

strategic development group



Australia Mongolia Extractives Program (AMEP) II Mid-Term Review

Final Report

6 February 2023

Table of Contents

TABLE OF CONTENTS	1
ABBREVIATIONS	2
1. EXECUTIVE SUMMARY	3
2. INTRODUCTION	7
3. KEY FINDINGS	12
4. CONCLUSIONS AND RECOMMENDATIONS	29
ANNEX 1: TERMS OF REFERENCE	32
ANNEX 2: LIST OF KEY INFORMANTS	33
ANNEX 3: BIBLIOGRAPHY	34
ANNEX 4: KEY ACHIEVEMENTS PER ACTIVITY (2019 – 2022)	35

Abbreviations

Term	Definition
AMEP I	Australia Mongolia Extractives Program (Phase 1)
AMEP II	Australia Mongolia Extractives Program (Phase 2)
AustCham	Australia Chamber of Commerce in Mongolia
CBM	Coal-bed Methane
CfP	Call for Proposal
CSO	Civil Society Organisation
DFAT	Department of Foreign Affairs and Trade
EIA	Environmental Impact Assessment
GA	Geoscience Australia
MONVAL	Mongolian Mineral Property Valuation Code
MMHI	Ministry of Mining and Heavy Industry
MNMA	Mongolian National Mining Association
MoF	Ministry of Finance
MoET	Ministry of Environment and Tourism
MonGeoCat	Mongolia's Geological Catalogue System
MRPAM	Mineral Resource and Petroleum Authority of Mongolia
MPIGM	Mongolian Professional Institute of Geosciences and Mining
MTR	Mid-Term Review
NGDB	National Geoscience Database
NGS	National Geological Survey
ODA	Official Development Assistance
REE	Rare Earth Element
SESMIM	Strengthening Extractive Sector Management in Mongolia

1. Executive Summary

Overview

The program under review is the 2nd phase of the Australia Mongolia Extractives Program (AMEP II) aiming to assist Mongolia to sustainably manage its resource-led growth. The 2nd phase of the program commenced on 1 April 2019, with Adam Smith International as the managing contractor. The current value of the investment is 8.5 \$ million and it will end on 31 March 2024. The objective of AMEP II is to promote the enabling environment for investment in the extractives sector that is essential to future growth.

Purpose

The primary objective of the Mid-Term Review (MTR) is to focus on what has worked and why, how program practice and relevance could be improved, and if program operation and management facilities have been efficient and effective.

Approach

As set out in the Inception Report, the MTR conducted a mixed-methods approach (largely done in person, although some meetings were done remotely), using key informant interviews (KIIs), supported by a review of extensive project documentation. In total 28 informants participated in interviews and/or group discussions.

Key Findings

Relevance: AMEP II remains highly relevant to the objectives of the Government of Mongolia, and to priorities in the sector. AMEP II aligns with Australia's Official Development Assistance (ODA) priorities and high-level development interests, however it is still to be determined to what extent the objectives of AMEP II will align with the political agenda of the new Minister of Mining. AMEP II has retained its 'on-demand' approach, and has broadened its consultation process over time, working towards ensuring it responds to the needs of multiple stakeholders. However, satisfying these very different interest groups is a challenge, and the concern remains that the program could 'fall between two stools' if it does not articulate clearly how it plans to work with both professional mining groups within the sector, and those who represent the interests of mining affected communities.

Effectiveness: AMEP II has demonstrated that it provides sound advice on critical issues in the sector and has been sought out by government to support several important regulatory and legislative issues (such as the work done on licensing, the new Minerals Law, and the new Subsoil Law). The program has been largely effective in delivering at output level, but its progress towards its overall objective remains uncertain. The program is building trust with key stakeholders, but acknowledges this is a slow process, and where possible AMEP II has integrated gender and inclusion issues. Interviews conducted as part of the MTR found that stakeholders are not using the outputs of AMEP II fully and have limited access to important products that AMEP II have delivered over the years.

Efficiency: Whilst AMEP II has continued to work in areas it is familiar with, it has also been engaged in areas that are of higher risk and are more controversial within the sector. The challenge for the program is when activities are dropped because government no longer sees the issue as a priority. Moreover, not all planned activities can be delivered within the financial year, which inhibits the realisation of all expected benefits. Whilst the pandemic hindered the pace of delivery, the program was able to mitigate against the impact of COVID – 19, but the program recognises that the pandemic created challenges including that by moving activities online it did impact on the ability to

raise awareness of issues, especially at the local level, and outreach was difficult, especially for building new relationships.

M&E: The M&E system has made a considerable investment in designing and implementing tracking against baselines that were developed at the outset, nevertheless challenges remain. Firstly, the program does not routinely measure progress against well-defined indicators at the outcome level. Secondly, the approach to M&E does not provide the Embassy with easily identifiable information required for questions, queries, and reporting needs of DFAT in Canberra. The program is not tracking in full what it is delivering (although the recent Annual Report is a step in the right direction), and its achievements at outcome level remain unclear.

Impact: AMEP continues to be successful in delivering multi-year interventions, that are contributing to the sector, but these successes are not always given the visibility they warrant. The program is also demonstrating that a longer-term approach to support policy building in the mining sector is needed. The implication being that support to policy reform cannot be done on an annual basis, but rather requires a significantly longer time frame. The challenge is to find the right balance between longer-term policy support and the short-term actions in response to the Calls for Proposals (CfPs). The longer-term support can be programmed, but the short-term actions, by their very nature, cannot be planned and which, if not carefully managed, could dilute the overall impact of the program. Moreover, bearing in mind that the context has changed dramatically since the start of the program, are the assumptions underlying the program still valid?

Sustainability: The improvement of the investment environment is an ongoing process, notwithstanding the many factors external to the program which continue to undermine confidence in the investment environment in Mongolia. The context within which the program operates remains highly challenging and relatively hostile to the types of reforms the program is advocating. One therefore needs to be realistic about what a program of this nature can contribute, nevertheless there are opportunities for AMEP II to continue to pursue including collaborating further with community-based organisations and expanding its efforts to advocate for the transition to green energy in Mongolia.

Value-add to Australia: Australia has a good reputation in the sector but has the difficult role of being seen to be responding appropriately to the needs of many different interest groups in the sector. From a public diplomacy perspective, the ongoing success of AMEP II provides opportunities for the Australian government to continue to engage with key government ministries, but this has not been appropriately leveraged by the program. Currently the program does not draw sufficiently on senior staff within the Embassy to raise the profile of Australia in the sector. This makes it difficult to demonstrate how the program is reinforcing Australia's reputation in the sector.

Conclusion

Our overall conclusion is that AMEP II has been successful in 'building bridges' between relevant government ministries and industry relevant players, but it has not been as successful in getting these groups to work with community-based organisations, which has been a missed opportunity. Nevertheless, the improvement of the investment environment is an ongoing process, and AMEP II continues to contribute to much needed changes within the sector. Whilst one must be realistic about what a program such as AMEP II can achieve within an environment that is unreceptive to change, AMEP II should be encouraged to continue to support collaborative efforts to reform the sector. However, the program does need to provide a better sense of its competitive advantage, and the impact it is having in the sector. Without clear evidence of it meeting its expected outcomes, its

success may remain ambiguous, and it will be difficult for AMEP II to demonstrate that the whole is greater than the sum of its parts.

Recommendations

Based on the findings and conclusions of this evaluation, the recommendations of the MTR team for the next phase of the Facility are detailed below:

- 1) Over the final period there is a need for stronger focus/ greater emphasis on CSOs to ensure the objective of AMEP II is addressed fully. In selecting activities going forward the focus on CSOs AMEP II could have a closer look at leveraging the success it has had in building partnerships with both government and industry to create opportunities for effective collaboration with CSOs on joint activities (such as around mining affected communities and/or the social dimension of mining drawing on the experiences, for instance, of OT and ERD Resources).
- 2) AMEP II needs to be transparent about the CfP process (i.e. be clear about the selection process, ensure selection is an inclusive process drawing on a wide range of all stakeholders, and provide follow-up information to applicants, especially those whose proposals were rejected). A regular follow-up on the selection process for all stakeholders including applicants would ensure transparency and build further trust with stakeholders. By demonstrating it is accountable the program will also address CSO concerns about a perceived lack of transparency. To enhance its role in the sector AMEP II should continue to ensure that decisions made (especially those related to project selection) are transparent, and that it communicates its decision making clearly to stakeholders. The program should consider including independent members of the Advisory Committee, and representation from MMHI and CSOs, in the selection process. This will further enhance transparency and trust-building with different stakeholder groups.
- 3) If the direct outputs of AMEP II can be made accessible to a broader audience (as far as is feasible) it will support its awareness raising efforts with regards to the necessary reforms needed in the sector and ensure greater recognition of what the program has delivered to date. Increasing access to its outputs could also strengthen the program's accountability within the eyes of relevant government institutions and other key stakeholders.
- 4) Flexibility is required to allow activities an opportunity for no-cost extensions when there are sufficient grounds for approving extra time for delivery. This would need to be clearly signalled in the CfP process, providing clear criteria for determining when such an extension is justified.
- 5) Need for the updated ToC/ Logic Model to be revised in line with what has already been spelt out in the most recent Annual Report, to ensure that it reflects that ambition of the program, and to ensure reporting is aligned with the revised logic model and meets the reporting needs of DFAT, especially at outcome level.
- 6) Critically assess the extent to which the original assumptions of the program remain valid and determine to what extent there is appetite to increase longer term policy support.
- 7) Greater visibility/ publicity needed on key achievements (and a better sense of what still needs to be addressed in the sector). Bearing in mind that increased collaboration is an implicit outcome statement of the program, AMEP II could work on explicitly documenting the real change that project activities have contributed to (i.e. demonstrating the added value AMEP II has delivered to the sector). This could also include disseminating

information/ publicising exemplary projects/ good practices, and sharing stories of the impact AMEP II is having on the sector (i.e. beyond the direct beneficiaries of activities). Furthermore, based on the Project experience (achievements and challenges with respect to collaboration), AMEP could produce a 'documentary' of real cases and practices on failed and successful collaborative efforts from which the sector can learn and leverage for future efforts to improve the investment environment.

- 8) To ensure greater public diplomacy value the program should engage more deliberately with the Embassy to ensure greater collaboration between AMEP II and the Embassy on issues of mutual interest, including promoting dialogue between key stakeholders in the extractives sector and the senior officials in the Embassy. A practical way of doing this might be to convene a quarterly/bi-annual informal event where senior officials from the Embassy meet with the key lead implementing partners to exchange activity related information.

2. Introduction

The MTR is divided into the following sections

- Introduction
- The MTR objective and scope
- Methodological approach to the MTR
- MTR challenges
- Context and overview of AMEP II
- Review Questions
- Findings
- Conclusions
- Lessons learned
- Recommendations.

MTR objective and scope

The objective of the MTR is to focus on what has worked and why, and how program practice and relevance could be improved and if program operation and management facilities have been efficient and effective. As the Terms of Reference (ToR) note the MTR will operate at two linked, but nevertheless distinct levels, namely:

- ✦ At the intermediate outcome level the MTR will need to determine how relationships and activities have impacted the success, or otherwise, of the program, the factors that have influenced progress towards the expected intermediate outcomes, and the extent to which conclusions can be drawn from the impact the program is having on key issues within the minerals sector in Mongolia;
- ✦ At the end-of-program outcome level the MTR will need to assess the contribution that AMEP 2 has made on changes in the policy and practice environment in the minerals sector, in addition to recognising any contribution that the previous phase of AMEP may have had on influencing change in the sector.

Methodological approach to the Review

The Inception Report (submitted 2 September 2022) outlined a distinct set of methods and sequential deliverables, which were grouped within three distinct phases, and which have now been completed to collect and analyse the findings presented in this report. In the first phase, the key activities included framing the evaluation questions and preparing the Evaluation Plan.

In the second phase, the focus was on conducting interviews with relevant stakeholders in Mongolia (28 informants participated in interviews and/or group discussions – see **Annex 2** for a full list of key informants), in addition to analysing and then presenting preliminary findings by means of an Aide Memoire to DFAT (5 October 2022). The presentation of preliminary findings allowed the MTR team to validate initial findings, and the implications of the key findings.

In the final phase of the evaluation this, the draft report, has been prepared to ensure it satisfies the request for services, including focusing on what has worked and why, how program practice and relevance could be improved, and if program operation and management facilities have been efficient and effective.

MTR Challenges

Limitations faced during the evaluation were primarily related to the busy schedule of key informants, and the need in some instances to conduct interviews remotely. Timing of the fieldwork created challenges due to several key informants being unavailable due to other commitments. The evaluation team mitigated these limitations using multiple approaches to gathering evidence (by interviewing multiple stakeholders from within the same ministry, ensuring an appropriate mix of participants from government, civil society and the private sector, and drawing on the extensive program documentation). Whilst there were instances when respondents were not available for interviews, this did not happen often, and most interviews were conducted as scheduled.

Overview of AMEP II

The Government of Mongolia and the Government of Australia are partners in the Australia Mongolia Extractives Program (AMEP) aiming to assist Mongolia to sustainably manage its resource-led growth. After a successful first phase of the program between 2015 – 2019, the second phase of the program commenced on 1 April 2019, with Adam Smith International as the managing contractor. The current value of the investment is 8.5 \$ million and it will end on 31 March 2024 (a one-year extension). The objective of AMEP II is to promote the enabling environment for investment in the extractives sector that is essential to future growth. The program approach is based on the premise that for sustained and transparent improvements to the environment for investment to occur, there needs to be collaboration between the principal stakeholders with interests in the extractives industry. The end of program outcome is therefore expressed as:

Government, civil society and the private sector collaborating to improve the investment environment for the extractives sector in Mongolia.

The two overall outcomes for AMEP II implicit in the outcome statement (*increased collaboration and improved investment environment*) frame the results that the program reports, but they are deliberately beyond the reach of the program to deliver (i.e. it is accepted in advance that the intermediate outcomes to which AMEP II contributes may be necessary but will not be sufficient to bring about the expected change). The original design identified domains of change that AMEP might seek to engage in:

- ✦ policy and regulation processes that involve stakeholders and achieve widespread consensus,
- ✦ an increasingly transparent, fair and predictable environment for domestic and international investors,
- ✦ enhanced capacity of government to provide services in the sector,
- ✦ increased availability of evidence to inform public debate and
- ✦ increased information on better international practice.

These domains of change have subsequently been incorporated into the six distinct but related pillars within which AMEP works:

- ✦ Competitive investment environment
- ✦ Responsible extractives sector
- ✦ Well governed extractives sector
- ✦ Inclusive and diverse extractives sector
- ✦ Community and environment
- ✦ Green energy transition

Logic Model

Whilst a comprehensive logic model is currently under preparation, the program has nevertheless identified (as articulated in the most recent annual report – *AMEP Annual Report, 2021 - 2022*) a set of six strategic pillars and associated intermediate and short-term outcomes that will form the substance of the logic model (listed in the table below).

Pillars	Short – term Outcomes	Intermediate Outcomes
1. Competitive Investment Environment	A fully functional, transparent, system that provides access to users such as potential investors and companies	Improved data quality and analysis
	Improved understanding of use of digital licensing and tendering system	On-line implementation and use of digital license and tendering system
2. Responsible Extractives Sector	Awareness and learning opportunities provided for Mongolian professionals	Mongolian professionals apply methods and processes consistent with international best practices
	Improved knowledge and skills for prospecting, exploration, and reporting of resources	Increased accuracy and uniformity in reporting to the Minerals Council of Mongolia
3. Well Governed Extractives Sector	Improved knowledge and skills regarding key stakeholder “hot-button issues of the current mining law	Application of consultation framework process applied to draft laws in the mineral sector
	Enhance knowledge with key Stakeholders (ministries, agencies, and regulators) on the use and application of the subsoil law	Key Ministries and agencies and regulators responsible for the subsoil law operate within the consistent legislative with clearly defined responsibilities
4. Inclusive and Diverse Extractives Sector	Awareness raising and sensitization on key issues related to the MMHI Human Rights Gender Policy	Improved practices around gender inclusion, diversity, and human rights within the sector
5. Community and Environment	Increased capacity and awareness around the rights associated with public participation in the Environmental Impact Assessment Process	Practical application of Environmental Impact Assessment guidelines and tools for the purpose of public participation
6. Green Energy Transition	Improved knowledge and skill to assess and evaluate CBM resources. Internationally recognized approach and tools in practice.	Increased quality and quantity of the geodata related to CBM available to investors.
	Strengthen NGDB and MonGeoCat systems through collection and findings based on REE	Improved value driven decision-making as a result of investor access to REE data (NGDB - MonGeoCat)

The M&E Results Framework states that programs, such as AMEP II, can bring about changes through a set of activities and achieving its stated goals in collaboration with partners (Appendix 1). AMEP II will, over its lifetime, seek to change behavioural intentions and behaviours of key decision makers and partners by focusing its activities in two main streams. These are:

- a range of high-quality services is helping stakeholders to achieve their objectives for change affecting the investment environment; and

- an inclusive set of AMEP II partnerships is designed to bolster dialogue among industry experts, government, and civil society, who can together create the enabling environment for the mining sector in Mongolia.

The targeted outcomes are a change in the perception of collaboration incentives and behaviours, and a range of practical outcomes from AMEP II's activities with partners. To help bring these about AMEP II has a range of deliverables, including research, technical assistance, dialogue and network facilitation and a diverse range of effective partnerships

Review Questions

The key evaluation questions and sub-questions the evaluation focussed on, and the relevant OECD-DAC evaluation criteria are listed in the table below

Table 1: Key evaluation questions for the MTR

OECD-DAC Evaluation Criteria	Key Evaluation Questions	Sub-questions
Relevance	EQ 1. To what extent do the objectives of AMEP II align with the needs of the investment environment for the extractives sector in Mongolia?	1.1. Are the objectives of AMEP II still relevant to the extractives sector in Mongolia?
		1.2. Has AMEP II developed appropriate relationships in the sector in line with the design concept and supporting the underlying aim of improving collaboration within Government, and between Government, the private sector and civil society?
Effectiveness	EQ 2. To what extent is AMEP II doing the right activities?	2.1. Has the choice of activities by AMEP 2 been appropriate in the light of the overall objectives?
		2.2. Are there activities AMEP II should be implementing but are not?
		2.3. Is the proportion of the portfolio of activities that addresses gender and inclusion issues consistent with expectation at this stage of implementation?
Efficiency	EQ 3. To what extent is AMEP II doing things right?	3.1. Which activities have worked best and what are the lessons to be drawn from positive experiences?
		3.2. How has the program managed risk in its portfolio? Has there been an appropriate balance between "safe" technical activities and riskier interventions that address the political economy of the sector?
		3.3. How has the program adapted to the restrictions imposed as a result of the COVID-19 pandemic?
M&E	EQ 4. How well is AMEP II tracking progress?	4.1. Does AMEP II have adequate mechanisms to track the quality and impact of its activities?

OECD-DAC Evaluation Criteria	Key Evaluation Questions	Sub-questions
		4.2. Has the annual monitoring and reporting cycle enabled adequate accountability and lesson learning?
Impact	EQ 5. What has AMEP II achieved/ is it on track to meet the expected intermediate outcomes?	5.1. What have been the results of AMEP II 5.2. What are the factors for the success or otherwise of AMEP II? 5.3. To what extent did the pandemic slow down the achievement of results?
Sustainability	EQ 6. To what extent has the investment environment in Mongolia changed in the past three years?	6.1. What are the major factors affecting the investment environment in Mongolia in the last three years? 6.2. Is it reasonable to expect that the current pattern of AMEP activities may have an effect, or a further effect, on the investment environment in the longer term
Added Value Criteria	EQ 7. To what extent is AMEP II reinforcing Australia's reputation in Mongolia's economic development?	7.1. What are the public diplomacy benefits for continuing to invest in improving the investment environment for the extractives sector in Mongolia?

3. Key Findings

The evaluation findings and the evidence to substantiate them are presented below. They are structured as a response to each key evaluation question in turn. Where applicable evidence to support the findings discussed in this section of the report draws on the interviews, discussions and relevant program documents (**Annex 3**).

EQ 1. To what extent do the objectives of AMEP II align with the needs of the investment environment for the extractives sector in Mongolia?

AMEP II remains highly relevant to the objectives of the Government of Mongolia, and to priorities in the sector. It is important to bear in mind the magnitude of the extractives sector within the Mongolian economy (whilst an upper middle-income country, Mongolia is one of the most commodity-dependent countries in the world). The extractives sector contributes 20% of GDP, and accounts for 90% of Mongolian exports. However, it is also a sector that has seen decreasing foreign investment for several years due to mismanagement, political impropriety, a fragile business environment exacerbated by an uneven regulatory framework¹.

As part of its long-term development plan, and as articulated in its *Vision 2050*, the Mongolian Government priorities include human resource development, promoting good governance (including e-governance), stimulating green growth, and developing a responsible mining sector. These concepts have been further detailed in the *New Recovery Policy* which provides a roadmap towards the realisation of Vision 2050 and addresses six recovery areas which needed to be addressed post-pandemic to enhance Mongolian development, including establishing more value-added mining processes, investing in less polluting sources of energy, greater digitalisation of government services, and promoting good governance across government agencies.

AMEP II demonstrates strong alignment and linkages with the policy priorities of the Mongolian government, examples include:

Policy Priority	Examples of AMEP II Activities
Good governance	<ul style="list-style-type: none"> • Regulations and guidance materials for new Minerals Law, • effective tax rate study, • study on royalty on minor elements of concentrate, • Development of Accounting Standards for Financial Reporting in Mining sector, • Support to the Implementation of New Transfer Pricing Rules • Royalty Options paper
Digitalisation	<ul style="list-style-type: none"> • National Geoscience Database (NGB) • MonGeoCat • Roadmap for the technical integration of MMHI-MRPAM and NGS Information Systems
Information transparency	Support to on-line digital licensing and tendering process

¹ The AMEP II Annual Report (2021 -22) notes – Mongolia is 75th on the Fraser Institute’s Annual Mining Survey for its poor policies that inhibit investment in the sector.

Policy Priority	Examples of AMEP II Activities
Responsible mining	<ul style="list-style-type: none"> • Ongoing support to MONVAL committee • Development of the Responsible Mining Framework for Mongolia with Mongolian National Mining Association • Efforts to enhance mining affected communities in Mining (e.e. 'Making Mining Valuable' initiative) • Roadmap to improve conflict management in the mining sector
Environment	<ul style="list-style-type: none"> • Supporting public participation in Environmental Impact Assessments, • Environmental Auditors certification, • accounting guidelines for rehabilitation funding
Inclusivity/ Gender equality	<ul style="list-style-type: none"> • Development of on-line gender diversity and inclusion course • Monitoring on Gender and Human Rights Training Program
Green Energy	<ul style="list-style-type: none"> • Geoscience data for CBM, • Data processing and quality assurance on Rare Earth Element Rock samples • Assessment of the barriers to energy transition in Mongolia
Human Resource Development	<ul style="list-style-type: none"> • Strengthening Mongolia's Professional Associations • Building Capacity of the Judiciary to Respond to Extractives Key Issues

AMEP II aligns with Australia's ODA priorities and high-level development interests. Many of the sentiments expressed in the long-term development plans of the Mongolian government also resonate with the Australia's policy and trade priorities in the region. These include Australia's strong commitment to contributing to the realisation of the Sustainable Development Goals, supporting sustainable economic growth and prosperity, promoting good governance, increasing access to renewable energy, and advocating for free and open trade and investment. Moreover, the key tenants of the *Partnerships for Recovery* (Australia's COVID-19 Development Response), spells out Australia's commitment to helping developing economies, in both Asia and the Pacific, cushion against the impacts of the pandemic by supporting policy making that promotes economic response and recovery efforts (such as those spelt out in the Mongolian *New Recovery Policy*). Priority areas in the *Partnerships for Recovery* include helping to re-establish markets and global value chains, promoting low carbon development, supporting efforts to boost economic resilience, and strengthen women's economic empowerment.

It is still to be determined to what extent the objectives of AMEP II will align with the political agenda of the new Minister of Mining. The Government of Mongolia has recently appointed a new Minister of Mining, who has a long history of working in the private sector. The new minister comes from the business sector and made some noteworthy and important promises at the opening of the Mining Week about his vision for the sector. There is now the expectation that the new Minister will endeavour to pursue these promises, including further legislative reforms, and enhancing the number of exploration licenses. All issues which AMEP II have been supporting, and which will provide further opportunities for AMEP II to support in the future, including the possibility of restarting AMEP II's work to support public consultation on the draft Minerals law.

AMEP II has retained its 'on-demand' approach, and has broadened its consultation process over time, working towards ensuring it responds to the needs of multiple stakeholders. In the most recent annual call for proposals (2022) to inform the 2022-2023 annual workplan, AMEP conducted

a series of engagement sessions to raise the profile of the program and garner interest in proposal preparation. More than a 100 Expressions of Interest translated into 53 proposals, which in turn led to AMEP II selecting 10 activities for the workplan (although it should be noted that several of the proposals were merged as they dealt with similar concepts). Nevertheless, the program does recognise that working with such a disparate group of stakeholders makes it difficult to satisfy and be responsive to the needs of all these different stakeholders. Whilst the program continues to engage with relevant government officials it has built a close relationship with over the years, its engagement with civil society is newer and thus its relationship with these groups is not as strong. In part this is the nature of civil society globally, but in part this is also due to the unique 'classification' of civil society in Mongolia where it includes both professional bodies (such as the Mongolian Mining Association, Mongolian Association of Geologists, Association of Mining Engineers and so on), and those organisations who work directly with communities.

Satisfying these very different interest groups is a challenge, and the concern remains that the program could 'fall between two stools' if it does not articulate clearly how it plans to work with both professional mining groups within the sector, and those who represent the interests of mining affected communities. It would be better for the program to review and refine what exactly it means by civil society, with whom it wants to work, and for what purpose. In addition, this would also require the program to reflect on what it means by collaborating with the different interest groups in the sector. As we note below, the program has been highly effective in collaborating with government ministries and industry, but less so when it comes to facilitating collaboration between government and industry with communities. At the most recent Mining Week, investors noted that one of the two biggest challenges in the sector at present is getting mining affected communities to accept, and cooperate with, developments planned for the sector (the other challenge, referred to below, is the instability and inconsistency of government policies in the sector).

There is clearly a role for AMEP II in enhancing its engagement with community-based organisations, for three different reasons. Firstly, the program can play a key role in raising awareness of the role a responsible extractives sector can play in Mongolia, including helping to facilitate the emergence of shared interests between the three main stakeholder groups (government, industry and local communities) for a responsible extractives sector. Secondly, the structure of MMHI does not lend itself to engaging and consulting mining affected communities, so there is a need for creating links between the centre and those on the periphery. Thirdly, as noted above, a major concern of industry is how to resolve conflicts with mining affected communities. AMEP II could provide further research, and conduct public consultations, on this matter in order to better understand the reasons for the conflict.

Conclusion #1:

AMEP II remains highly relevant to the objectives of the Government of Mongolia, and to the priorities in the sector. However, with government having recently appointed a new Minister of Mining, AMEP II has the opportunity to determine to what extent its objectives align with the political agenda of the new Minister and to what extent its activities may align with the Minister's vision for the sector.

Conclusion #2:

As the high-level outcome of AMEP II speaks to equality/ benefits for all it is important for the program to have collaboration with communities. An opportunity now exists for greater engagement with civil society, but their role needs to be carefully defined to ensure they add value to the program and expectations are managed.

Recommendation #1 - Over the final period there is a need for stronger focus/ greater emphasis on CSOs to ensure the objective of AMEP II is addressed fully. In selecting activities going forward the focus on CSOs AMEP II could have a closer look at leveraging the success it has had in building partnerships with both government and industry to create opportunities for effective collaboration with CSOs on joint activities (such as around mining affected communities and/or the social dimension of mining drawing on the experiences, for instance, of OT and ERD Resources).

EQ 2. To what extent is AMEP II doing the right activities?

AMEP II has demonstrated that it provides sound advice on critical issues in the sector and has been sought out by government to support important regulatory and legislative issues (such as the work done on licensing, the new Minerals Law, and the new Subsoil Law). Moreover, where applicable, AMEP II has also advocated for specific reforms within the sector. For instance, in providing accounting guidance to the Ministry of Finance, AMEP II also lobbied for this work to be shared with other relevant Ministries, to use the guidance within policy, and it also initiated further collaboration between the ministries on this matter. Through its work on royalties and other tax issues AMEP II has been advocating for greater unity with various business chambers to work together to address taxation issues in the sector. AMEP II has also shown, not only through its consultative approach to developing its annual workplan, but through many other initiatives its strong focus on building relationships to promote and enhance collaboration in the sector. Relations created during the first phase of AMEP are being leveraged to great success in AMEP II. An example is of the 1st program providing early advice on the National Geological Survey (NGS), which was only implemented in 2020. AMEP's positioning meant it was able to build on existing relationships to create an effective partnership to support this initiative, and expand its scope to also include privately-funded geo-science data. Moreover, recent work by AMEP II illustrates that by improving relations and building trust, it also helps to reduce conflict and creates better opportunities for addressing challenges in the sector.

The program has been largely effective in delivering at output level, but its progress towards its overall objective remains uncertain. The table below (Table 1) lists the 6 strategic pillars of the program and examples of associated key activities under each pillar (and as we note in the table the majority of the activities have been completed – see also Annex 4 for a full list of activities

undertaken between 2019 - 2022). It is expected that the delivery of these activities will, contribute to the program realising its objective of creating ‘an enabling environment for investment’, using an approach that ensures ‘collaboration with multi-stakeholders representing government, industry and civil society’. In some instances, the activities complement each other, and linkages have been created between them (for instance data on CBM resources has been collected and captured within the NGD), but this is not always the case. Moreover, there is evidence that whilst AMEP II is supporting a mix of areas it has worked in for many years (such as its important work to create relevant digital platforms and geoscience more broadly) and much newer initiatives (such as its work on gender rights in the sector), the line of sight between what it is investing in and its overarching purpose is ambiguous. Key informants noted that by implementing new interventions every year in response to requests there is insufficient time to reflect on the value of the deliverable (i.e. is it still being used, what can we learn from implementation?), and that with so many different components it becomes difficult to determine the extent to which the whole is greater than the sum of its parts.

A key point that comes out of the program’s results framework is that results take time, and some higher-level outcomes may not be realised during the AMEP II. In some instances, the work done is building on previous activities, and so this is likely to create better outcomes (for instance AMEP I started the MONVAL initiative and also created the important relationships for the NGS). In both these instances the results that AMEP II will achieve are likely to be far more substantial than it would have achieved if these events had been one off initiatives. Whilst the program has been largely effective in delivering at the output level, there needs to be greater visibility on how these different activities collectively will demonstrably ensure that AMEP II has improved the enabling environment for investment. There also needs to be greater integration/ harmonization between the different components – to demonstrate the whole is greater than its parts.

Table 2: AMEP’s Strategic Pillars and expected outcomes

Pillars	Key Activities	Comment
1. Competitive Investment Environment	Incorporation of Private Sector Geo Science Data into the National Geological Database	<ul style="list-style-type: none"> Ongoing action since AMEP I to develop NGD and MongGeoCat Emphasis on capturing private sector data currently
	Digitization of Licenses and Tendering Process	<ul style="list-style-type: none"> Digitization of e-tendering and licencing system Facilitated delivery of events in which MMHI built awareness of the system
2. Responsible Extractives Sector	Support to MONVAL Committee – production of guidance for mineral valuation and training	<ul style="list-style-type: none"> AMEP II previously provided support to Mongolia’s Financial Regulatory Commission (FRC) to develop a draft internationally compliant Mongolian Mineral Property Evaluation Code (MONVAL) Building capacity of MONVAL committee members and qualified professionals Facilitating MONVAL outreach events

Pillars	Key Activities	Comment
	Development of guidelines for prospecting, exploration and reporting of resources and reserves for five key minerals	<ul style="list-style-type: none"> • Co-created guidelines with MMHI and MUST • Guidelines have enhanced quality of reporting, and the transparency of registration process for exploration companies
3. Well Governed Extractives Sector	Planning and facilitation of public consultation on the draft Minerals Law	<ul style="list-style-type: none"> • Effective Tax Rate study • Research on exploration licensing • Study on royalties on minor elements • Guidance for accounting methodology on closure and rehab phase • Comparative assessment of existing legislation • Research and technical recommendations to inform drafting of new Minerals law • Development of public consultation process (including materials) on new Minerals law • Activities eventually suspended due to political delays
	Advice to Inform the Revision of the Law on Subsoil	<ul style="list-style-type: none"> • Support to MMHI working group on Law of Subsoil • Helped implement deeds assessment and research analysis • Draft concept note prepared to map out stakeholder consultation process • Delays due to turnover within the Working Group
4. Inclusive and Diverse Extractives Sector	Development of e-learning program on gender issues in the mining sector	<ul style="list-style-type: none"> • Awareness raising and sensitization on key issues related to the MMHI Human Rights Gender Policy (2019) • 7-module training program Gender Inclusion and Diversity Workplace E-Learning (June 2022) • Poster awareness campaign
5. Community and Environment	Supporting public participation in Environmental Impact Assessment	<ul style="list-style-type: none"> • Environmental Auditor certification system in place • Supporting efforts of MoET to strengthen awareness and increase communication with multi-stakeholders around the rights associated with public participation in the Environmental Impact Assessment Process • Developing guidelines on the EIA process • Facilitated online training

Pillars	Key Activities	Comment
		<ul style="list-style-type: none"> Initially planned to work at subnational level but pandemic led to the support being reconceptualised
6. Green Energy Transition	Improved Geoscience Data for Coalbed Methane	<ul style="list-style-type: none"> Working with MRPAM to identify and improve access to CBM geo-science data. developed a methodology for prospecting and conducted an analysis of identified CBM basins Joint Australian – Mongolian team conducted study AMEP and MRPAM hosted a CBM seminar to share findings and raise awareness
	Data Processing and Quality Assurance on Rare Earth Element Rock Samples	<ul style="list-style-type: none"> Supported a series of field trips to collect Rare Earth Element Rock Samples, used also a training exercise on the AMEP developed Mineral Guidelines Data on rock samples uploaded into NGDB and MonGeoCat systems

The program is building trust with key stakeholders but acknowledges this is a slow process. The challenge is for the program to demonstrate that it is not only responding to, and supporting, government efforts in the sector but is also seen as a trusted partner outside of government and other partners with whom it typically works with. As noted above AMEP II is already doing this by noticeably expanding its reach for the CfP process. To facilitate this process AMEP II hosted several sessions with the types of partners it has not always worked with in the past to ensure high quality proposals. Whilst key informants were appreciative of the fact that AMEP II was engaging with riskier topics, and with a broader group of stakeholders, concerns were raised about the transparency of the activity identification process. As one informant noted ‘once AMEP II have produced a short list of priorities, they then prioritise these priorities, but do not make it clear how are they prioritising these priorities’. There is a need for AMEP II to be transparent about the process (starting with announcement going to selection and informing or giving feed-back to applicants) to ensure its consultative process is not unnecessarily undermined.

Too early to tell to what extent outputs are being used, and are accessible to a broader audience. Interviews conducted as part of this review found, for examples whilst geo data is online it is still not accessible to other than a select few. It also remains unclear as to whether key stakeholders are fully using the outputs of AMEP II. As one key stakeholder noted ‘I am a firm convert of the program, but I struggled to find what I was looking for, the links were buried in the portal’. This does suggest that AMEP II needs to place greater emphasis on publicising its successes and ensuring that key outputs it has been involved in developing are easily accessible. Publicising its successes will also further enhance appreciation of the project.

Gender and Social Inclusion

There is a growing acknowledgement within the program, that gender and social inclusion require a much stronger focus in the program. Whilst the first annual report makes no mention of gender and inclusion, the two most recent reports reflect a much stronger focus on this topic. As the program rightly notes ‘Gender equality in the extractive sector is a challenging and complex issue at international and national levels. This issue requires sustained and concerted effort from all stakeholders’. The MMHI has nevertheless undertaken a series of commitments and actions to give greater prominence to gender related issues in the extractives sector since 2019. For instance, MMHI conducted baseline study and then prepared a gender policy paper for the extractive sector (2019-2026) in accordance with a requirement of Mongolia’s National Committee on Gender Equality (NCGE). As part of this process AMEP II supported the development of an e-learning program on gender issues in the mining sector. There is a sense that the *Gender and Diversity Workplace* e-Learning program (7 modules) is making a difference in the sector. The Ministry of Mining is advocating for use of this training (in line with its own Gender policy).

Where possible AMEP II has integrated gender and inclusion into its planning and reporting. Whilst the technical nature of many of AMEP II’s activities limit the program’s contribution to enhancing gender and inclusion within the sector, where feasible the program is actively creating opportunities to raise the profile of gender and inclusion. The CfP process, for instance, specifically requires those submitting a proposal to outline their approach to gender and inclusion. The work being done to enhance public participation in EIA specifically emphasises actions to include women and people with disability in the EIA process. In the most recent workplan, for example, work is being done to create a framework, and accompanying tools, to monitor and evaluate gender and human rights issues in the sector. Reporting by the program is now disaggregated by gender, which makes it possible to determine the extent to which women are participating in activities supported by AMEP II. For instance,

- During 2010 – 2020 33% of those who participated in AMEP II activities were women (according to GoM statistics approximately 14.6% of registered workers in the sector are women).
- Of those who participated in AMEP II activities in 2020 - 2021, 33% were women.
- In 2021 – 2022 32% of those who engaged in activities implemented by AMEP II’s partners were women.

Conclusion #3:

Once AMEP II have produced a short list of priorities, they then make a selection from the list, but do not make it clear how are they prioritising these priorities. Stakeholders are thus unclear how decisions are made, which creates unnecessary concerns about the selection process.

Recommendation #2: AMEP II needs to be transparent about the CfP process (i.e. be clear about the selection process, ensure selection is an inclusive process drawing on a wide range of all stakeholders, and provide follow-up information to applicants, especially those whose proposals were rejected). A regular follow-up on the selection process for all stakeholders including applicants would ensure transparency and build further trust with stakeholders. By demonstrating it is

accountable the program will also address CSO concerns about a perceived lack of transparency. To enhance its role in the sector AMEP II should continue to ensure that decisions made (especially those related to project selection) are transparent, and that it communicates its decision making clearly to stakeholders. The program should consider including independent members of the Advisory Committee, and representation from MMHI and CSOs, in the selection process. This will further enhance transparency and trust-building with different stakeholder groups.

Conclusion #4:

Quality and utility of outputs is not yet fully recognised in the sector, this inhibits stakeholders recognising the value of the program, and also means that stakeholders do not fully appreciate what the program has delivered. There needs to be greater visibility on these different activities, and the extent to which they have added value to the program.

Recommendation #3 If the direct outputs of AMEP II can be made accessible to a broader audience (as far as is feasible) it will support its awareness raising efforts with regards to the necessary reforms needed in the sector and ensure greater recognition of what the program has delivered to date. Increasing access to its outputs could also strengthen the program's accountability within the eyes of relevant government institutions and other key stakeholders.

Conclusion #5:

There is a growing acknowledgement within the program, that gender and social inclusion require a much stronger focus in the program. Whilst the program has taken steps to ensure its planning and reporting are underpinned by gender and inclusion considerations, there is also a realistic view that the issue requires sustained and concerted effort from all within the sector. AMEP II will need to continue to ensure it actively advocates for greater prominence of gender and inclusion in all the activities it supports.

EQ 3. To what extent is AMEP II doing things right?

AMEP II is getting the balance right between consolidating and building on activities it has been doing for a number of years. AMEP's ongoing engagement with MONVAL, and also the work the program continues to support in the geoscience area, are good example of the program naturally expanding its influence on these topics, leveraging earlier success and relationships to shape ongoing support in response from different Ministries. Strong relationships are the cornerstone to success, take dedicated time to build, but do appear to be a key ingredient for success. Other factors seen to enhance success include strong ownership by the relevant ministry, particularly when there is commitment and engagement from senior officials from the start. Where a counterpart is less clear or not as engaged it does make the implementation of activities more difficult (e.g. AMEP II encountered delays with its support on Revision of the Law on Subsoil when there was turnover within the working group).

Other features that enhance AMEP's efficiency is that it seen to be very responsive to requests, reacting quickly, and collaborating efficiently to ensure delivery. Nevertheless, AMEP II are prudent in pushing back on requests that either arrive after the annual workplan has been developed or the request is outside the scope of the objectives of the program. However, the challenge for the program is when activities are dropped because government no longer sees the issue as a priority. For instance, after AMEP II developed a major public consultation process (including materials) on

the new Minerals Law the initiative was postponed for political reasons outside the control of the program. It is difficult to mitigate against such challenges, but where there are long-standing relationships between the program and the relevant officials (such as with Monval or the ongoing work with the NGD) it is less likely that activities will come to an abrupt halt. Key informants did also note that challenges arose when aligning with the Australian financial year, and that in some instances this meant that implementation had to be completed within a much tighter time frame than initially envisaged (which also impacted on what could realistically be delivered). Whilst the extent to which this can be fully addressed is doubtful, bearing in mind that the program is governed by budget cycles that need to align with the Australian government, but it does raise the question as to whether projects should have more realistic time frames. Linked to the point previously that building relationships is time consuming but critical for success, the program could consider projects that require additional time than the current 12 - month period. Naturally, if projects are to be delivered over a longer period this would need to be clearly signalled in the CFP process.

Whilst AMEP II has continued to work in areas it is familiar with, it has also been engaged in areas that are of higher risk and are more controversial within the sector. AMEP II has tried for a balanced portfolio approach, where they continue to build on work already done (and hence provide some long-term stability to the program) and newer areas which they are less uncertain about and carry both political, especially when it comes to issues of governance and reputational risks (e.g. if the partner is new and so the partner's ability to deliver is unknown). Between 2019 and 2022 the risk rating of activities reflects this balance – approximately 48% of activities supported by AMEP II were viewed as low risk, a further 43% of activities were viewed as medium risk, and the remaining 9% were viewed as high risk. Certain activities do however carry greater political risk and are contested topics within the sector, and it is appropriate that whilst AMEP II does not shy away from these issues, it seems eminently sensible that only a portion of their portfolio is deemed high risk. AMEP II have, for instance focussed on tax related issues, such as Royalties, and issues of mineral valuation. Nevertheless, AMEP II are appropriately risk averse and only select new activities once they have been rigorously screened to ensure they are comfortable working in the area. In so doing, AMEP II has built a reputation for high-quality technical support to address key government priorities in the sector and has built up an extensive network in the sector.

Whilst the pandemic hindered the pace of delivery, the program was able to mitigate against the impact of COVID – 19. AMEP II demonstrated its flexibility by not only moving delivery online but also by increasing the role and responsibility of local staff. The program was able to respond quickly, paused activities where applicable, and reallocated its focus on activities that it could continue to implement via online means. One of the key features of any facility is that it does allow some flexibility with regards to programming, and so this created the space for AMEP II to make applicable and necessary adjustments to the workplan. Moreover, on initiatives where the program had established good, long-standing relationships the program was able to collaboratively work with partners to adjust implementation accordingly. Another key feature of the successful pivot by AMEP II was that nearly all the staff were locally employed and so the program was able to maintain a relatively full complement of staff in Mongolia to support initiatives.

Nevertheless, unsurprisingly, the pandemic did have an impact on implementation. In hindsight, the program recognises that it could have done more to conceptualise and design activities that had

more of a focus on supporting post-COVID recovery within the sector. With regards to COVID-19 key informants raised a number of challenges including:

- that the attention of relevant government officials waned as they had more pressing issues they had to address;
- moving activities online impacted on the ability to raise awareness of issues, especially at the local level;
- outreach was difficult, especially building new relationships - the program was trying to reach out to new partners, but with little opportunity to travel or engage in face-to-face meetings this made it very difficult for AMEP II to continue the promotion of program; and
- Delayed activities created savings, but created difficulties with the forecasted expenditure and contributed to low levels of disbursement.

Conclusion #6:

The value of investing in national expertise and drawing on existing technical experts within Mongolia, helped ensure delivery continued when international TA was not able to travel.

Conclusion #7:

Not all planned activities can be delivered within the financial year, which inhibits the realisation of all expected benefits.

Recommendation #4: Flexibility is required to allow activities an opportunity for no-cost extensions when there are sufficient grounds for approving extra time for delivery. This would need to be clearly signalled in the CFP process, providing clear criteria for determining when such an extension is justified.

EQ 4. How well is AMEP II tracking progress?

The **M&E system has made a considerable investment in designing and implementing tracking against baselines that were developed at the outset, nevertheless challenges remain.** The quality of the annual reports prepared by the program have improved over time, and there is a logical flow to the manner which information is reported, clearly aligned to the 6 pillars on which the program is built. The program routinely updates its surveys to demonstrate the shift in perceptions to collaboration in the sector, and to gauge how the program's partners view AMEP II in terms of the program's management, quality of its outputs, and the extent to which the program is responsive to the needs of its partners. Nevertheless, key informants noted two major areas of concern with the way the progress of the program is reported.

Firstly, **the program does not routinely measure progress against well-defined indicators.** Whilst the annual reporting is against specific outputs (as defined annually through the workplan, and which we noted earlier the program largely delivers), aligned to particular intermediate outcomes, there are no indicators against which the program is reporting. Moreover, the 6 pillars which the program does report against do not appear in the original Theory of Change (ToC), which means without the indicators it is difficult to track progress along the different causal pathways of the ToC. The two surveys (referred to earlier) are being measured against a baseline, but without indicators (and an accompanying narrative). It is therefore difficult to fully acknowledge the significance of the results of the surveys and to appreciate what the results imply with respect to the overall progress

of the program. By largely reporting on the completion of the activities means that the program is not providing a clear picture of its outcomes. Whilst this is difficult with a flexible, responsive facility to conduct such measurement, it is important for the program to provide a stronger sense of what the sum of its parts equates to. Such reflection will not only highlight the successes of the program, but will also signal where the program has not been as successful, what lessons the program has learnt, and how the program has adapted and responded to the lessons learnt. This will ensure that the program team is also better placed to reflect on the difference it is making, and what progress it is making towards its expected outcomes.

Secondly, **the approach to M&E does not provide the Embassy with the easily identifiable information required for questions, queries, and reporting needs of DFAT in Canberra.** Currently, DFAT staff find it difficult to prepare, for instance, the annual Investment Monitoring Report (IMR), as program information is not captured in a way that aligns with the rigid structure of the IMR. This inhibits progress reporting and means that those who have oversight of the program struggle to demonstrate the value and the success of the program. The program is aware of this issue and has now added an additional level of reporting at the intermediate outcome level. In addition, they have begun to develop a hybrid approach in an attempt to tell the stories of its success with regards to the services it has provided, and the shifts and changes it is contributing to within the sector, but also provide more specific quantitative data that also demonstrates the program's success (number of partners, hits on its website, disaggregated data on workshop participants, network analysis data and so on). Whilst this matter is not yet fully resolved (and as already suggested it would be sensible for the program to update and revise its ToC), the program realises that it does need to be better at communicating its success both internally and externally to ensure that is also accountable and transparent to the wider stakeholder group it is now working with.

Conclusion #8:

M&E is largely fit for purpose at the output level, but it is not sufficiently aligned to the reporting needs of DFAT. In part this is because the program is not tracking in full what it is delivering (although the recent Annual Report is a step in the right direction), and in part because it cannot provide the information requested by DFAT in a timely fashion. This also impacts on the program reporting on its achievements at outcome level.

Recommendation #5: Need for the updated ToC/ Logic Model to be revised in line with what has already been spelt out in the most recent Annual Report, to ensure that it reflects that ambition of the program, and to ensure reporting is aligned with the revised logic model and meets the reporting needs of DFAT, especially at outcome level.

EQ 5. What has AMEP II achieved/ is it on track to meet the expected intermediate outcomes?

AMEP II has introduced a clearly defined set of intermediate outcomes but does not specifically report progress against these outcomes. Annex 4 provides a list of the activities conducted by AMEP II over the period 2019 – 2022, and highlights the key achievements supported by these activities. In some instances activities undertaken more recently build on previous work (such as the success achieved with the digitization of geoscience data, MONVAL, ongoing work within the CBM and also exploration guidelines), but this is not always the case. As already noted the annual workplan

process means that activities are funded for a year, and it cannot be assumed that activities will be funded for more than one year. Moreover, whilst the annual workplan have almost largely been followed and implemented during the prescribed period (bearing in mind however that the pandemic did restrict face-to-face interactions and played havoc with travel schedules), savings made during the annual budget cycle have allowed AMEP II the flexibility to supplement or support adhoc requests for support from the Government of Mongolia (such as the Effective Tax Rate study, and the provision of advice on sovereign development funds as part of MMHI's preparation of the new Law on Sovereign Wealth Fund for Mongolia).

In response to requests to clarify and ensures reports systematically report progress, AMEP II introduced a set of clear intermediate outcomes (listed in the table below), but reports by AMEP II do not provide a cogent narrative of progress against these outcomes. For instance, the most recent report clearly spells out how data quality has improved by providing evidence of how many reports reviewed, summarised, uploaded, and how many users have accessed the NGDB and MonGeoCat. The report also notes that privately funded geoscience data has been incorporated into the database. The reader is thus presented, as we have already noted above, with convincing evidence that AMEP II continues to deliver its expected outputs. However, what is not reported on in the report is to what extent the data is of sufficient quality to meet the requirements of users (other than that 57% of Mongolia's land has still to be mapped), and the extent to which the relevant analysis has been improved as a result of this accessible data. However, in the case of the digital license and tendering system, the report refers to a survey which clearly demonstrates positive feedback on the Digitised Licensing and Tendering System (AMEP II Annual Report, 2021-22, p.19). Additional evidence is also provided with reference to the steps the MMHI and MRPAM are taking to sustain the system, and the media stories which have picked up on the value of this system. However, these important findings (which relate to IO 1.2. below) is buried in the text of the report.

A similar exercise can be conducted with respect to the important work that the program has done over the years to support the MONVAL committee. AMEP II has supported the committee by delivering a range of outputs including developing guidance on mineral valuation, conducted training of committee members in the valuation process (and like the work done in the digitalisation space has drawn on Australian technical assistance to guide the process and create partnerships between authorities in Mongolia and Australia). Whilst the reporting is clear about AMEP II successfully delivering these outputs, it is unclear in the reporting as to how these newly acquired skills are being used, and the extent to which this approach to valuation is contributing to an improvement in transparent public reporting. Nevertheless, the reporting does provide a sense of the nature of the contribution that the program is making at outcome level, namely that the MONVAL Code is being adopted at national level, and that guidance shaped by the program is being integrated into new legislation (AMEP II Annual Report, 2021-22, p.24). There are many other similar examples across all of the outcomes listed below. Program reporting makes it clear what steps are being taken (i.e. at output level) to realise the expressed intermediate outcomes, but it remains unclear as to where the program is in terms of reaching the specific intermediate outcomes. This is not to imply that the intermediate outcomes will not be achieved, but rather that the program needs to provide much greater clarity on its achievements at this level.

Pillars	Intermediate Outcomes
1. Competitive Investment Environment	Improved data quality and analysis
	On-line implementation and use of digital license and tendering system
2. Responsible Extractives Sector	Mongolian professionals apply methods and processes consistent with international best practices
	Increased accuracy and uniformity in reporting to the Minerals Council of Mongolia
3. Well Governed Extractives Sector	Application of consultation framework process applied to draft laws in the mineral sector
	Key Ministries and agencies and regulators responsible for the subsoil law operate within the consistent legislative with clearly defined responsibilities
4. Inclusive and Diverse Extractives Sector	Improved practices around gender inclusion, diversity, and human rights within the sector
5. Community and Environment	Practical application of Environmental Impact Assessment guidelines and tools for the purpose of public participation
6. Green Energy Transition	Increased quality and quantity of the geodata related to CBM available to investors.
	Improved value driven decision-making as a result of investor access to REE) data (NGDB - MonGeoCat)

Factors for the success of AMEP are wide ranging and reflect the approach used by the program and program’s ability to source appropriate technical assistance. Emphasising collaboration and constructive engagement has been a hallmark of AMEP II, and key informants appreciate the fact that the program has invested heavily in facilitating engagement between stakeholders. The program does recognise however, that whilst it has been successful in bringing government and industry relevant players together (companies and industry's professional NGOs representing industry interests) it has had less success in bringing community-based organisations into relevant conversations. Bringing government and industry players together has had a range of benefits for the sector as it ensures that different parties are listening to each other, it lessens the chance of duplication of effort, and it enhances ownership once the different groups start working together.

In terms of technical expertise, the program has brought in highly qualified expertise (sourced both locally and internationally) to provide relevant advice. The presence of industry professionals in the Project team has made it easier to communicate and implement the highly technical projects which AMEP II implements. All of the projects supported by AMEP II have required very specific technical expertise, which the program has been successful in sourcing, and very few would have progressed without this technical expertise. The targeted technical expertise has also led to long standing relationships emerging. For instance, Geoscience Australia’s (GA) influence on shaping the MonGeoCat has been considerable and has now led to a strong relationship being created between GA and MRPAM who have used GA on subsequent work. But it is not just the technical expertise that is valued by stakeholders, but it has also been the program’s focus on utilising the technical expertise to enhance transparency and accountability in the sector. For instance, the provision of microscopes for the analysis of rare elements not only enhances the analysis of the samples, but by recording and capturing the analysis in an accessible database enhances transparency in the sector. Similarly, whilst the program has pushed for better quality geodata and improved approaches to EIA, the program has not only helped improve the quality of geodata and EIAs, but it has also contributed to ensuring the data and analyses are accessible and can be shared. Thus, enhancing transparency

and systematic disclosure which will ultimately influence investor confidence in the sector.

Conclusion #9:

AMEP continues to be successful in delivering multi-year interventions, that are making a contribution to the sector, but these successes are not always given the visibility they warrant. The program is also demonstrating that a longer-term approach to support policy building in the mining sector is needed. The implication being that support to policy reform cannot be done on an annual basis, but rather requires a significantly longer time frame. The challenge is to find the right balance between longer-term policy support and the short-term actions in response to the CfPs. The longer-term support can be programmed, but the short-term actions by their very nature cannot be planned, and bearing in mind that the context has changed dramatically since the start of the program are the assumptions underlying the program still valid?

Recommendation #6: Critically assess the extent to which the original assumptions of the program remain valid and determine to what extent there is appetite to increase longer term policy support.

Recommendation #7: Greater visibility/ publicity needed on key achievements (and a better sense of what still needs to be addressed in the sector). Bearing in mind that increased collaboration is an implicit outcome statement of the program, AMEP II could work on explicitly documenting the real change that project activities have contributed to (i.e. demonstrating the added value AMEP II has delivered to the sector). This could also include disseminating information/ publicising exemplary projects/ good practices, and sharing stories of the impact AMEP II is having on the sector (i.e. beyond the direct beneficiaries of activities). Furthermore, based on the Project experience (achievements and challenges with respect to collaboration), AMEP could produce a 'documentary' of real cases and practices on failed and successful collaborative efforts from which the sector can learn and leverage for future efforts to improve the investment environment.

EQ 6. To what extent has the investment environment in Mongolia changed in the past three years?

The improvement of the investment environment is an ongoing process, notwithstanding the many factors external to the program which continue to undermine confidence in the investment environment in Mongolia. It is important to recognise that COVID-19 pandemic and the current geopolitical and looming economic crisis are having an impact on the country's investment climate and the extractives sector. Recent shifts within the political priorities of government have also created uncertainty about some of the initiatives which AMEP II has been supporting (such as the new Minerals Law). Mongolia continues to rate very poorly on global transparency/good governance/ Global Competitiveness Indices. The context within which the program operates remains highly challenging and relatively hostile to the types of reforms the program is advocating for. One therefore needs to be realistic about what a program of this nature can contribute, but there are nevertheless signs that that the program is making a difference, including:

- All other development partners have left the sector, and so the importance of AMEP as an independent voice within a highly contested sector cannot be overstated;
- AMEP II is contributing to strengthening the legislative framework within the sector, without such a framework it will be very difficult to attract new investment;
- AMEP is helping to not only gather high quality geodata, but is advocating for the accessibility to data which is important to inform decision making and improve transparency;

- AMEP II is sought out by government for advice on technical issues, and thus provides the program with a platform to influence change;
- AMEP II, through expertise within a strong locally contracted team, and its ability to source appropriate international technical expertise, means it is able to provide context specific solutions; and
- AMEP II has demonstrated the value of relationship building and the importance of collaboration to facilitate relevant role-players working together more effectively.

Whilst the investment environment may well not change substantially to the factors mentioned above, and the program may not be able to shift policy to the extent which is necessary, there is a sense that the program will have ‘built bridges between role-players, and get partners to talk and work with each other when previously they have not’. Importantly the program is also working with other ‘like-minded’ development partners in Mongolia. AMEP II activities for instance align with 4 key components of the World Bank’s Extractives Global Programmatic Support (EGPS) Multi-Donor Trust Fund. AMEP II is actively engaged in revenue transparency through activities as its work on royalties and taxes, its efforts to support regulatory and institutional strengthening, its ongoing support of digitization initiatives, and its work on local level value and diversification through its support to environmental impact initiatives. AMEP II also participates regularly in a range of donor meetings in the sector, such as for instance ongoing work in the sector to improve issues related to social conflict and other community – based concerns.

However, there are challenges that the program will need to act on in the remaining period of the program to maintain momentum. Firstly, as already noted above, whilst the program has been successful in ‘building bridges’ between relevant government ministries and professional associations, it has not been as successful in getting these groups to work with community-based organisations. It will be important to prioritise activities that facilitate this collaboration to demonstrate the program is meeting its long-term objective.

Secondly, there is opportunity to expand its efforts to advocate for the transitioning to green energy in Mongolia. Recent work by the program includes its work on Coalbed Methane (CBM) and improving the data processing and quality assurance of Rare Earth Element Rock (REE) samples. As the program acknowledges this is only a start, but there is now an opportunity for the program, for instance, to carefully consider how best to ensure CBM can contribute to Energy Transition efforts. This would see Mongolia aligning with related international and national efforts to ensure efficient use of resources. Currently, mining sites in Mongolia release CBM into the atmosphere, instead of it being utilised as an energy source.

Conclusion # 10:

The improvement of the investment environment is an ongoing process, and AMEP II continues to collaborate with the relevant stakeholders to make much needed changes within the sector. Whilst one has to be realistic about what a program such as AMEP II can actually achieve within an environment that is unreceptive to change, there are opportunities for AMEP II to continue to collaborate with efforts to reform the sector. Arguably, AMEP II could consider taking ownership of this crucial process.

Conclusion # 11:

The program has been successful in ‘building bridges’ between relevant government ministries and professional associations, it has not been as successful in getting these groups to work with community-based organisations, and this has been a missed opportunity.

EQ 7. To what extent is AMEP II reinforcing Australia's reputation in Mongolia's economic development?

Australia has a good reputation in the sector but has the difficult role of being seen to be responding appropriately to the needs of many different interest groups in the sector (government, industry, and civic society). Australia has a strong interest in Mongolia's economic development, not only from an ODA perspective, but also because over 50 Australian companies are operating in Mongolia, with several large companies operating specifically within the mining sector (such as Rio Tinto). From a public diplomacy perspective, the ongoing success of AMEP II provides opportunities for the Australian government to continue to engage with key government ministries.

At the operational level, agencies such as Geoscience Australia, have been able to demonstrate the value of Australian expertise in developing innovative solutions to challenges faced by Mongolia in the sector. Nevertheless, operating within a highly contested sector is not without challenges, especially when there is a strong anti-mining sentiment within the country. Whilst not targeting Australia specifically, there is opposition within Mongolia to developing the extractives sector, and the challenge for the program is to demonstrate that AMEP II is being implemented to help reform the sector and to make it more transparent and accountable to mining affected communities.

There is however also an opportunity to leverage the program better to enhance Australia's public diplomacy role in Mongolia. Currently the program does not draw sufficiently on senior staff within the Embassy to raise the profile of Australia in the sector, to outline Australia's long-term priorities within Mongolia, and to explain how the program is an important part of Australia's commitment to promoting growth and development in Mongolia.

Often the embassy only learns of the program's public events, convenings, workshops and so on, through social media, by which point it is too late to participate in these events. Key informants within government ministries noted that as AMEP II is a program funded by the Australian government they would expect to see more presence from the Australian Government and not just program staff at events hosted by the program. Creating more opportunities for dialogue between the sector and representatives of the Australian government would not only be of benefit to the Embassy but would further enhance the program's standing within the Mongolian government.

Conclusion # 12:

Tendency for the program to take on a quasi govt role (often seen as the Australian face in the sector) but the Embassy has been left out of this process. This makes it difficult to demonstrate how the program is reinforcing Australia's reputation in the sector. More needs to be done to make better use of Embassy in reinforcing Australian reputation in Mongolia.

Recommendation #8: To ensure greater public diplomacy value the program should engage more deliberately with the Embassy to ensure greater collaboration between AMEP II and the Embassy on issues of mutual interest, including promoting dialogue between key stakeholders in the extractives sector and the senior officials in the Embassy. A practical way of doing this might be to convene a quarterly/bi-annual informal event where senior officials from the Embassy meet with the key lead implementing partners to exchange activity related information.

4. Conclusions and Recommendations

Conclusions

AMEP II remains highly relevant to the objectives of the Government of Mongolia, and to the priorities in the sector. However, with government having recently appointed a new Minister of Mining, AMEP II has the opportunity to determine to what extent its objectives align with the political agenda of the new Minister and to what extent its activities may align with the Minister's vision for the sector.

AMEP II has retained its 'on-demand' approach and has broadened its consultation process over time. Nevertheless, the program does recognise that working with such a disparate group of stakeholders makes it difficult to satisfy and be responsive to the needs of all these stakeholders. However, it is important for the program to have collaboration with communities, as the high-level outcome of AMEP II speaks to equality/ benefits for all. An opportunity now exists for greater engagement with civil society, but their role needs to be carefully defined to ensure they add value to the program and expectations are managed.

AMEP II has demonstrated that it provides sound advice on critical issues in the sector and has been sought out by government to support several important regulatory and legislative issues. The program has been largely effective in delivering at output level, but its progress towards its objective remains uncertain. Moreover, the utility of outputs is not yet fully recognised in the sector, this inhibits stakeholders recognising the value of the program, and means that stakeholders do not fully appreciate what the program has delivered.

AMEP continues to be successful in delivering multi-year interventions, that are contributing to the sector, but these successes are not always given the visibility they warrant. The program is also demonstrating that a longer-term approach to support policy building in the mining sector is needed. The implication being that support to policy reform cannot be done on an annual basis, but rather requires a significantly longer time frame. The challenge is to find the right balance between longer-term policy support and the short-term actions in response to the CfPs. The longer-term support can be programmed, but the short-term actions by their very nature cannot be planned, and bearing in mind that the context has changed dramatically since the start of the program are the assumptions underlying the program still valid?

M&E is largely fit for purpose at the output level, but it is not sufficiently aligned to the reporting needs of DFAT. In part this is because the program is not tracking in full what it is delivering (although the recent Annual Report is a step in the right direction), and in part because it cannot provide the information requested by DFAT in a timely fashion. This also impacts on the program reporting on its achievements at outcome level.

Our overall conclusion is that AMEP II has been successful in 'building bridges' between relevant government ministries and industry relevant players, but it has not been as successful in getting these groups to work with community-based organisations, which has been a missed opportunity. Nevertheless, the improvement of the investment environment is an ongoing process, and AMEP II continues to contribute to much needed changes within the sector. Whilst one must be realistic about what a program such as AMEP II can achieve within an environment that is unreceptive to change, AMEP II should be encouraged to continue to support collaborative efforts to reform the sector. However, the program does need to provide a better sense of its competitive advantage, and the impact it has having in the sector. Without clear evidence of it meeting its expected outcomes,

its success may remain ambiguous, and it will be difficult for AMEP II to demonstrate that the whole is greater than the sum of its parts.

Recommendations

Based on the findings and conclusions of this evaluation, the recommendations of the evaluation team for the next phase of the Facility are detailed below:

- 1) Over the final period there is a need for stronger focus/ greater emphasis on CSOs to ensure the objective of AMEP II is addressed fully. In selecting activities going forward the focus on CSOs AMEP II could have a closer look at leveraging the success it has had in building partnerships with both government and industry to create opportunities for effective collaboration with CSOs on joint activities (such as around mining affected communities and/or the social dimension of mining drawing on the experiences, for instance, of OT and ERD Resources).
- 2) AMEP II needs to be transparent about the CfP process (i.e. be clear about the selection process, ensure selection is an inclusive process drawing on a wide range of all stakeholders, and provide follow-up information to applicants, especially those whose proposals were rejected). A regular follow-up on the selection process for all stakeholders including applicants would ensure transparency and build further trust with stakeholders. By demonstrating it is accountable the program will also address CSO concerns about a perceived lack of transparency. To enhance its role in the sector AMEP II should continue to ensure that decisions made (especially those related to project selection) are transparent, and that it communicates its decision making clearly to stakeholders. The program should consider including independent members of the Advisory Committee, and representation from MMHI and CSOs, in the selection process. This will further enhance transparency and trust-building with different stakeholder groups.
- 3) If the direct outputs of AMEP II can be made accessible to a broader audience (as far as is feasible) it will support its awareness raising efforts with regards to the necessary reforms needed in the sector and ensure greater recognition of what the program has delivered to date. Increasing access to its outputs could also strengthen the program's accountability within the eyes of relevant government institutions and other key stakeholders.
- 4) Flexibility is required to allow activities an opportunity for no-cost extensions when there are sufficient grounds for approving extra time for delivery. This would need to be clearly signalled in the CfP process, providing clear criteria for determining when such an extension is justified.
- 5) Need for the updated ToC/ Logic Model to be revised in line with what has already been spelt out in the most recent Annual Report, to ensure that it reflects that ambition of the program, and to ensure reporting is aligned with the revised logic model and meets the reporting needs of DFAT, especially at outcome level.
- 6) Critically assess the extent to which the original assumptions of the program remain valid and determine to what extent there is appetite to increase longer term policy support.
- 7) Greater visibility/ publicity needed on key achievements (and a better sense of what still needs to be addressed in the sector). Bearing in mind that increased collaboration is an implicit outcome statement of the program, AMEP II could work on explicitly documenting the real change that project activities have contributed to (i.e. demonstrating the added

value AMEP II has delivered to the sector). This could also include disseminating information/ publicising exemplary projects/ good practices, and sharing stories of the impact AMEP II is having on the sector (i.e. beyond the direct beneficiaries of activities). Furthermore, based on the Project experience (achievements and challenges with respect to collaboration), AMEP could produce a 'documentary' of real cases and practices on failed and successful collaborative efforts from which the sector can learn and leverage for future efforts to improve the investment environment.

- 8) To ensure greater public diplomacy value the program should engage more deliberately with the Embassy to ensure greater collaboration between AMEP II and the Embassy on issues of mutual interest, including promoting dialogue between key stakeholders in the extractives sector and the senior officials in the Embassy. A practical way of doing this might be to convene a quarterly/bi-annual informal event where senior officials from the Embassy meet with the key lead implementing partners to exchange activity related information.

Annex 1: Terms of Reference

(to be added to final report)

Annex 2: List of key informants

Name	Contact Details
David Preston	Dave.Preston@dfat.gov.au
Munkhjargal Birvaa	Munkhjargal.Birvaa@dfat.gov.au
Mandkhai Bayarsaikhan	Mandkhai.Bayarsaikhan@adamsmithinternational.com
Rena Guendez	Rena.Guendez@amep.mn
Julia Baxter	Julia.Baxter@amep.mn
Oyunbileg Purev	Oyunbileg@amep.mn
John Winters	developmentresults@gmail.com
Enkh-Amgalan Chuluunkhuu	Enkhamgalan@amep.mn
Nasandelger Zandan	Nasandelger.Zandan@amep.mn
Baasantseren Jigmed	Baasantseren@amep.mn
Solongo Samdandovjid	solongo@amep.mn
Uyanga Bazaa	Uyanga@amep.mn

Key representatives of government, industry and civic society

Name	Designation
Mr. Alгаа	Senior Advisor to AMEP II, former President of the Mongolian National Mining Association
Mrs. Baasanjav	Geologist
Mr. Bat	Former Director General of the Geological Policy Department of the Ministry of Mining and Heavy Industry, since February 2022 back to his job as professor of geology at the National University of Mongolia
Mr. Dorjdari	Mongolia Manager of the Natural Resource Governance Institute Mongolia, member of the Advisory Council of AMEP II
Mr. Elbegzaya	Director General of the Mining Policy Department in the Ministry of Mining and Heavy Industry
Mr. Enkhbold	Director of the Mongolian Institute of Certified Appraisers (MICA)
Mr. Ganzorig	COO of Telmen Resources (also based in Australia), CEO of the CBM Association of Mongolia
Mr. Julien Lawrence	Chairman of AustCham in Mongolia and CEO of the O2Mining
Mrs. Tserenjav	Journalist and founder of the Transparency Foundation NGO, member of the Advisory Council of AMEP II
Mr. Tsogtbaatar	Head of the Division of the Ministry of Mining and Heavy Industry
Mrs. Tuya	Head of the Board of the Women Association of Mineral Sector (NGO), in the past executive position in HR departments of state-owned mining companies
Mrs. Uyanga	Former Deputy Director of the Mongolian Geological Survey, since April the Director General of the Geological Policy Department of the Ministry of Mining and Heavy Industry

Group discussion with Cadastral Division, MRPAM:

Mr. Batmagnai, Head of the Cadastral Division, MRPAM
 Mrs. Bolormaa, senior officer of the Cadastral Division, MRPAM
 Mr. Amartuvshin, senior officer of the Cadastral Division, MRPAM
 Mr. Tumennast, archive officer of the Cadastral Division, MRPAM

Annex 3: Bibliography

Documents used to guide the MTR:

1	Document
1	AMEP Phase 2 Final Design
1.	AMEP Annual Activity Plans
2.	AMEP Annual Reports
3.	AMEP 6-Monthly Reports
4.	AMEP Inclusion Study
6.	AMEP M&E Plan
7.	AMEP Communications Strategy
8.	AMEP Activity Selection and Implementation Guideline
9.	AMEP Risk Management Plan
10.	AMEP Operations Manual
11.	AMEP Survey Results
10.	DFAT AQC/ IMRs
11.	DFAT Partner performance assessment reports

Annex 4: Key Achievements per Activity (2019 – 2022)

The information summarised in this table is drawn from AMEP II Annual Reports. Whilst the Annual Reports provide the detail, this table merely provides a quick snapshot of the different types of activities the program has conducted over the past three years.

2019 - 2020

Activity	Key achievements
Completion of Data Entry for Mongolia's Geological Catalogue System	Building on AMEP I's success in supporting MRPAM's establishment of Mongolia's Geological Catalogue System (MonGeoCat). AMEP II helped complete data entry for MonGeoCat. Activity supports MRPAM's goal to improve geo-information delivery to users/ enhance Greater geoscientific data access for investors.
Development and Implementation of a Mongolian Mineral Property Valuation Code ('MONVAL')	Activity included several interventions to raise awareness of the importance and necessity of developing a National Valuation Code. Contributed to promoting the notion of accurate and internationally accepted estimation of the value of a mineral property to minimise the risks of disputes and help ensure a stable operating environment
Strengthening of Institutional Capacity, Rules and Procedures related to the Licensing of Competent Persons for Feasibility Studies	Activity supports GoM's commitment to strengthen the licensing process for competent persons, to update the regulation accordingly and to strengthen the capacity of the MPIGM to implement its mandate related to competent persons. Activity contributes to strengthening the rules and procedures relating to the licensing of competent persons for feasibility studies in Mongolia, resulting in increased quality of competent persons.
Development of Guidance for the National Accounting Standard for Exploration and Mining Operations	MoF requested AMEP II support to produce specific guidance for exploration, evaluation, development and production of mineral resources. Activity contributes to improved application of the IFRS standards in the mining industry in Mongolia, which help increase transparency of financial reporting.
Support to the Implementation of New Transfer Pricing Rules	Mongolia's Ministry of Finance (MoF) and the General Department of Taxation (GDT) has recently developed regulations aligning TP rules in Mongolia with the OECD TP requirements. The new regulations, passed in early 2019, introduce the tools for analysing TP, determine TP documentation, and stipulate the reporting requirements. AMEP II mobilised a TP expert to increase capacity of the GDT to implement TP rules and undertake risk assessments and audits. This activity contributes to a reduction in transfer mispricing and enhances accurate reporting.
Coalbed Methane (CBM) - Australia Regulatory Good Practice	AMEP II provided an assessment of best practice, focused on regulatory and institutional provisions and prepare a set of recommendations for Mongolia, based on lessons learnt from the Australian experience. This activity contributed to helping to improve the regulatory environment for CBM investment in Mongolia

2020 - 2021

Activity	Key achievements
Research to support reforms to the system for granting exploration licences	Activity produced a report on licencing systems in the most relevant Australian jurisdictions highlighting the key principles that underpin those processes. Also includes an assessment of the Mongolian system and the legislative and institutional gaps that need to be addressed. Activity contributes to GoM's commitment to improve its licencing practice.
Establishment of certification for environmental auditors and quality assurance procedure for auditing companies	AMEP II assisted with the development of a process for certifying environmental auditors and also verifying the quality of environmental auditing companies. Activity is contributing to an improvement in environmental audits, which will help strengthen confidence that environmental performance of extractive companies is being adequately monitored.
Pilot: Improving implementation of the regulation on public participation in Environmental Impact Assessment	Production of a case study of selected DEIA processes to understand current practice and draw conclusions about what needs to improve and how this is best achieved. Activity also provided recommendations for amendments to Ministerial decree #A-03/2014 to improve public participation, and developed guidance and video/online training for local administrations on the proper implementation of regulations relating to public participation in environmental impact assessment
Development of guidelines for prospecting, exploration and reporting of resources and reserves for seven selected minerals	AMEP I supported the development of guidelines for five commodities in 2018. Those guidelines were well-received by the MMHI and have been widely adopted by the geology profession and relevant authorities. MMHI requested AMEP II assistance to develop further guidelines for key minerals: aluminium ore, lithium-caesium, graphite, rare earth elements and industrial mineral salts. This activity contributes to the standardised reporting of mineral reserves and resources.

Activity	Key achievements
Royalties on minor elements – international good practice assessment; recommendations; and design of guidelines and methodology	The Ministry of Mining and Heavy Industry (MMHI) requested support from AMEP II to carry out an assessment to compare Mongolia's regime to those in place in relevant international jurisdictions in order to inform the process of designing an amended guideline and methodology. Activity contributed Helped clarify policy and law to help remove conflicts in existing laws and regulations and promote consensus between MMHI, MOF and MTA on these matters.

2021 - 2022

Activity	Key Achievements
Incorporation of Private Sector Geo Science Data into the National Geological Database	Expands previous work conducted (2019-2021) to enhance accessibility of geo-science data and related platforms. Supports Government of Mongolia's (GoM's), e-digitization strategy and further strengthens the National Geological Survey (NGS). A team of geologists engaged by AMEP II processed reports from privately funded exploration activities to prepare key data sets for entry into the NGDB and MonGeoCat. Thereby promoting access to data online.
Support to MONVAL Committee-Production of Guidance for Mineral Valuation and Training	The MONVAL Code which was drafted in January 2020 sets out requirements for the technical assessment and valuation of mineral assets and securities for independent expert reports and provides guidance for mineral assets, securities, and financial markets. AMEP II developed the guidance on methodologies, and also provided internationally recognized AUSIMM training on VALMIN (Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets) Code reporting and the guidance on methodologies of MONVAL Code.
Digitization and Tendering Process (as part of the Development of regulations and Guidance Materials for Implementing the New Minerals Law)	Activity provided an add-on sub-menu was developed for the system and web interface for the State Procurement Agency (SPA) www.tender.gov.mn platform. The menu is an enabler for interested investors who now have access to the system and its features. The menu provides access to key areas within the licensing and tendering process framework. Supports GoM's ongoing efforts to promote digital license and tendering system
Supporting public participation in Environmental Impact Assessment	Built on the previous work in 2020-2021 to help MoET improve the public participation process through frameworks such as the International Association of Public Participation IAP2 in the Environmental Impact Assessment (EIA) process. Activity conducted a series of consultations with key Stakeholders to provide an assessment of current MoET's and others existing information systems/databases on Environmental Impact Assessment, Environmental Management Plan and other similar databases. Also provided an EIA database and roadmap for implementation of ETI recommendations within the Mongolian context. In so doing the activity provided a practical application of EIA guidelines and tools for enhancing public participation.
Planning and facilitation of public consultation on the draft Minerals Law	Due to political issues and will this activity was only partially implemented, it has been revised is currently modified for the 2022-2023. The intention of this activity is that will allow AMEP II to demonstrate how a consultation framework process can be applied to draft laws in the mineral sector
Development of guidelines for prospecting, exploration and reporting of resources and reserves for five key minerals	Activity developed guidelines for planning, supervision, preparation and reporting of mineral resource and reserve estimates. By developing a standardised reporting framework for mineral reserves and resources helps improve the transparency of the registration process.
Advice to Inform the Revision of the Law on Subsoil	The Law on Subsoil is the fundamental legislation to "regulate issues related to use and protection of subsoil, as such, it defines the core regulatory framework of the geology sector. Since its passage in 1988, subsequent sectoral laws, for example Minerals Law, Petroleum Law, Law on Water have made their own provisions for similar activities without corresponding amendments to the Law on Subsoil. This activity ensured that key Ministries and agencies and regulators responsible for the subsoil law operate within the consistent legislative with clearly defined responsibilities
Development of e-learning program on gender issues in the mining sector	AMEP II assisted MMHI with the implementation of its Gender Policy, by helping with the development of an e-learning program on gender issues in the mining sector based on a training handbook. This activity contributes to Improved practices around gender inclusion, diversity, and human rights within the sector.
Improved Geoscience Data for Coalbed Methane	This activity builds on AMEP II support in 2020-2021, and has contributed to improving the quality of geo-science data available to potential investors in the coal bed methane (CBM) sector. The activity included collecting relevant CBM geo data and metadata, which was then entered to the NGDB and MonGeoCat. This activity also aligns with the Ministry of Energy's efforts, supported by the Asian Development Bank, to examine the possibilities CBM offers for cleaner energy, particularly for Ulaanbaatar.

Activity	Key Achievements
Data Processing and Quality Assurance on Rare Earth Element Rock Samples	NGS requested AMEP II review the laboratory data relating to rock samples and, where necessary, to carry out updated geochemical/ geophysical/ geochronological studies. This activity contributes to ensuring the accuracy of previous laboratory analysis and enhance the quality of data presented on the geo-database with the use of new technology. Relevant metadata was entered into the NGDB and MonGeoCat.