION** and has the **SKILLS TO DEVELOP THE CAPACITY OF MSMEs IN MONGOLIA USING GLOBALLY WELL-KNOWN BUSINESS DEVELOPMENT METHODS AND EXPERIENCE.**

BRANCH OFFICES OF DEVELOPMENT SOLUTIONS NGO



OUR BENEFICIARIES



MICRO, SMALL, AND MEDIUM ENTERPRISES

START-UP BUSINESS OWNERS

SELF-EMPLOYED INDIVIDUALS

YOUNG BUSINESS OWNERS

WOMEN ENTREPRENEURS



HERDERS AND COOPERATIVES

GOVERNMENT AGENCIES IN BUSINESS DEVELOPMENT

NON-GOVERNMENTAL ORGANIZATIONS





OUR SERVICES



BUSINESS DEVELOPMENT TRAINING



INSTITUTIONAL TRAINING SERVICE



MANAGEMENT AND CORPORATE GOVERNANCE CONSULTANCY



TRAINING AND DEVELOPMENT FOR GOVERNMENT ORGANIZATIONS



BUSINESS GROUP AND COOPERATIVE DEVELOPMENT SERVICE



SALES LINKAGE SERVICE



BUSINESS AND ECONOMIC SURVEYS



LOAN AND FINANCIAL FACILITATION SERVICE



MENTORING AND COACHING



TRAINING AND DEVELOPMENT FOR NGOS



START-UP BUSINESS SUPPORT PROGRAM



ACTIVITY RESULTS /FACTSHEET/

Nº		2023	2008-2023
1	 NEW BUSINESSES	316	5,740
2	 BUSINESSES EXPANDED	1583	14,741
3	 JOBS CREATED	1283	25,179
4	 TRAINING PARTICIPANTS	17986	74,553
5	 MENTORS	609	2,500
6	 SALES REVENUE GROWTH (BILLION MNT)	15.6 billion	58.7 billion
7	 SUCCESSFUL LOAN FACILITATION (BILLION MNT)	1.9 billion	307.5 billion
8	 BANK LOANS FACILITATED	1310	12,821
9	 BUSINESS GROUPS, COOPERATIVES, AND NGOs	56	845
10	 ENTREPRENEURS AGED 16-35	5546	26,517
11	TRAINING PARTICIPANTS AGED 16-35	5,702	



ZEEG - ЗЭЭГ

01. DELICIOUS

Өдөр тутам идэхэд зовлонгүй хурц амтгүй, тааламжтай байх ёстой. Prototype шатанд яваа.



02. ACCESSIBLE

Худалдаж авахад ойрхон бөгөөд хүндрэлгүй байх ёстой тул Convenience store-д байршуулна.

GS25

03. PROFITABLE

Өөрсдөө тарьж борлуулдаг тул өрсөлдөгчид өрсөлдөхөд худалдан авагчдын санхүүд хүндрэлгүй.



04. NUTRITIOUS

Эслэг кали, уургаар баялаг чаналтын арга барил нь түүхий эдийн шим тэжээлийг бууруулахгүй байхаар тохируулагдсан.

01. RESPONSIBLE PRODUCTION

Material footprint reduction Түүхий эдийн тээвэр, түгээлтийн тээвэр хамгийн бага.

13

CURRENT PROJECTS AND PROGRAMS

Ашиг олж

VS

Нийгмэл түрэг



BEST PROGRAM

2019-2024

**LOCAL AGRICULTURE
SUPPORT STRATEGY**

2018-2023

**CONSULTING SERVICES TO STRENGTHEN
TOURISM MSMES IN CIRCULAR ECONOMY
AND GREEN BUSINESS PRACTICES**

2023-2024

**SWITCHING ON THE GREEN
ECONOMY (SOGE) PROJECT**

2022-2025

**YOUTH BUSINESS MONGOLIA
(YBM)**

2013 - PRESENT

**STRENGTHENING THE SOCIAL AND SOLIDARITY
ECONOMY IN ASIA PROJECT -MONGOLIA**

2022-2025

**EMPLOYMENT PROMOTION
PROGRAM**

2010 - PRESENT

BUSINESS EXCELLENCE FOR
SUSTAINABILITY AND TRANSPARENCY

BEST

PROGRAM

“BUSINESS EXCELLENCE FOR
SUSTAINABILITY AND TRANSPARENCY”
BEST PROGRAM

2019-2024



BEST PROGRAM OBJECTIVES:

Development Solutions NGO is effectively implementing the Business Excellence for Sustainability and Transparency (BEST) program in its 5th year, with the goal of diversifying Mongolia's economy by increasing SMEs' access to finances and improving economic governance and accountability. It operates across **13** branches located in Ulaanbaatar, Bayankhongor, Darkhan-Uul, Dornogovi, Dornod, Zavkhan, Orkhon, Umnugovi, Uvurhangai, Selenge, Khovd, and Khentii aimags.

In 2023, the **BEST** program expanded its activities to focus on empowering businesses within Mongolia's food and agriculture sector.

BEST program OBJECTIVES:

1. INCREASING SME ACCESS TO FINANCE
2. IMPROVING CORPORATE GOVERNANCE AMONG SMES
3. IMPROVING THE CAPACITY WITHIN MONGOLIAN INSTITUTIONS
4. MAINTAIN ANALYTICAL AGENDA FOR STRATEGIC LEARNING
5. PROVIDING SMALL GRANTS TO REACH DISADVANTAGED BUT OTHERWISE WELL QUALIFIED, SMALL ENTERPRISES

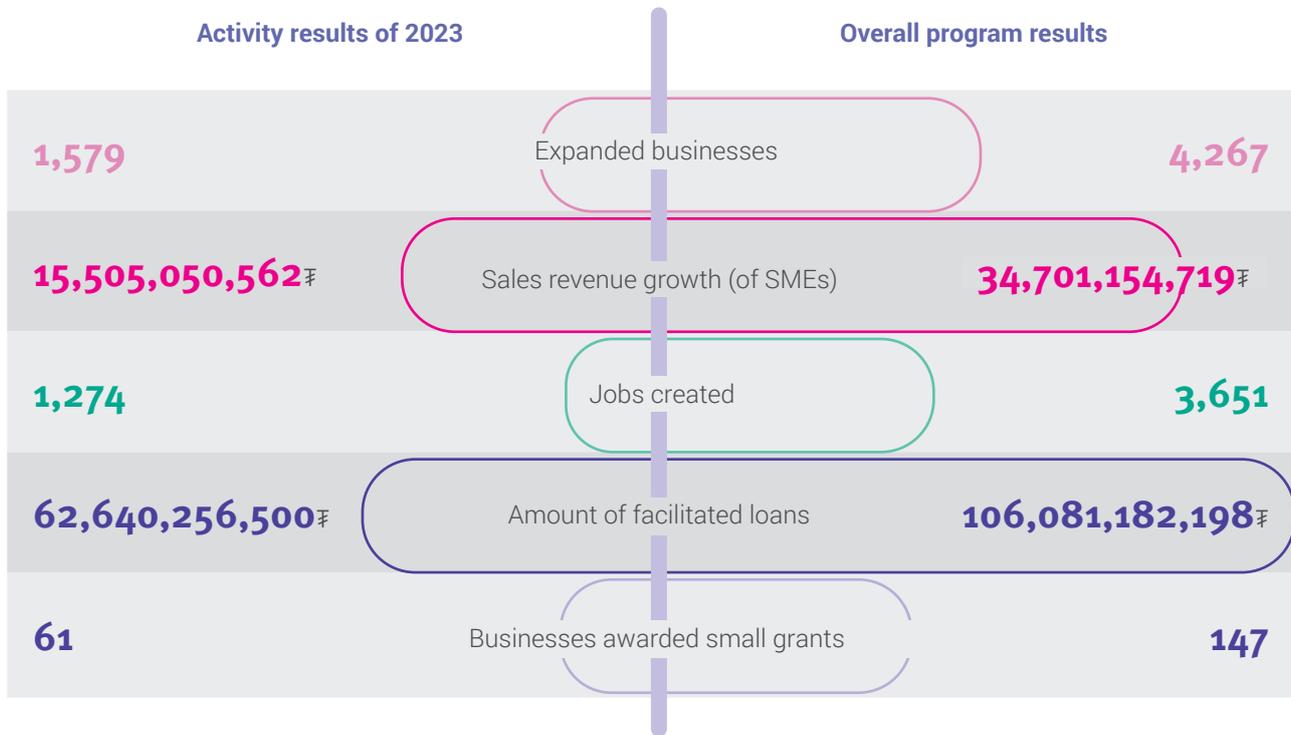
BEST PROGRAM ACTIVITIES:

1. Skill building training
2. Long-term and short-term consulting services
3. Mentoring
4. Loan and finance facilitation
5. Small grant sub-program
6. Surveys
7. Forums
8. Meetings and discussions
9. Training materials and manuals
10. Books, newspapers, and brochures
11. Bizguide.mn platform

BEST PROGRAM ACTIVITY RESULTS

BEST

ACTIVITY HIGHLIGHT



During the reporting period, **14,991** participants took part in **935** empowerment trainings organized by the BEST program, while **11,764** participants attended **423** knowledge and experience sharing meetings and discussions.

Objective 1

Following a series of training, consulting, and loan facilitation services aimed at assisting SMEs in obtaining financing, the businesses managed to secure loans totaling **103.69** billion from banks and financial institutions.

Objective 2

A total of **218** enterprises have enhanced their corporate governance; **67** enterprises through long-term governance consulting services and **151** enterprises via short-term governance consulting services.

Objective 3

After conducting training sessions, workshops, and advocacy efforts aimed at improving transparency and enhancing monitoring systems for government institutions and NGOs that support SME activities, six advocacy initiatives were developed.

Objective 4

Seven different types of research were carried out to assess the status, competitiveness, and common challenges faced by small and medium-sized enterprises, as well as food and agricultural entrepreneurs:

Objective 5

Through the Small Grant sub-program, a total of MNT **430** million was awarded to **34** start-up businesses and **27** SMEs with innovative ideas that are well-suited for implementation within local communities. As a result, **33** informal businesses were expanded into formal businesses.

ACTIVITY HIGHLIGHT

Objective 1. INCREASING SME ACCESS TO FINANCE

PRE- AND POST-LOAN ACCELERATION PROGRAM

- Business proposal
- Financial planning
- Market research
- Business model
- Product development and packaging
- Project pitching
- Environmental management training

Although there are many types of loan manuals published to publicize and increase access to information about credit financing opportunities, there has not yet been a comprehensive guide on loans provided in the agricultural sector. This gap has hindered credit financing for agricultural entrepreneurs. To address this, the BEST program developed and distributed a dedicated guideline for agricultural credit financing in 2023 to entrepreneurs across Mongolia.

Access to financing for SMEs was enhanced through accelerator sub-programs

During the reporting period, to facilitate knowledge and experience sharing among SMEs and to enhance the potential for mutually beneficial business collaborations, **8 business study tours** were organized. These tours involved **175 entrepreneurs** and members of the CEO club who were engaged in accelerator sub-programs under the BEST program, such as **Scale Up, Green Lab, 5X Cooperative Development, Women Entrepreneurs Development, and Agri-Business Support**.



During the business study tours, the SME owners exchanged their knowledge and experience on workplace organization, good governance, quality management, and monitoring systems. They also discussed business proposals for strategic partnerships and cooperation, including the supply of raw materials, waste reduction, and joint ownership of resources.

Objective 2. IMPROVING CORPORATE GOVERNANCE AMONG SMES

EFFORTS TO ESTABLISH WOMEN CEO CLUBS HAVE BEEN AMPLIFIED

One of the key initiatives within the Women Entrepreneur Development sub-program was the establishment of clubs for women entrepreneurs. Supported by the BEST program, these clubs, which include **235** members, have been set up and are functioning throughout **12** aimags. The results are as follows:

Women CEO Club in Dornogovi aimag

As commissioned by the BEST program, the Goviin Khukh Salkhi NGO conducted the survey, "Creating a Database of Local Entrepreneurs and Identifying their Challenges". Using the survey results, the "Dornogovi Women CEO Club" recognized the necessity of a support program for women entrepreneurs in Dornogovi aimag. In collaboration with the BEST program, they organized meetings to collect opinions from governmental and non-governmental organizations and entrepreneurs. Subsequently, a joint working group of government and non-government organizations was established by the order of the Governor of Dornogovi Aimag. This working group developed the "Partnership and Development" program, which was approved by the Citizen's Representative Khural of Dornogovi Aimag on May 12, 2023. The program aims to sustainably develop, increase competitiveness, and provide financial support to the aimag's micro, small, and medium-sized enterprises, as well as trade and service-



providing citizens and enterprises. The program will be implemented over four years and will be financed by state and local budgets, international organizations, foreign loans and aid, foreign and domestic investments, government special funds, the private sector, and other sources. As part of the program implementation, 2 billion MNT will be financed from the local budget in 2024.

Success Story

WOMEN CEO CLUB IN DORNOD AIMAG

The establishment of the Women CEO Club for collaborative development and problem-solving among entrepreneurs demonstrates that businesses receiving corporate training and consulting services from the BEST program, funded by USAID and implemented by Development Solutions NGO, are effectively collaborating and developing initiatives.

Mission:

To foster collaboration among women, support business growth, positively impact society and the economy, and cultivate leadership.

The Dornod CEO Club, currently active with 30 members, has organized 5 training sessions, 4 meetings, 2 business trips, and trade fairs to enhance the knowledge and skills of its members and broaden their business partnerships. Also, over 10 activities have been conducted to expand their market reach and increase sales.



Objective 3. IMPROVING THE CAPACITY WITHIN MONGOLIAN INSTITUTIONS

AN ANALYSIS OF THE EVALUATION METHOD FOR THE SELECTION PROCEDURE OF THE SUBSIDIZED LOANS ISSUED BY THE SMALL AND MEDIUM ENTERPRISE DEVELOPMENT FUND WAS CONDUCTED

In cooperation with the SME Agency, an external evaluation was conducted in order to evaluate whether the current evaluation system for the selection of small and medium-sized enterprises for subsidized loans is practical and effective. This cross-assessment included an examination of the project selection stages, the appropriate weighting of evaluation criteria, the optimal distribution of points, and the identification of causes for low-quality borrowers. Also, a comparative analysis was developed comparing

the evaluation criteria of SMEDF with the evaluation methodology of commercial banks and non-banking financial institutions operating in Mongolia. Based on this assessment, specific recommendations were developed in two main areas and were presented to the Head of the SME Agency, Erdenesaikhan. Ya and the Head of the Loan and Project Department, Enkhtur. N. The SME Agency has reviewed these recommendations in detail and it was set to organize a discussion with the relevant departments and experts on how to implement them in the future.

Success Story

THE TRANSPARENCY AND ACCESSIBILITY OF GOVERNMENT-SUBSIDIZED LOANS IN DARKHAN-UUL PROVINCE HAVE BEEN ENHANCED.

Development Solutions NGO, in collaboration with the Business Research Center NGO in Darkhan-Uul province, presented the findings of the "Evaluation of the Transparency and Accessibility of Government-Backed Subsidized Loan Financing to SME Owners" to the Governor, B. Azjargal. Following this, the governor mandated the relevant organizations to hold a series of open discussions to disseminate information about the SME Development Fund, the Cooperative Development Fund, and the Employment Promotion Fund in Darkhan-Uul province. By the end of 2023, the funding allocated for Darkhan-Uul province will include 176 million MNT to support the employment of people with disabilities, 270 million MNT from the Cooperative Development Fund, and 1 billion MNT from the SME Development Fund and it is anticipated that access to information on these state-subsidized loans will improve, leading to increased application to these funds.

Some of the activities undertaken following the governor's order include:



B. Azjargal, Governor of Darkhan-Uul aimag

- Establishing a working group to improve access to government-subsidized loans.
- Organizing an information day at the provincial Governor's Office, featuring experts from the Food and Agriculture Department who provided guidance and information on financing for small and medium-sized businesses.
- Deciding to involve a professional team in the selection process for issuing financing to SMEs from the SMEDF and CDF, with their recommendations being submitted to the selection committee.

**Objective 4: MAINTAIN ANALYTICAL AGENDA FOR STRATEGIC LEARNING
SURVEY FINDINGS ON BUSINESS DEVELOPMENT STRATEGIES
ARE SHARED WITH THE PUBLIC**



In Mongolia, there is a lack of publicly available research and information on the development of small and medium enterprises. USAID’s BEST program has been conducting research activities to help policymakers understand the situation of SMEs and develop evidence-based policy solutions.

On June 8, 2023, the BEST program presented the main findings of the “Baseline

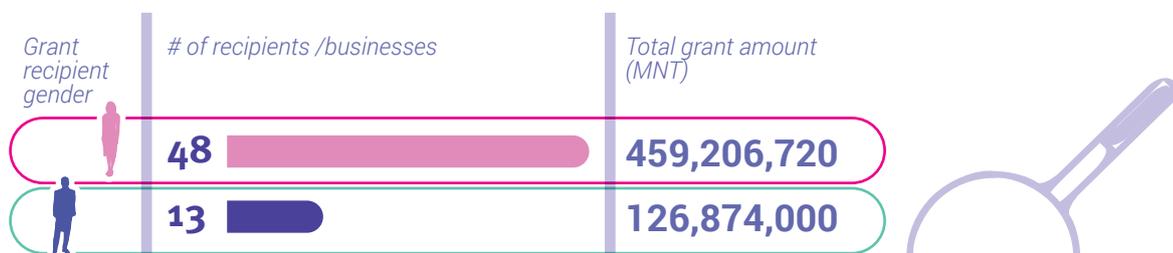
Study of the Agribusiness Sector” and the “SME Employment Survey” to representatives from the government, private sector, entrepreneurs, and international and non-governmental organizations. The results presentation meeting was successfully held with a total of 50 participants.

Objective 5: PROVIDING SMALL GRANTS TO REACH DISADVANTAGED BUT OTHERWISE WELL QUALIFIED, SMALL ENTERPRISES

To achieve Objective 5, applications were received during the preliminary stage in each province where the project is carried out. Subsequently, businesses were chosen to proceed to the accelerator stage, where they participated in 18-hour training sessions. Overall, 61 businesses received non-refundable financial support totaling MNT 586.0 million.



Notably, **87%** of all grant recipients were female entrepreneurs. In Year 4, the BEST program prioritized agribusinesses, with 48 agribusiness owners receiving grants totaling 466.4 million MNT. This amount constitutes 74% of the total grants awarded.



Conducted Survey	Research Organization	Survey		Sample	Size
		Location	Date		
 Baseline Study of the Agribusiness Sector	INRAE	BEST program offices	Quarter 1, 2023	SME sector (agricultural businesses)	800
 SME Employment Survey	SICA	BEST program offices	Quarter 1, 2023	SME sector	1024
 SME competitiveness survey	IRIM	21 aimags	Quarter 2, 2023	SME sector, business ecosystem, macro environment	703
 Informal Economy: Challenges and Ways Forward	SICA	BEST program offices	Quarter 3, 2023	SME sector	768
 Agriculture sector financing	Banking and Finance Academy	Ulaanbaatar	Quarter 2, 2023	Bank and financial organizations	N/A
 Study on the State of the Garment Industry	NRCC	BEST program offices	Quarter 4, 2023	SME sector	100
 Agri sector value chain	INRAE	BEST program offices	Quarter 4, 2023	SME sector	N/A

Business category	# of recipients /businesses	Total grant amount (MNT)
Small and medium-sized enterprise	27	260,873,720
Informal business	34	325,207,000

Under the small grant subprogram, **34%** of small business owners or informal entrepreneurs received grants, showcasing the local entrepreneurship landscape. In line with the other objectives of the BEST program, these businesses have been supported in transitioning into formal enterprises.

In Year 4, the BEST program prioritized agribusinesses, with **48** agribusiness owners receiving grants totaling **466.4** million MNT. This amount constitutes 74% of the total grants awarded.

Success Story

N. OCHIRBAT, 2023 GRANT PROGRAM AWARDEE FOR HIS "KHUU STREET FOODS" PROJECT IN UVURKHANGAI PROVINCE:



I started my business from home with just two basic equipment. After receiving a 10 million MNT grant from the BEST program, I bought the necessary equipment and doubled my production. This allowed me to establish a company, expand my operations, and sell my products to chain stores and enterprises.







“EXPLORING NEW FINANCING AVENUES FOR AGRICULTURE” FORUM

BEST



The United States Agency for International Development (USAID) and Development Solutions NGO, through its Business Excellence for Sustainability and Transparency (BEST) project, organized a forum to enhance Mongolia’s food security on September 28, 2023. Focused on “Exploring New Financing Avenues for Agriculture,” the forum gathered strategic perspectives as representatives from the government, private sector, and donor organizations discussed challenges and opportunities on innovative solutions and financing approaches in the country.

United States Ambassador to Mongolia Richard Buangan delivered opening remarks along with Bolorchuluun Kh., Minister of Agriculture, Food and Light Industry (MOFALI), and Amar L., Executive Director of Mongolian Bankers Association. They underscored the crucial role of partnerships to advance the growth of the agricultural sector.



ACTIVITY HIGHLIGHT

September 28, 2023

BEST

ACTIVITY HIGHLIGHT



“Mongolia’s agricultural sector faces unprecedented challenges, including disruptions in the supply of essential inputs, such as fertilizer, and market uncertainties,” Ambassador Buangan said. “The U.S. government has been working with our Mongolian counterparts through a myriad of activities aimed at promoting sustainable and resilient economic growth and food security.”

The forum highlighted the results of a survey conducted by USAID’s BEST program, the Mongolian Bankers Association and the Banking and Finance Academy on the need to expand access to finance for farmers. Panel discussions centered on innovative financing strategies based on agricultural production contracts, the adaptation of financial models that suit the unique needs of the sector, and the potential establishment of dedicated agricultural financing units within commercial banks.







USAID

BEST

КМГ & ОУОН
ШИЙДЭЛ

ХӨДӨӨ АЖ АХУЙН САЛБАР
САНХҮҮЖИЛТИЙН ХӨДӨӨ АЖ АХУЙН ШИЙДЭЛ



"WOMEN ENTREPRENEURS III: SOLIDARITY-DRIVEN BUSINESS LEADERSHIP" FORUM

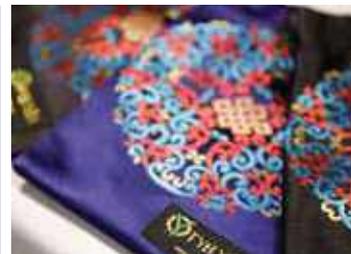
On March 3, 2023, the BEST program hosted its third Women Entrepreneurs Forum for female-led SMEs, under the theme SOLIDARITY-DRIVEN BUSINESS LEADERSHIP to mark International Women’s Day 2023. The event aimed to support leadership and foster social and collective business initiatives by offering opportunities for women in small and medium-sized businesses to exchange valuable experiences and learn from one another.



120
women-led small
and medium
businesses



During the forum, the BEST program beneficiary, women-led businesses showcased their manufactured products to forum participants.



ACTIVITY HIGHLIGHT

March 3, 2023

BEST

ACTIVITY HIGHLIGHT



WOMEN ENTREPRENEURS

The BEST program presented the notable findings from the survey on “Women’s Participation in Small and Medium Enterprises” to the forum participants. The speakers, including BEST program beneficiaries such as N. Erdene, founder of Zu Zu LLC; N. Sarangua, board chairman of the Mongolian Export and Cluster Network NGO; Ts. Sumiya, board member of Durvun Khusel LLC; and BEST program governance coordinator P. Amarmend, delivered speeches on opportunities for women to unite and develop collectively, and shared effective management practices.

Around 120 leading women of small and medium-sized businesses participated in the forum. They discussed opportunities and solutions for developing socially responsible businesses, uniting in solidarity, and shared best practices.

COLLABORATION WITH PROFESSIONAL CONSULTANTS TO ADVANCE TECHNOLOGY AND BUSINESS STANDARDS FOR AGRIBUSINESSES

The BEST program's baseline survey of the agribusiness sector found that 94.6% of agribusinesses lacked a quality management system in their operations. Given the government's emphasis on improving food supply and safety and ensuring the quality of agricultural products, there was a critical need to increase the market value of these products. In response, consulting services from national consultative organizations were provided to SMEs in the agribusiness sector to enhance their capacity to establish a quality management system. A total of 1,093 beneficiaries participated in these consulting services, resulting in various improvements such as equipment upgrades, adherence to good agricultural practices, good manufacturing practices, and good hygiene practices, and obtaining GAP and HACCP certificates.



GOOD MANUFACTURING PRACTICES IN DAIRY PROCESSING AND STANDARD IMPROVEMENT

MILK	MEAT	VEGETABLES
Consultative organization		Mongolian Food Industry Association Institute of Technology
# of Participating SMEs:		290
Consultation Service Topics		Good Hygiene Practices (GHP) and Good Manufacturing Practices (GMP) of milk processing factories, ISO 22000:2018, HACCP
Manuals Developed and Published on Consultation Topics		Milk and milk product storage conditions, standards and methods, technical process to adhere to during the stage of supplying to the market
Outcomes		A conformity analysis was conducted in two milk processing plants, laying the groundwork for establishing a quality management system.



IMPROVING QUALITY MANAGEMENT SYSTEM AND STANDARDS IN MEAT PROCESSING FACILITIES

IMPROVING GOOD AGRICULTURAL PRACTICES IN GREENHOUSE FARMING AND VEGETABLE STORAGE STANDARDS

MILK	MEAT	VEGETABLES
	Primer LLC	
	178	
Consultation Service Topics	Requirements for Implementing Quality Management Systems and International Food Safety Standards in Meat Processing Plants Standard Requirements and Methods for the Storage and Marketing of Meat and Meat Products, Meat Production Handbook	
Manuals Developed and Published on Consultation Topics	Good Laboratory Practices in Meat Processing Plants Standard Requirements and Technologies for Long-Term Storage and Market Delivery of Meat and Meat Products	
Outcomes	Conformity analysis was conducted at four meat processing plants, and recommendations for enhancing the quality management system were provided. Seven meat processing plants were awarded HACCP certification.	

MILK	MEAT	VEGETABLES
		Mongolian Association of Greenhouse Farmers
		Mongolian Farmers Association for Rural Development
		Green Earth - Green Future NGO
	625	
Consultation Service Topics		Good Agricultural Practices of Greenhouse Management Agrotechnics of Growing Greenhouse Crops Standard Requirements for Vegetable Cellars and Storage
Manuals Developed and Published on Consultation Topics		Good Agricultural Practices for Greenhouse Management Greenhouse Good Agricultural Practices Record Book Standard Requirements for Vegetable Storage Cellars Vegetable Processing Techniques
Outcomes		62 farms have confirmed their adoption of good agricultural practices and have been awarded certification.

BEST

ACTIVITY HIGHLIGHT

STUDY TOURS

During the reporting period, to facilitate knowledge and experience sharing among SMEs and to enhance the potential for mutually beneficial business collaborations, 8 business study tours were organized. These tours involved 175 entrepreneurs and members of the CEO club who were engaged in accelerator sub-programs under the BEST program, such as Scale Up, Green Lab, 5X Cooperative Development, Women Entrepreneurs Development, and Agri-Business Support.

During the business study tours, the SME owners exchanged their knowledge and experience on workplace organization, good governance, quality management, and monitoring systems. They also discussed business proposals for strategic partnerships and cooperation, including the supply of raw materials, waste reduction, and joint ownership of resources.

8 BUSINESS STUDY TOURS WERE ORGANIZED



175
ENTREPRENEURS



SMES AND COOPERATIVES IN THE FOOD AND AGRICULTURE SECTOR

WOMEN ENTREPRENEUR DEVELOPMENT & AGRIBUSINESS SUPPORT SUBPROGRAMS



TRADE FAIRS

THE AMBASSADOR VISIT

STUDY TOURS



BEST

ACTIVITY HIGHLIGHT

US AMBASSADOR TO MONGOLIA, RICHARD L. BUANGAN VISITS BEST PROGRAM BENEFICIARIES

During their visit to Khuvsgul province, US Ambassador to Mongolia Richard L. Buangan and USAID Senior Development Advisor Thomas Crehan stopped by Arya Cafe, run by BEST program beneficiary E. Aryabazar.

Arya Cafe stands out as a distinctive business that offers rural youth a space to recognize their potential, embrace their individuality, and cultivate positive thinking.



TRADE FAIRS

The 12 local branches of the BEST program, in collaboration with the province Governor's Offices and the Food and Agriculture Department, annually host the "Tsagaan Sar" and "Autumn Green Days" trade fairs. These events aim to showcase the products and services of program beneficiaries or SMEs and raise public awareness of the program's outcomes. In 2023, by organizing **18** trade fairs, we supported **497** beneficiaries in offering products and services valued at **1.5** billion MNT to the market.



18 TRADE FAIRS ORGANIZED



497 BUSINESSES SUPPORTED IN SALES OF PRODUCTS AND SERVICES WORTH



TRADE FAIRS

THE AMBASSADOR VISIT

STUDY TOURS

Tsagaan Sar



BEST

ACTIVITY HIGHLIGHT

Autumn Green Days



1.5 BILLION MNT TO THE MARKET

SME Day



DIGITAL SOLUTIONS AND DEVELOPMENT



The BEST program covers 12 provinces and all their soums across Mongolia. The digital system significantly improves accessibility, reaching every customer and beneficiary and increasing their participation.

BEST

ACTIVITY HIGHLIGHT

GRANT PROGRAM:



Digital System for Small Grant Selection Procedure

Objective 5 of the BEST program initially utilized three different external applications, resulting in data being stored across various sources and registered on multiple platforms. To address this, a comprehensive technological solution was developed for the small grant program's selection procedure. This new system integrates all processes into a single platform, enabling the measurement, evaluation, and monitoring of information more efficiently. As a result, customer data storage and confidentiality have significantly improved, and the selection process can now be managed, monitored, and organized remotely.

BIZGUIDE

Development Solutions NGO launched the www.learning.bizguide.mn platform, an online learning system, to offer BEST program customers the opportunity for online learning. This platform can be accessed from any device and is compatible with the Bizguide learning mobile app. As of 2023, it provides **16** courses covering **67** sub-topics.



Key statistics:

Results in 2023

Participants trained: **505**

Total visits to courses and sub-topics: **28573**

Participants who completed the training: **110**

BIZGUIDE



GET IT ON
Google Play

Available on the
App Store



ONLINE PLATFORM FOR LOAN CONSULTATION

As part of the program, we offered consulting services to customers seeking loans from the SME Development Fund. To improve accessibility, a **“Get Advice”** online request submission section was added to the SME Agency’s website, **www.sme.gov.mn**, which handles loan requests from SMEs. This feature specifically allowed SMEs to request loan-related advice from the BEST program while submitting their loan materials. Through this consultation section, **174** entrepreneurs from 13 sectors received advice from the BEST program, with over **60%** successfully obtaining loans from SMEDF.

MID-TERM EVALUATION HAS BEEN SUCCESSFULLY CONCLUDED

In 2023, The Independent Research Institute of Mongolia (IRIM) was contracted to conduct the Mid-term Evaluation of the BEST Program. The evaluation, with a dedicated focus on activity performance in 2021 and 2022 and necessary adjustments and areas for improvements, has formally concluded with success.

EMPLOYEE DEVELOPMENT ACTIVITIES

- ▶ In March 2023, Brandon Edward Miller, Resident Legal Officer (RLO) of USAID Philippines, Pacific Islands, and Mongolia, visited the BEST program office and conducted ethics training. The session covered ethical principles, prevention of sexual violence, conflict of interest, and the concept of privacy.
- ▶ In November 2023, Special Agent in Charge Christopher Nordin and Criminal Investigator Michael Park from the Office of the Inspector General (OIG) of USAID in Bangkok briefed BEST Program staff on OIG operations and US-funded program oversight for fraud and corruption. They provided training on the role of Development Solutions NGO and its employees in preventing and combating these issues. Additionally, Damien Times, Assistant Special Agent in Charge of USAID OIG in Washington, D.C., shared his own experiences with fraud investigations to offer insight into the investigative process.
- ▶ As part of staff development in 2023, five employees from the BEST program participated in the “Agricultural Green Week” expo in Berlin, Germany, receiving training on supporting agricultural businesses.
- ▶ Five employees attended a five-day project management certification course in Singapore, aimed at enhancing project management knowledge and practices throughout the program.
- ▶ In 2023, two “Pause and Reflect” activities were organized for all employees of Development Solutions NGO. These activities focused on developing personal skills, with training sessions on “Systems Thinking “ and “Methods for Process Improvement.”



“LOCAL AGRIBUSINESS SUPPORT STRATEGY”

2018-2024



LOCAL AGRIBUSINESS SUPPORT STRATEGY

2018-2024

Objective:

TO PROVIDE CONSULTING SERVICES TO OYU TOLGOI LLC-FUNDED PROJECTS IN ACHIEVING SUSTAINABLE AND INCLUSIVE AGRICULTURE BUSINESS AND DIVERSIFICATION OF LOCAL ECONOMY AND FOOD SAFETY AND SECURITY OF COMMUNITIES

Main activity:

- Providing consultancy services for the implementation of agricultural support projects that had been approved by the Tripartite Council comprising the local herders of Khanbogd soum, Oyu Tolgoi LLC, and the Governor's Office of Khanbogd soum, Umnugovi aimag.
- To offer advisory services on projects undertaken by Oyu Tolgoi LLC as part of the 10-year plan for the development of the livestock sector in Khanbogd soum.
- To provide consultancy services on planning, ownership, utilization, and equitable distribution of benefits for projects implemented by the herders of Khanbogd soum, primary cooperatives, and secondary cooperatives. These projects include the establishment of a slaughterhouse, a marketplace for animal husbandry products, and a livestock raw materials market.

The outcome:

In 2023, the Galbyn Goviin Torgon Sureg Cooperative was established in Khanbogd soum, becoming the first cooperative to include participation from every primary cooperative in each bagh of the soum.

In 2023, as a result of consultations provided through Livelihood Support Projects, herders in Khanbogd soum received 1 billion MNT in financial support for their businesses.

JOINTLY-OWNED LIVESTOCK SLAUGHTERHOUSE BY KHANBOGD SOUM HERDERS

For the first time in Mongolia, local herders in one soum are establishing their own livestock slaughterhouse processing plant. The slaughterhouse processing plant, jointly owned by herders from Khanbogd soum, is ready to begin construction.

As part of efforts to develop the livestock farming industry and enhance the value of agricultural products in Khanbogd soum, the project to establish a livestock slaughterhouse processing plant, initiated by local herders, is set to begin construction. This factory, jointly owned by herders, will be built to international standards and aims to provide a stable income source

for the herders.

Collaborations began with the herders' working group responsible for constructing the livestock slaughter line, as outlined in the annex of the tripartite council agreement. Interviews were conducted to ensure all stakeholders of the tripartite council clearly understood the paragraph specified in the annex.

The idea originated from the herders in the soum, who proposed building a livestock slaughterhouse facility. Considering the current and future trends in the country's livestock sector, the proposal was developed into a comprehensive business project to support



the meat industry in the eastern region of Umnogovi province. A business model was created to benefit the farmers.

The planned slaughterhouse processing plant will have the capacity to slaughter 3,600 cattle and 36,000 sheep and goats, with a storage capacity of 100 tons at a time.

The business model involves herders slaughtering their animals at the factory, sorting and processing the meat, and selling it on the market, with all profits

going directly to the herders. In terms of governance, the herders, through cooperative, will own the factory and equipment and will appoint the executive management.

This initiative has become a pilot best practice model to be implemented across 330 soums in Mongolia, establishing herder-owned livestock slaughterhouses. This model aims to increase herdsman's income, boost the gross domestic product, and enhance employment in rural soums.



Approved technical drawing of the slaughterhouse processing plant

Implemented measures:

- A "livestock slaughterhouse facility business project proposal" was adapted into a slaughterhouse processing plant project.
- A comprehensive project feasibility study of the slaughterhouse processing plant was conducted, confirming its feasibility in terms of operations, production, technology, and efficiency.
- An Environmental Impact Assessment (EIA), both general and detailed, was conducted for the livestock slaughterhouse processing plant and its impact on the local environment of the surrounding soum.
- The project facilitated the creation of a joint cooperative for all herders in the soum. In each bagh, a primary cooperative was formed to manage the meat supply, while a secondary cooperative, composed of bagh cooperatives is overseeing the management of the processing plant. Thus, the "Galbyn Goviin Torgon Sureg" cooperative, involving 380 herders was established.
- As part of the feasibility study, a professional organization prepared the design and budget for the slaughterhouse, which were then approved by the state expert review. The factory is now ready for construction.



“ONE SOUM – ONE COOPERATIVE” CONFERENCE HELD IN KHANBOGD SOUM

The “One Soum - One Cooperative” conference was successfully held in Khanbogd, Umnugovi province on April 25, 2023. This event was organized collaboratively by stakeholders including the SME Agency of Mongolia, the Governor’s Office of Umnogovi Province, the Food and Agriculture Department, the Governor’s Office of Khanbogd soum, Oyu Tolgoi LLC, and Development Solutions NGO.



The conference aimed to promote the government’s cooperative policy in line with the newly approved cooperative law, strengthen government-cooperative collaboration under the “One Soum - One Cooperative” pilot policy, support sustainable agricultural production, and raise awareness of the potential positive changes to improve lives of the cooperative members, herders, and the environment. Over 180 participants, including representatives from cooperatives in Umnogovi province and relevant stakeholders, attended the conference.

As part of the “One Soum - One Cooperative” conference, various stakeholders provided presentations on key topics. A. Gerelzaya, Head of the Policy and Regulation Department of the SME Agency, presented on “The State’s Policy on Cooperatives and Its Implementation” and Sh. Bat-Erdene, Head of the Provincial Food and Agriculture Department, discussed “Work Implemented as part of the Year of Cooperative Development Support and Future Policy Planning.” J. Oyunbileg, Senior Specialist of the Trading and Market Development Department of the Mongolian



Agricultural Commodity Exchange, spoke about the “Possibilities and Efficiency of Trading Raw Materials through the Agricultural Exchange” while Economist D. Jargalsaikhan gave a presentation on the “New Cooperative Movement.” Additionally, D. Erdenebat, Head of the “Buyan-Undral” cooperative of Darvi Soum, Gobi-Altai Province, H. Dorjsuren, Head of the “Tsever Khursnii Shim” cooperative, and Ts. Oyun, Head of the “Undur Shireet” cooperative of Tuv Province, shared their experiences, challenges, and successes.

The conference was a timely and significant initiative. Leaders of the primary cooperatives established by the herders in Khanbogd, Umnogovi province, and representatives from the working group of the secondary cooperative actively participated. The conference provided a platform for presenting the challenges faced in establishing herders’ cooperatives to representatives from relevant government and non-governmental organizations. A free discussion was held among participants to find solutions.

As a result, the SME Agency and the National Association of Mongolian Agricultural Cooperatives committed to supporting the establishment of the herders’ secondary cooperatives. Representatives from the SME Agency emphasized that the project aligns with the cooperative sector policies and programs implemented by the Government of Mongolia. They highlighted its potential to become a model cooperative in the future and assured their support through legal and policy programs.



EMPOWERING SMEs IN KHANBOGD, UMNUGOVI PROVINCE THROUGH TRAINING AND CONSULTANCY PROGRAMS

As part of the collaboration between the Communities Department of Oyu Tolgoi LLC and Development Solutions NGO, a comprehensive training program has been successfully implemented since May 30, 2023. This initiative aims to enhance business knowledge and experience, impart essential skills, and foster cooperation among the Khanbogd soum herders cooperative, small and medium-sized entrepreneurs, and young aspiring business owners in Umnugovi province.

To date, eight training sessions have been conducted, engaging approximately **130** representatives from small and medium-sized enterprises and cooperatives in Khanbogd soum. The training topics covered include:

1. Strategic Business Model Transformation
2. Strategic Planning and Corporate Governance
3. Financial Reporting and Funding Opportunities
4. Social Media Development
5. Green and Social Entrepreneurship
6. Corporate Governance and Shareholder Relations
7. Business Planning
8. Unit Product Cost and Breakeven Point Analysis

Development Solutions NGO, in collaboration with the Communities Department of Oyu Tolgoi LLC, is conducting a phased capacity-building and development program for herders' cooperatives in Khanbogd soum. This initiative is anticipated to significantly enhance business knowledge and skills, stimulate the creation of new demand-driven businesses, and increase sales income, thereby contributing positively to the local economy.

The program will remain ongoing and is designed to be inclusive and accessible to all business owners in Khanbogd soum.





“HERDERS LIVELIHOOD SUPPORT” PROGRAM

2018-2024

Objective:

To facilitate the implementation of business initiatives to support the livelihood of local herders affected by mining activities, in collaboration with Oyu Tolgoi LLC.

The results of the program:

	# of activities	# of participants
Trainings and workshops for capacity building of herders	21	1548
Other trainings and meetings conducted	38	496
Consultancy services provided	51	493

Main activities:

1. Facilitating the development of herders' business ideas
2. Assessing the feasibility of implementing the herders' business ideas
3. Establishing the appropriate business model for the implementation of herders' ideas,
4. Formulating project plans to implement the herders' business ideas
5. Providing consultancy services to define the corporate governance model of enterprises to implement the project
6. Offering advisory services on the corporate governance structure of the enterprises, including necessary structural adjustments and changes in regulations
7. Providing management consulting services related to the implementation of business projects,
8. Developing the business strategy plan
9. Provide consultancy on the development and implementation of the business plan

Success Story

Gaviluud Gurvan Shavag LLC

Kh. Rentsen, the founder and CEO of Gaviluud Gurvan Shavag LLC, started a small-scale family farm in 2020 by breeding a few pigs. To expand this household operation, he recognized the need for a comprehensive business plan that included pig farm operations, husbandry technology, housing standards, and securing investment and financing.

Seeking assistance, he approached the Development Solutions NGO office in Khanbogd soum. With their support, he developed a full-scale project plan that outlined pig husbandry standards, necessary resources, an investment strategy, and an effective governance and management system. Consequently, he successfully established a farm with 10 female pigs and a rotational stock of 100 pigs.



The project's goal is to industrially produce and supply high-quality pork to restaurants and mining companies in Hanbogd Sum, with the capacity to deliver 10 tons of meat to the market each year.



The background features a stylized illustration of a mountainous landscape in shades of pink and red. Several figures are depicted carrying large green trees on their backs, symbolizing reforestation or environmental care. One figure is in the foreground on the left, another is in the middle ground, and a third is on the right. A fourth figure is visible in the bottom right corner, bent over as if planting a tree.

“SWITCHING ON THE GREEN ECONOMY” SOGE PROJECT

2022-2025

МОНГОЛЫН ХӨДӨӨ АЖ АХУЙН
ТӨСВИЙГ НЭРВЭГДСЭН ИРГЭДЭД
ЭХЭВЭЛЭЙГ УУР АМЬСГАЛЫН

“SWITCHING ON THE GREEN ECONOMY” SOGE PROJECT

2022-2025

Objective:

The Switching on the Green Economy (SOGE) project, funded by the European Union’s (EU) SWITCH Asia program is implemented in Ulaanbaatar, Erdenet, and Selenge province to contribute to the progressive transition to a low-carbon, resource-efficient circular economy and accelerated poverty reduction in Mongolia in collaboration with People In Need Mongolia (PIN), Caritas Czech Republic (CCR) in Mongolia, and Mongolian Sustainable Finance Association (ToC).

Main activity:

Provide support to Mongolian agri-food and beverage MSMEs and retailers in adopting circular economy practices by providing technical assistance tailored to their needs and developing a market-based eco-labeling system to promote behavior change and facilitate access to green finance.

The outcome:

The project will result in the development of a unified eco-labeling standard for micro, small, and medium-sized industries, retail trade, and service providers. Additionally, a new online eco-labeling platform will be created, and the eco-labeling process will be integrated with financial digital tools. Currently, the research process is underway to support these efforts.



SWITCHING ON THE GREEN ECONOMY (SOGE) PROJECT

ACTIVITY HIGHLIGHT



Activity	# of activities	# of participants	Description
Training #1: TRAINING OF TRAINERS	1	50	As part of the SOGE project, a Training for Trainers (ToT) session was held on August 8-11, 2023, at the Corporate Hall. This session aimed to equip participants with the knowledge required to provide consulting services to small and medium enterprises, retailers, and business associations. The training covered sustainable business operations, green strategies, and the circular economy. Consequently, 46 circular economy trainers will be trained in Ulaanbaatar, Erdenet, and Selenge provinces to further educate and develop local MSMEs.
Training #2: MENTORSHIP TRAINING	1	30	As part of the second objective of the SOGE project, a training course was conducted on January 15, 2024, at the Corporate Hotel. This course aimed to prepare 20 highly knowledgeable and experienced professionals in the food, water, and beverage industry to become mentors. These mentors will continue to offer guidance for the eco-labeling of MSMEs.
Training #3: CIRCULAR ECONOMY ACCELERATOR PROGRAM FOR MSMEs	3	105	As part of the SOGE project, the Accelerator Program plans to conduct 30 training sessions aimed at empowering SMEs and retailers in the circular economy. To date, 3 sessions have been successfully completed (2 in Erdenet and 1 in Selenge). Future efforts will concentrate on developing green businesses and linking SMEs and retailers with green financing opportunities.
Meeting #1: SOGE PROJECT LAUNCH IN ERDENET CITY	1	35	In connection with the implementation of the SOGE project in Orkhon province from 2022-2025, the project team held a presentation meeting on March 21, 2023. The meeting included representatives from the Governor's Office of Orkhon Province, the Food and Agriculture Department, the Vocational Training Center, and the Association of Food Producers. Participants exchanged opinions on project goals and future implementation strategies. This meeting was a crucial step towards the necessary policy support for the successful execution of the project.
Meeting #2: SOGE PROJECT LAUNCH IN SELENGE PROVINCE	1	50	With the implementation of the SOGE project in Selenge province from 2022-2025, the project team held a presentation meeting on October 4, 2023. The meeting included representatives from the Governor's Office of Selenge Province, the Vocational Training Center, and the Association of Food Producers, among others. Participants exchanged opinions on project goals and future implementation strategies.

LAUNCH OF THE SWITCHING ON THE GREEN ECONOMY PROJECT IN SELENGE PROVINCE

The SOGE project opening and presentation meeting took place on October 4, 2023, in Sukhbaatar soum, Selenge province, with 55 representatives from local government, NGOs, and enterprises attending. The Governor of Sukhbaatar soum, D. Purevdorj, delivered the opening speech. The project team then introduced

the project, outlining its goals, expected outcomes, and the Accelerator Program's plan for future activities. Additionally, a local trainer from Selenge Province gave a presentation on "Economy and Its Effects." After the ceremony, the project team visited the local organic tea producer Ujeed LLC to learn about their operations.



CONSULTING SERVICES TO STRENGTHEN TOURISM MSMES IN CIRCULAR ECONOMY AND GREEN BUSINESS PRACTICES

Objective:

To promote the concept of a circular economy within the Green Development Policy Planning Department of the Ministry of Environment and Tourism by developing and implementing a capacity-building program for MSMEs.

Location: Ulaanbaatar, Khuvsgul, and Arkhangai aimags



Outcomes:

Activity	# of activities	# of participants	
MENTORSHIP	6	203	Between August 8 and November 9, 2023, a series of six online mentorship courses under the title “Empowerment of Female Entrepreneurs in the Tourism Industry and Green Business Development Program” were organized as part of the “Consulting Services to Strengthen MSMEs in Circular Economy and Green Business Practices.”
TRAINING	6	306	To empower women entrepreneurs in the tourism, food, and packaging sectors and provide consulting services to strengthen tourism MSMEs in circular economy and green business practices, the project team—commissioned by the Ministry of Environment and Tourism and funded by the Asian Development Bank, along with partner organizations IRIM, ToC, Development Solutions NGO, and Adelphi International Consultancy—jointly organized two training sessions in Ulaanbaatar, Arkhangai, and Khuvsgul between May 30 and June 18, 2023.
MEETING	1	194	The joint team of project partnering organizations, MET, ADB, IRIM, ToC, Development Solutions, and Adelphi International Consultancy, is implementing the consulting services to strengthen tourism MSMEs in circular economy and green business practices from November 2022 to May 2024. The opening meeting and first training activity were successfully held on May 30, 2023, in the MG Ballroom of the Ulaanbaatar Gallery Center.
MEETING	1	64	The joint team of project partnering organizations, MET, ADB, IRIM, ToC, Development Solutions, and Adelphi International Consultancy, is implementing the consulting services to strengthen tourism MSMEs in circular economy and green business practices from November 2022 to May 2024. The opening meeting and first training activity were successfully held on May 30, 2023, in the MG Ballroom of the Ulaanbaatar Gallery Center.

Activity	# of activities	# of participants	
PITCH	14	767	As part of the consulting services to strengthen tourism MSMEs in circular economy and green business practices, the second round of the “Best Green Initiative” competition took place on December 28, 2023. The Pitch event featured 30 MSMEs, including 14 local participants (11 from Hovsgol and 3 from Arkhangai) and 16 from Ulaanbaatar city, who successfully presented their second-stage business projects.





“STRENGTHENING THE SOCIAL AND SOLIDARITY ECONOMY IN ASIA PROJECT”

2022-2024

STRENGTHENING THE SOCIAL AND SOLIDARITY ECONOMY IN ASIA PROJECT

2022-2024

Mongolia | Cambodia | Kyrgyzstan | Thailand | Vietnam

Initiated by the International Labor Organization (ILO), the second phase of the Strengthening Social and Solidarity Economy (SSE) in Asia project is being implemented in Mongolia, Cambodia, Kyrgyzstan, Thailand, and Vietnam from 2022 to 2024. According to the ILO, social and solidarity economies include cooperatives, associations, partnerships, foundations, social enterprises, mutual societies, and self-help groups.

This research project aims to identify the social and solidarity economy in Mongolia at the national level and to raise public awareness about their contributions to the goals of Decent Work and

Sustainable Development. Additionally, based on the research findings, policy recommendations will be made to strengthen Mongolia's social and solidarity economy.

Using the ILO-developed methodology, the research team from Development Solutions NGO analyzed the activities of SSE organizations in social, economic, and environmental spheres. This was accomplished by collecting data from **156** enterprises and groups through a questionnaire survey. Furthermore, **20** case studies were selected from these organizations to conduct an in-depth study of their contributions to the goals of decent employment and sustainable development.





“YOUTH BUSINESS MONGOLIA – YBM”

2013 - present

YOUTH BUSINESS MONGOLIA – YBM

2013 - present

Development Solutions NGO has been actively involved in the UK-based Youth Business International (YBI) Initiative activities as a member since 2013 and to foster youth employment and entrepreneurship in Mongolia, implementing the Youth Business Mongolia (YBM) program.

The program encompasses various activities targeted at individuals between the ages of 18-35 who aspire to generate employment opportunities and establish themselves as entrepreneurs.

Main activity:

- Foster entrepreneurship and increase youth participation
- Provide training for aspiring entrepreneurs with innovative ideas
- Support young people engaged in start-up businesses in the local communities
- Promote job creation opportunities
- Making the dreams and goals of youth known to society
- Create voluntary business mentors
- Support social and green entrepreneurship
- Facilitate access to loans and finances

In 2023, **3169** young entrepreneurs received training and advice, **321** secured business financing, and **106** were provided with mentors.

DEVELOP TRAINING TOOLS FOR SOCIAL AND GREEN BUSINESSES

of activities: **14** trainings and meetings
of beneficiaries: **223**

Organizations supporting social and green start-ups and SMEs globally have created tools for these businesses. These resources, drawing from the expertise of YBI member organizations, cover various topics from business ideas to development strategies. Through the YBM program, 223 young social and green entrepreneurs in Ulaanbaatar and 12 provinces received 13 different development tools, and 15 trainers were trained. Additionally, a video tutorial on using these tools is available on learning.bizguide.mn

GROWTH AND PERFORMANCE SKILLS (GPS) TRAINING

of activities: NA

of beneficiaries: **NA**

This free online course aims to develop and enhance entrepreneurs' soft skills. Structured into 7 modules and supplemented with 4 e-meeting activities over 4 weeks, the curriculum was adapted into an online format during the 2020 COVID-19 pandemic. This transition allowed us to share content and tools to help entrepreneurs adapt to change and maintain a positive outlook during the crisis. The YBM program integrates this exclusive content into its training, mentoring, and meeting activities. The course is available at learning.bizguide.mn.

MENTORING CASE STUDIES: SUPPORTING ENTREPRENEURS WITH DISABILITIES

of activities: 2 mentorship meetings

of beneficiaries: **30**

YBI is dedicated to fostering inclusive entrepreneurship for all young people, regardless of their educational background or social status. This commitment is integrated into the programs of all YBI members and partner organizations. Collectively, they work to create resources that help entrepreneurs with disabilities overcome challenges. The project's aim is to offer essential guidance and tools, facilitate self-assessment, and develop mentors who understand the unique needs of entrepreneurs with disabilities. This project is set to be completed in 2024.

SELF-MANAGEMENT PRACTICE: SPECIAL EDITION FOR ASIA'S WOMEN LEADER

of activities: 12 meetings

300

In 2023, 5 women from the YBM program took part in Self-Management Practice: Special Edition for Asia's Women Leader, which included six online meetings and training sessions held between August and October. The participants shared their positive experiences and benefits from the program, including:

- Gaining a deeper understanding of their personal and professional aspirations and self-awareness as both individuals and leaders.
- Enhancing their ability to manage themselves effectively, aligning emotional well-being with thoughts and actions.
- Learning from the inspiring efforts and experiences of other women leaders, including their community service and the challenges they overcame.
- Joining an international network of female leaders, fostering a supportive and empowering learning environment.

Within the YBM program, an engaging monthly meeting called "Good Morning" is held. This event brings together experienced professionals and young entrepreneurs to share ideas for business growth and establish new connections. Each session features two distinguished guest speakers and has already reached over 300 entrepreneurs.

SOCIAL ENTREPRENEURSHIP- 2023 SUMMIT

of activities: 1 event

of beneficiaries: **200**

At the meeting, over 200 social and green entrepreneurs from Ulaanbaatar and 21 provinces gathered to present their social business models. Additionally, representatives from governmental, non-governmental, and international organizations shared their approaches and tangible outcomes in supporting social entrepreneurship.

EXCHANGE AND STUDY PROGRAM FOR YBI MEMBERS

As part of the Youth Business International network's experience-sharing campaign, representatives from Development Solutions NGO visited the Bharatiya Yuva Shakti Trust (BYST) in India. BYST, which supports green entrepreneurs in Chennai, boasts over 17,000 mentors and assists approximately one million young entrepreneurs. They provide services such as market connections, financing, and green product development through collaboration with local governments, universities, vocational training centers, commercial banks, and the private sector. The representatives gained valuable insights and experiences on how socially and environmentally responsible businesses have transformed their business models post-COVID-19.

ACTIVITY HIGHLIGHT

BI-ANNUAL MONGOLIA'S SOCIAL ENTREPRENEURSHIP SUMMIT WAS HELD IN ULAANBAATAR

October 18, 2023

Development Solutions NGO, with the assistance of Youth Business International, aims to strengthen the foundations of social and green entrepreneurship at the policy and practice level to accelerate economic development in socially and environmentally friendly ways aligned with Mongolia Vision 2050 and SDGs. Since 2014, the event has been contributing to the development of the global movement to promote sustainable development in Mongolia encouraging the transformation of traditional profit-based businesses into social-and green-mission enterprises.

At the event, over **150** social and green entrepreneurs operating in Ulaanbaatar city and 21 provinces participated in and presented their innovative social and green business models. In addition, representatives of governmental and non-governmental organizations and international organizations shared their efforts and results in supporting and promoting social entrepreneurship in Mongolia.

YOUTH BUSINESS MONGOLIA (YBM)

ACTIVITY HIGHLIGHT







“EMPLOYMENT PROMOTION PROGRAM”

2010 - present

EMPLOYMENT PROMOTION PROGRAM

2010 - present

Objective:

Since 2010, Development Solutions NGO has been cooperating with the Department of Labor and Welfare of Ulaanbaatar districts and aimags as part of their implementation of various programs supported by the Ministry of Labor and Social Protection (MLSP). These programs include the Employment Promotion program, Regional Economic Development program, Startup Business Support program, and Entrepreneurship Support program.

Main activity:

Within the framework of this program, business development training, mentoring, and loan facilitation services are provided to target group citizens and enterprises seeking to initiate or enhance their business operations.

The outcome:

In 2023, through a partnership with the Labor and Welfare Agency in Ulaanbaatar city and the provinces of Khovd, Dornogovi, Umnugovi, Darkhan, and Uvurkhangai, a total of 255 individuals and enterprises participated in entrepreneurship and startup business training and consultation services. Also, 81 businesses were assisted in securing a total of MNT 1.8 billion in financing from the Employment Promotion Fund.

START-UP EVENT FOR AWARDING BEST STARTUP BUSINESSES IN THE CAPITAL

Since 2017, Development Solutions NGO has organized the START-UP event to recognize and award the best startup businesses, with funding support from the Employment Support Fund. In 2023, the event focused on startups from Khan-Uul and Songino Khaikhhan districts.

A total of 58 young entrepreneurs, aged 18-34, from these districts participated in a Boot Camp to develop their business ideas. Furthermore, 23 young people across 13 teams took part in a Business Development Accelerator program. Among these participants, 5 business ideas were each awarded 10 million MNT in funding.



Success Story

Founded in 2018, "Ikh Chandmant Ochir" LLC started by launching its first product and has since expanded to produce 10 different types of products. The company's primary objective is to incorporate Mongolian animal skins into economic circulation and export markets.

During the challenging transition from household production to a startup business, I sought assistance from Development Solutions NGO. Their business development accelerator program and consulting services provided invaluable insights and support. Additionally, we participated in the capital's START-UP event, which supports youth startups, and were awarded 10 million MNT in funding from the Employment Support Fund for having the best startup business project.

Recognizing the importance of keeping startup finances separate from family finances, I followed the advice from the consultants and officially established "Ikh Chandmant Ochir" LLC. Today, it is a qualified SME employing four main staff members.



M. Badamrenchin, Director of "Ikh Chandmant Ochir" LLC:

"After connecting with Development Solutions NGO, the saying 'where there's a will, there's a way' truly came to life. We were presented with many practical opportunities and invaluable advice."



CONSULTING SERVICES TO STRENGTHEN THE MID-LEVEL BRANCHES OF THE MONGOLIAN RED CROSS SOCIETY

Development Solutions NGO delivered consultancy services to empower the Mid-Level Branches of the Mongolian Red Cross Society (MRCS). This consultancy included mentoring and advising on the development of social business models and the initiation of social enterprises, aimed at ensuring the independence of the 33 mid-level branches of the MRCS.

As a result of these consulting efforts, 7 out of the 33 Mid-Level branches of the MRCS successfully launched social business projects, securing 210 million MNT in funding. Through these social business projects, involving volunteers and beneficiaries from the mid-level branches, the branches have created a sustainable source of income to maintain their independence and build aid resources for use during disasters.



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Development Solutions NGO extends its gratitude to the organizations that collaborated with us in 2023.

