

Approved at the meeting of the National Tripartite Committee  
of Labor and Social Consensus dated on 24 January 2005

## **“NATIONAL PLAN OF ACTION FOR DECENT WORK IN MONGOLIA, 2005-2008”**

### **Introduction**

Globalization process and external collaboration have been widening from day to day. A flexible labor division form and multi-type of employment has been spreading worldwide along with rapid dissemination of foreign investment, industrial advanced technology, and new management method.

The range of the informal sector has been stretching more in under-developed countries and countries in transition economy. Labor and social security for workers in these countries are really vulnerable and unstable.

Issues on providing decent work for men and women and improving their social protection are very complicated for all countries. There are many critical problems among them, which should be taken consideration by public such as exploitation of child labor, forced labor, discrimination against age, sex, races, background and civilization, unequal wages and work without fee etc.

The International Labour Organization deliberated on the issue of labor in all countries of the world and adopted “Decent Work Concept” at its 87<sup>th</sup> International Labor Conference as a fundamental principle of new millennium.

Welcoming this initiative of the ILO, Mongolia is adopting the “National Plan of Action for Decent Work in Mongolia, 2005-2008” in order to coordinate the objectives in this concept for overcoming obstacles in labor sector in conformity with socio-economic situation of the country.

### **Policy framework**

The “National Plan of Action for Decent Work in Mongolia, 2005-2008” is conformed to the “Development Concept of Mongolia” and the objective of the “Social Security Sector Strategy Paper” and its policy framework is based on the following elements of the overall development planning framework in Mongolia.

- The National Development Concept of Mongolia/ long-term policy framework

- Mongolian National Policy on Population Development
- The Economic Growth Support and Poverty Reduction Strategy/ medium-term development policy of Mongolia
- The Social Security Sector Strategy Paper/ medium-term policy framework of the sector

**Purpose:**

Strengthen employment and social security in labor framework through to ensure basic human rights, to increase work places and income in all economic sectors, to carry out social insurance programs to get used to multi-types of employment and to develop social partnership mechanism.

**Objective 1:**

Within the objective of developing and proposing a national legal and control system for the implementation of the ILO Declaration on fundamental principles and basic rights in the labor framework, the following actions would be taken:

**Matrix of planned actions**

<sup>1</sup>	Activity plan	Implementing agencies	Duration	Estimated budget /mln.tugrug/	Indicators
<b>A. Ratification of the ILO Fundamental Conventions and intensification of its implementation</b>					
<b>1</b>	Ratifying the ILO Conventions (No 29 and 105)	Government, Social partners	2005	1.0	Decision on the ratification of ILO Conventions (No 29 and 105) shall be made by the Parliament
<b>2</b>	Drawing up and implementing the National Strategy against Forced and Child Labor based on Research on situation and type of forced labor /2003/, and Research on child labor /2004/	Government, Social partners	2005-2006	2.0	Decision on the approval of the Action Plan for the National Strategy against Forced and Child Labor shall be made by the Government.
<b>3</b>	Taking measures on intensifying the implementation of the Conventions based on studying the implementation of ILO Conventions (No 87, 98, 100, 111)	MSWL, MONEF, CMTU	2005-2008	20.0	Survey should be conducted based on the result, direction of actions shall be defined and some actions shall be started to be

					implement.
4	Regularizing the report of ILO Conventions, on which Mongolia ratified, and introduce it to the Parliament and the Human Right Commission. Announce the reports to public.	MSWL, MONEF, CMTU	every year since 2005	1.0	Reports shall be prepared and introduced to relevant organizations and announced to public.
5	Finding possibilities to ratify the UN Convention on the Right of Immigrant Workers and the ILO Conventions (Nos 81, 95, 131, 151, 153 and 183)	MSWL, MONEF, CMTU	since 2005	ILO financial support	Survey should be conducted
<b>B. Publicize fundamental principles and rights at work</b>					
6	Editing translation and publishing ILO Conventions and enhance publicity	MSWL, Social partners	since 2005	10.0	Translation of Conventions shall be edited and published. Publicity shall be started.
7	Organizing training and publicity on fundamental principles and rights at work, together with relevant organization	MSWL, MONEF, CMTU	since 2005	5.0 /every year/	Cooperation mechanism with media, training and research organizations shall be developed and publicity shall be regularized.

### Outputs:

	Indicators	Current level	2006	2008
1	Shall ratify the ILO Fundamental 8 Conventions	Ratified the ILO Conventions (No 98, 100, 111 and 138)	Shall ratify the ILO Conventions (No 29, 105)	The National Strategy against Forced and Child Labor shall be started to carry out
2	Shall ratify other Conventions of the UN and ILO.	Ratified the ILO Conventions (No 59, 103, 122, 123, 135, 144, 155 and 159)	Shall ratify the UN Convention on the Rights of Immigrant Workers and the ILO Conventions (No 81, 183, 95, 31, 151 and 153)	Work to implement the Conventions and publicize shall be started.
3	The national unified system to monitor fundamental principles and rights at work shall be formed.	The Government, the Human Right Commission, the CMTU and other relevant	The unified system of the Government, the Human Right Commission, the	Joint report shall be transferred to the Human Right Sub-Committee of the Parliament.

		organizations monitor within their competence and prepare reports. There is not unified monitoring system by now.	CMTU and other NGOs shall be formed.	
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### Matrix of planned actions:

<sup>1</sup>	Activity plans	Implementing agencies	Duration	Estimated budget /mln.tugrug/	Indicators
<b>A. Development of employment legal environment</b>					
<b>1</b>	Developing and revising the issue to amend the “Law on Employment Promotion” and “Law on sending manpower abroad and receiving labor force and specialist from abroad”	Government, Social partners	2005-2006	2.0	Resolution on amending the mentioned laws shall be approved.
<b>2</b>	Revising the National Program on Employment Promotion according to the legal new environment, and multi-types of employment. Within this program, sub-programs on promoting herder’s employment and activities directed to working children and disabilities shall be developed and started implement.	Government, Social partners	since 2005	5.0 /drawing up related policy documents /	The National Program on Employment Promotion shall be revised. The Government and other relevant decision will be made.
<b>3</b>	Developing and starting to implement the special policy to promote informal economy and employment.	Government, Social partners	since 2005	360.0 ILO	The policy shall be approved by the Parliament and started to carry out
<b>4</b>	Improving the abroad employment management and expanding the service for employees in abroad.	Government, Social partners	since 2005	2.0	The legal environment of services for employees in abroad shall be refined and implementation will be improved.
<b>B. Accessibility and quality of employment services</b>					
<b>1</b>	Establishing an information network based on ICT including labor exchange bureau and information	MSWL, Labor, Welfare Service Office	2005-2008	100.0	Work place mediation Database for the Governmental and

	centers under the governmental and NGOs and entities.	and MONEF.			NGOs will be able to access
2	Formulating the Strategy Paper on Vocational Training. Developing a training service, this meets the requirements of market on improving professional skills to manage an entity. Taking measures on improving training program and teaching methodology, establishing vocational methodological centers zonal and forming a system to monitor the skills of workers.	MSWL, MECS, Local administration, interested entities and NGOs.	2005-2008	500.0	The Strategy Paper on Vocational Training will be approved by the Government. Vocational methodological centers will be founded in 6 regions. 25 vocational training and 40 educational organizations will be involved in capacity building actions. The system to monitor the skills of workers will be formed.
3	Following the policy on the job training continually together with employers.	MSWL, MONEF, CMTU	since 2005	50.0	Strategy paper will be approved by the tripartite constituents.
4	Intensifying the activities to revise the classification of the national jobs and occupations in accordance with the ILO standard.	NSO, MSWL, MONEF, CMTU	since 2005	ILO support	Classification of the national jobs and occupations will be revised.
5	Developing zonal an incubation service on supporting businessmen and businesswomen, who are running their activities in informal sector.	MSWL, MECS, Local administration, social partners	2005-2008	250,0	An incubation service will be conducted in 6 zones.
6	Implementing projects and programs on promoting youth and women employment of the ILO and donor organizations.	MSWL, CMTU, MONEF	since 2005	assistance of support from the ILO	Policy guideline on promoting youth and women employment will be determined and receive technical and methodological assistance from the ILO.
7	Developing micro-loan and financing services in connection with needs of labor market and types of	MSWL, MF, Local administration	2005-2008	3500.0	Statute to providing micro-loan by the Fund of Employment

	employment.	and social partners.			Promotion will be revised and followed.
8	Policies on building national capacity, providing vulnerable citizens with employment services, and involving and training volunteers.	Government, Social partners	2005-2008	200.0	Rules of service methodology for social vulnerable groups and training volunteers will be approved.
9	Expand the consulting, mediating and supporting services on labor issues and transfer to a type as one point service state by stage.	MSWL, LWSO, Local administration, Social partners	2005-2008	5.0	The Labor, Welfare Service Office will charge of labor relations issues.
10	Increasing the participation of private sectors and civil society for delivering services.	MSWL, LWSO	since 2005	2000.0	Funding for services by entities and NGOs shall be increased.
11	Encourage the employers who improved the number of the new working places	MSWL, LWSO	since 2005	Budget of the Employment Support Fund	Number of the new working places will be improved
<b>C. Expansion of labor statistics, survey and research</b>					
1	Finding possibilities to ratify the Labor Statistics Convention No 160, ILO, 1987.	NSO, MSWL, Social partners	2005-2006	2.0	Ratification of the ILO Convention No 160 shall be approved and amendments will be made to the relevant laws and regulations.
2	Implementing planned actions on improving labor statistical information and research and building capacity sequent. a/ supporting social partners for having own database b/ finding possibilities to establish a research institute for labor and social relations issues.	NSO, MSWL, Social partners	since 2005	20.0	Statistics on hours of work, productivity and OSH issues shall be reported every year. The number of research organizations and people will increase.
3	Organizing a manpower spot check in nationwide.	NSO, MSWL, Other relevant organizations	2006-2007	500.0	A manpower spot check will be made.
<b>D. Refinement of labor management and monitoring</b>					
1	Refining the structure and function of central and local organizations in charge of labor issues, strengthening	Government, Social partners	since 2005	100.0, Employment Support Fund,	Legal act about the structural and functional changes of the central and

	material basis and specializing employees.			SSSDP project of ADB	local organizations in charge of labor issues shall be made. The amount of expenditure for material basis and capacity building shall be increased.
2	Intensifying the activity of labour arbitration and building its capacity	Government, Social Partners	since 2006	50.0 ILO	Activity of the labour arbitration will be started.
3	Establishing an efficient labor monitoring system with decent combination of state and public monitoring.	Government, Social partners	since 2005	10.0 ILO	Amendments shall be made to the relevant laws and regulations on labor monitoring.
<b>E. Revision of wage system</b>					
1	Studying the possibilities to revise the wages and compensation system for state officers in accordance with the strategy on State organization's reform.	MSWL, Public Service Council, Line ministries	since 2005	15.0	Model of revising the wages and compensation system for state officers will be drawn up.
2	Drawing up a proposal on extra supply based on studying relevant laws on wages and social welfare for workers and officials.	MSWL, Public Service Council, Line ministries	since 2005	15.0	Proposal will be drawn up.
3	Improving the role of wage in entities and organizations through building capacity on wage scheme and production.	MSWL, MONEF, CMTU	2005-2008	1.0 ILO	Capacity of production and wage system shall be improved.

### Outputs:

<sup>1</sup>	Indicators	Current level	2006	2008
1	Manpower participation /percentage/	65.3 per cent	68.1 per cent	70.6 per cent
2	Average salary of workers /tugrug/	87000	103000	120000
3	Number of workers in informal sectors /persons/	126000	110000	95000

*Source: Main report of manpower survey 2002-2003  
by the National Statistical Office of Mongolia*

### Objective 3

Implement integrated actions to refine a basic social insurance system, to develop the concrete plan for pension insurance to herders, self-employed individuals and workers in abnormal working condition and to enhance services for insured persons and improving workers' social security.

**Matrix of planned actions:**

<sup>1</sup>	Activity plans	Implementing agencies	Duration	Estimated budget /mln.tugrug/	Indicators
<b>A. Prevention of industrial accidents and occupational diseases at work place</b>					
1	Conducting OSH management system in conformity with new trend of decent work	Government, MONEF, CMTU	since 2005	100.0	Actions reflected in the National Programme will be carried out in planned dates.
2	Establishing OSH Information Center and Strengthening its activity	MSWL, LSWO	since 2005	25.0 KOIKA, SSSDP project of ADB	Operation of the center will be strengthened.
3	Transferring a principle to finance the actions against industrial accident, occupational diseases and acute poisoning by the Fund of IAOD Insurance.	MSWL, MONEF, CMTU	since 2005	100.0	Programs against industrial accidents and occupational diseases will be started to carry out.
<b>B. Refinement of pension insurance system</b>					
1	Implementing policy to keep expenditure of the Pension Insurance Fund in appropriate limit through revising relevant laws and regulations.	MSWL, State Social Insurance General Office	since 2005	10.0	In connection with pension reform, relevant laws and regulations will be changed.
2	Providing a legal environment to develop Additional Pension Insurance System by entities and banking and financial organizations.	Government, Social partners	since 2005	10.0	Legal act for Additional Pension Insurance System shall be approved.
<b>C. Enhancement of coverage and service of social insurance</b>					
1	Developing legal and economical environment for establishing compulsory pension scheme for herders and self-employed with Government support	Government, Social partners	2008	5000.0	Relevant laws and regulations will be approved, pilot projects will be carried out, and budget shall be allocated.
2	Taking measures to improve unemployment and maternity benefit provided	Government, State Social Insurance	since 2006	200.0	Amendments to improve mentioned benefits will be



	by the Fund of Social Insurance in accordance with the ILO standard	General Office			added to the relevant laws and regulations.
3	Forming Additional Pension System for the insured people, who work in abnormal condition,	Government, Social partners	since 2007	1000.0	Relevant laws and regulations shall be approved and the program will be started to carry out

### Outputs:

1	Indicators	Basic level /2004/	2006	2008
1	Percentage of insured persons to the pension insurance	37.4	55.0	65.0
2	Percentage of insured herders and private workers to the pension insurance	4.0	25.0	45.0
3	Average pension /tugrug/	33.600	40.000	45.000

Source: Social Security Sector Strategy Paper.

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### Objective 4

Give contribution to the social development through strengthening social partnership mechanism at the national and the sector level, building capacity of representative organizations in local areas, and improving public awareness for social partnership. The following actions would be taken.

1	Activity plans	Implementing agencies	Duration	Estimated budget /mln.tugrug/	Indicators
1	Building capacity of the Tripartite National Committee of Labor and Social Consensus, Tripartite partnerships, and sub-committees; Implementing a National program for other types of management and labor cooperation	Government, Social partners	since 2005	10.0	Capacity building project for the National Committee will be carried out and actions will be fulfilled by joint agreement.
2	Taking measures to establish Tripartite National Sub-Committees in aimags and city and to build its capacity step by step	Government, Local administration, social partners	since 2005	50.0	Tripartite National Sub-Committees will be established in all aimags and city and involved in the capacity

					building trainings.
3	Support on conducting a type of labor management joint discussion and joint agreement in entities and organizations.	Social partners	since 2005	20.0	Handbooks and materials shall be printed; Trainings shall be organized and implemented in selected entities and organizations.
4	Building capacity of workers, who are working in informal and agricultural sector	Social partners	since 2005	20.0	Action plan on building capacity shall be developed and implemented in selected organizations
5	Intensify publicity for increasing public awareness on developing Social partnership mechanism	To implement a project by the CMTU	since 2005	20.0	Articles about social partnership shall be published permanently in 1-2 newspapers; 1-2 books related to the theory and practice of Social Partnership Mechanism will be printed.

### Outputs:

1	Indicators	Current level /2004/	2006	2008
1	Number of entities and organizations with tripartite joint agreement	1816	2000	2200
2	Number of sectoral and regional discussion	10	12	14
3	Number of aimags' and capital city's discussion	19	22	22
4	Number of professional discussion	2	3	5

### CONCLUSION

The National Plan of Decent Work includes the main strategic objectives to be implemented in labor and social welfare sector by the Mongolian Government in 2005-2008. In order to accelerate the implementation of the plan, the Government is proposing to coordinate

international assistance and increase its effectiveness as well as using national resources. Therefore, cooperation, communication, information and experience exchange of partnerships of the sector such as World Bank, Asian Development Bank, UN and its specialized organizations, UN Population Fund, UNICEF, UNIFEM, ILO and international NGOs will play an important role.

Thus, special attention to relying on the creative and active initiatives of the citizens, community-based and self-employed participation and integrated policy<sup>8</sup> regulation and action of the Government, public and local administrations will be paid in implementing the objectives. When the Ministry of Social Welfare and Labor together with relevant ministries and agencies responsible for its implementation, they will closely cooperate with employers' and workers' organizations such as the Mongolian Employer's Federation, the Confederation of Mongolian Trade Union, their branches and member organizations by using tripartite social consensus mechanism and tripartite or bilateral structure of partnership. Therefore, interested research and training organizations and press agencies will be included.

Government of Mongolia