

GEF-8 SCIP | Implementation Committee



MINISTRY OF ENVIRONMENT
AND CLIMATE CHANGE



Green and Inclusive Cities in Mongolia (GICM)

Country: Mongolia

Implementing Agency: United Nations Development Programme (UNDP)

Executing Agency: Ministry of Environment and Climate Change (MECC) — National Implementation Modality

GEF ID / Duration: 11009 | 28 April 2026 – December 2031 (GEF-8 SCIP child project)

Cities: Ulaanbaatar, Darkhan, Erdenet

Project Overview

Project objective

Support integrated urban planning and investment in nature-positive, climate-resilient and carbon-neutral development in Ulaanbaatar, Darkhan and Erdenet, with a focus on ger areas and peri-urban districts.

1 Integrated planning, policy and institutions
Green City criteria and indicators, integrated urban planning tools, cross-sectoral coordination, urban and local public financial management, results-based budgeting

2 Investment and innovative financing
Pilot investments in low-emission energy, ecosystems and urban food systems, water and flood management, circular economy and waste — plus green finance instruments and PPPs

3 Knowledge, innovation and partnerships
Green City Innovation Labs, digital tools for public engagement, city-to-city learning through GPSC and ICLEI networks

Financing (US\$)

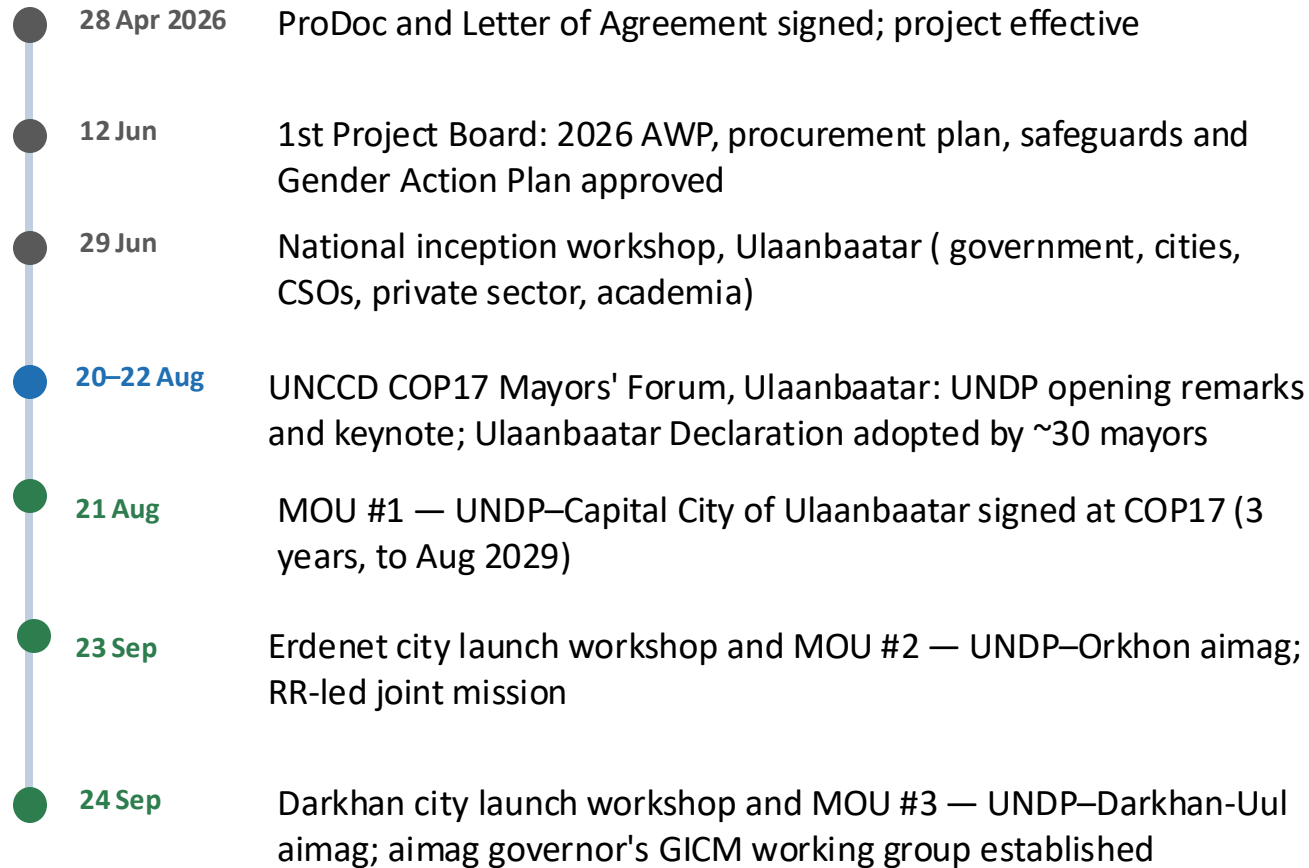
GEF grant (GEF-8 SCIP)	7,261,694
UNDP TRAC	200,000
Government of Mongolia co-financing	117,600,000
Ulaanbaatar City	100,000,000
Darkhan-Uul and Orkhon aimags	10,000,000
Total co-financing	227,800,000
Total project	235,061,694

Participating cities



Implementation Status

Stage: Year 1 of implementation — start-up completed, city-level launch under way (as of 25 September 2026)

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- A vertical timeline on the left side of the page, marked with colored circles and dates. The milestones are as follows:
- 28 Apr 2026** (black circle): ProDoc and Letter of Agreement signed; project effective
 - 12 Jun** (black circle): 1st Project Board: 2026 AWP, procurement plan, safeguards and Gender Action Plan approved
 - 29 Jun** (black circle): National inception workshop, Ulaanbaatar (government, cities, CSOs, private sector, academia)
 - 20–22 Aug** (blue circle): UNCCD COP17 Mayors' Forum, Ulaanbaatar: UNDP opening remarks and keynote; Ulaanbaatar Declaration adopted by ~30 mayors
 - 21 Aug** (green circle): MOU #1 — UNDP–Capital City of Ulaanbaatar signed at COP17 (3 years, to Aug 2029)
 - 23 Sep** (green circle): Erdenet city launch workshop and MOU #2 — UNDP–Orkhon aimag; RR-led joint mission
 - 24 Sep** (green circle): Darkhan city launch workshop and MOU #3 — UNDP–Darkhan-Uul aimag; aimag governor's GICM working group established

Three MOUs with the three project cities were signed within five months of effectiveness, anchoring GICM in each city's own planning, budgeting and investment decisions.

Start-up and institutional set-up

- Project Board (18 members) established by Minister's order, 2 June; National Project Director appointed 4 August
- PIU core team on board since 29 May (Project Manager, Admin/Finance, Procurement); 4 national short-term technical specialists start 01-17 Oct 2026
- 2026 AWP US\$572,387 (GEF 532,387 + UNDP 40,000);
- Six consultancy ToRs prepared (institutional coordination, food systems, urban PFM, knowledge management, Darkhan, Erdenet Coordinators)

Next milestones

- Oct 2026** — PIU registered as legal entity; technical specialists, City-city good practice learning study tour (Circular economy good practice)
- Nov 2026** — 2nd Project Board: 2026 delivery review, 2027 AWP, city implementation arrangements under the three MOUs, city coordinators (Darkhan, Erdenet) on board, First youth Hakaton
- Q1 2027** — Green City indicator baseline survey in three cities; first pilot designs (Community-based park, flood and grey-water pilots)

Immediate Priorities

Next 6–12 months (October 2026 – September 2027)

1

Complete the delivery platform

Target: Dec 2026

- Register the PIU as a legal entity and complete national procurement channels
- Recruit 4 national specialists (land use, green finance, renewable energy, waste), gender/SES officer and 2 city coordinators
- Contract the six 2026 consultancies; approve 2027 AWP at the 2nd Project Board

2

Operationalise the three city MOUs

Target: Q1–Q2 2027

- Joint implementation arrangements and annual city workplans with Ulaanbaatar, Darkhan-Uul and Orkhon
- Green City criteria and indicator baseline survey across the three cities
- Align city co-financing (flood management, river ecosystems, food safety labs) with the 2027 AWP

3

Launch first pilot investments

Target: 2027

- Community-led pilots with the UB city
- Design studies for grey-water reuse, riparian restoration and landfill methane in Darkhan and Erdenet; food-safety laboratory equipment in three cities
- First Project Implementation Report (PIR) and Green City Innovation Lab set-up

Key Challenges

Challenge	Support Needed
Institutional coordination Change of Government appointments and pending registration of the PIU as a legal entity delayed national procurement in 2026.	Examples from SCIP cohort of multi-city coordination and city–national steering arrangements;
Technical capacity Technical specialists not yet on board; cities need methods for Green City criteria and indicators, integrated planning, city GHG inventories and measurement of urban land degradation (Ulaanbaatar Initiative).	GPSC technical experts and tools on urban sustainability framework and indicators; training on city GHG inventories and land-degradation reporting; ESA/space-data support.
Financing / co-financing Co-financing (US\$227.6 M) is largely national programme budgets — attribution of national afforestation and water measures to the three cities must be tracked; cash contributions to be defined in city agreements.	Guidance on co-financing attribution and reporting; municipal green finance and PPP expertise (e.g., iLBANK-type models); Seeking more technical support on high-integrity carbon standards for ger-district emission reductions.
Policy / regulatory New Climate Change Law (July 2026) may require alignment of the Green City criteria, incentives and local PFM tools with national regulation.	Peer examples of Green City standards adopted into national/municipal PFM
Other Compressed first-year window: about 60% of the 2026 AWP expected to be delivered in 2026, with the balance carried into 2027	Flexibility on Year-1 delivery expectations;

Where GPSC & Partners Can Add Value

Three priority areas for GPSC and core-partner support

☑ Technical assistance

Green City criteria and indicator framework (baseline survey in 3 cities, Q1 2027); city GHG inventories; measurement and reporting of urban land degradation under the Ulaanbaatar Initiative (reporting to UNCCD by COP18); advice on carbon-market standards for ger-district emission reductions.

☑ Peer-to-peer learning / South-South exchange

Exchange with GEF-7 sustainable cities (Chengdu, Chongqing)

☑ Financing / private sector engagement

Co-financing prospectus for the community park and ger-district renewable energy; links to World Bank/IFC and development banks active in Ulaanbaatar.