



GREEN
CLIMATE
FUND

| GCF.10 |

| 10 YEARS OF CLIMATE IMPACT |

GCF REGIONAL DIALOGUE

with EAST AND SOUTH ASIA

Colombo, Sri Lanka
14–17 September 2026

Advancing Carbon Market Readiness in Mongolia

MNG-RS-010

Bulgantamir Khaltar
National Project Coordinator, UNDP Mongolia

Colombo, Sri Lanka
14–17 September 2026

The Readiness Project Overview



Origination	▪ Originated by the Ministry of Environment and Climate Change of Mongolia (MECC) ▪ Co-coordinated with the Ministry of Economy and Development of Mongolia (MED) ▪ Funded by Green Climate Fund ▪ Implemented by UNDP Mongolia
Objective	Aims to unlock additional financial resources for climate action, align Mongolia's climate finance system with international best practices, and enhance institutional capacity.
Details	▪ Project approved date: April 2025 ▪ Project start date: September 2025 ▪ Project end date: April 2027 ▪ Total fund: \$500 thousand

Project Key Deliverables



1

Policy and regulatory framework

- Climate Change Law
- Regulatory procedure:
 - Authorization
 - Registration
 - Transfer of carbon credits
- Carbon Market Operational Guidelines

2

Private sector capacity building

- Map key market participants
- Identify barriers and challenges
- Design targeted policy incentives

3

National carbon registry development

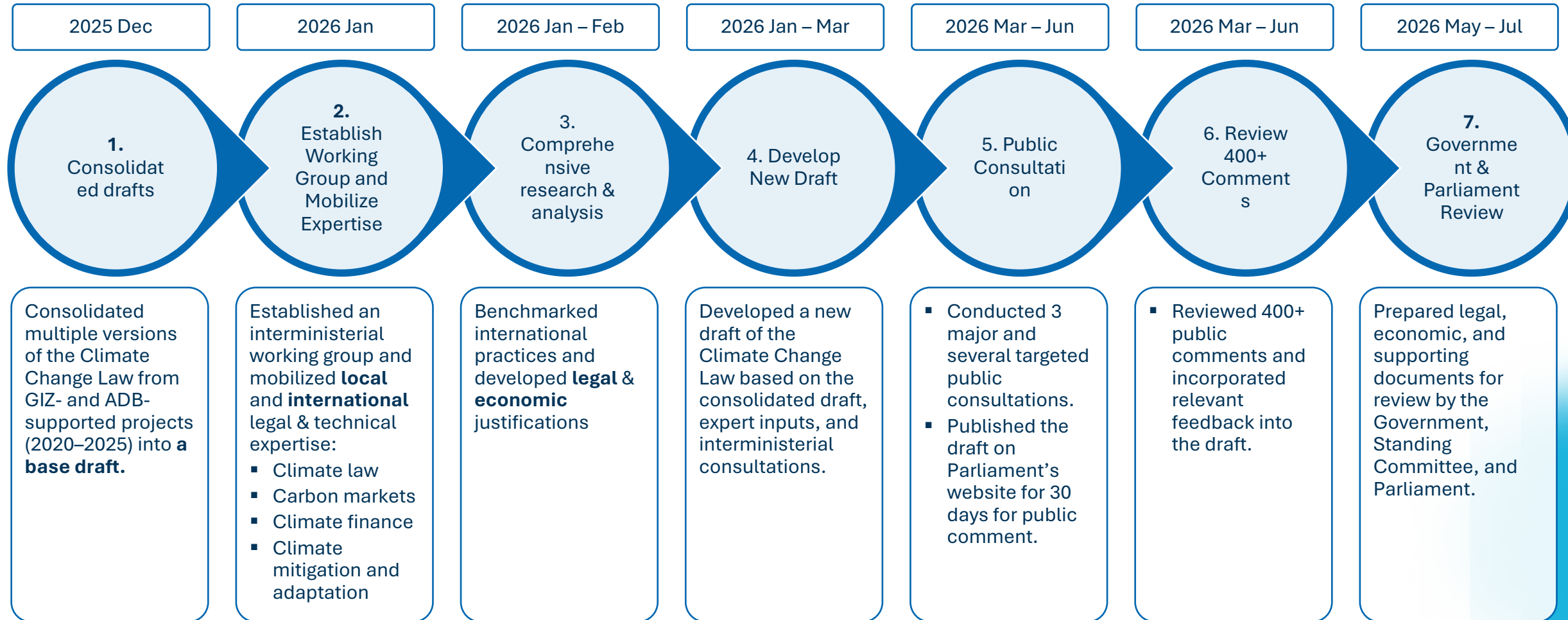
- Define functional and technical requirements
- Develop an action plan for a fully functional national registry
- Develop and demonstrate a demo version
- Finalize the National Carbon Registry feasibility study

4

MRV development guideline

- Benchmark int. methodologies and identify applicable approaches
- Prioritize technologies across key sectors and created eligible sectoral activities
- Develop MRV guidance for priority technologies

Mongolia's First Climate Change Law



The Law: 9 Chapters, 31 Articles



General Provisions	I	Defines the purpose, scope, fundamental principles, and key terminology of the Law.
Powers of State Bodies In Relation To Climate Change	II	Establishes the powers and responsibilities of Parliament, the Government, ministries, and local authorities.
Climate Change: Research And Studies	III	Establishes provisions for climate risk assessment, greenhouse gas inventories, research, and information databases.
Climate Change Adaptation and Resilience	IV	Regulates adaptation policy, the National Adaptation Plan, and measures to reduce risks in vulnerable sectors.
Climate Change Mitigation, Reduction and Prevention of Greenhouse Gas Emissions, and Increased Removals	V	Defines mitigation policy, NDC implementation, and sectoral emission reduction targets.
Green Finance	VI	Establishes criteria for green finance, taxonomy, and sustainable investment.
Carbon Markets	VII	Regulates carbon markets, carbon credits, ITMOs, the registry, authorization, and corresponding adjustments.
Databases, Monitoring and Evaluation	VIII	Establishes the framework for information databases, reporting, the MRV system, and transparency.
Miscellaneous	IX	Establishes oversight and accountability.

Climate Change Law: Public Consultation

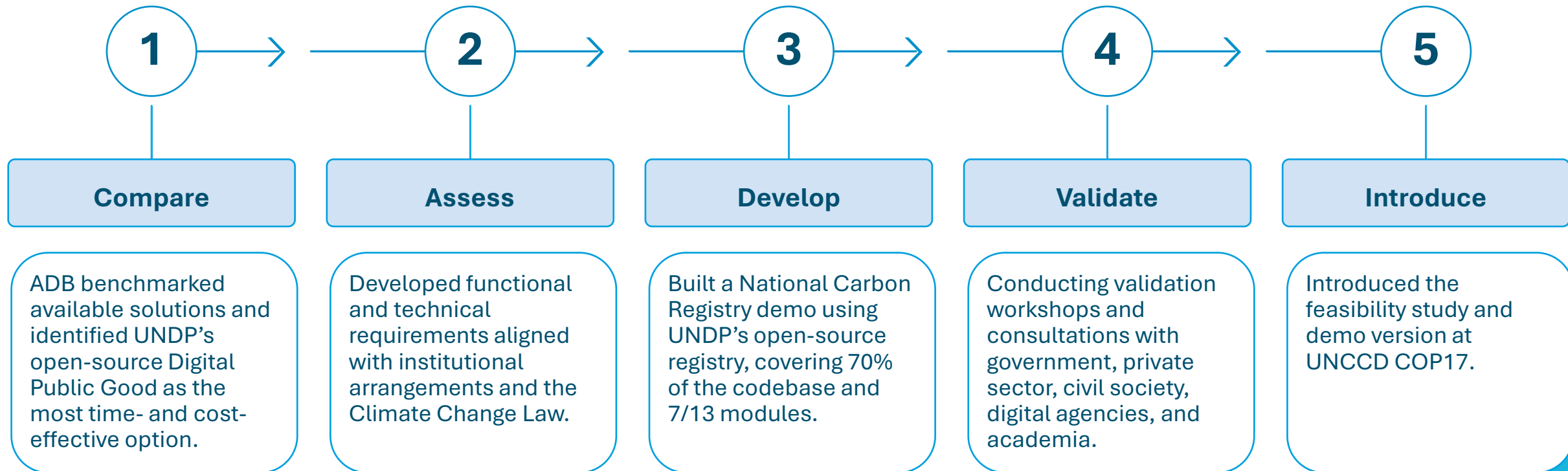


As part of the GCF Carbon Market Readiness Project, UNDP Mongolia supported the Government of Mongolia in drafting and finalizing the Climate Change Law, adopted by Parliament in July 2026.

Multi-stakeholder consultations held in March engaged over 150 participants from government, international organizations, the private sector, civil society, and academia, providing valuable inputs to the legislation.

Climate Talk held in June engaged over 40 participants from civil society, NGOs and academia, providing valuable inputs to the legislation.

National Carbon Registry Development



Sectoral Development: Methodologies & MRV Guideline



1. Assess

Conducted sectoral gap and landscape assessments.

- Energy & Transport • Agriculture • LULUCF

2. Benchmark

Identified carbon projects standards & methodologies applicable to Mongolia.

- Carbon standards • Methodologies • MRV practices

3. Develop

Developed MRV guidelines for select technologies .

- Sustainable heating • E-buses • Improved livestock feed

4. Define

Created the list of eligible carbon project activities

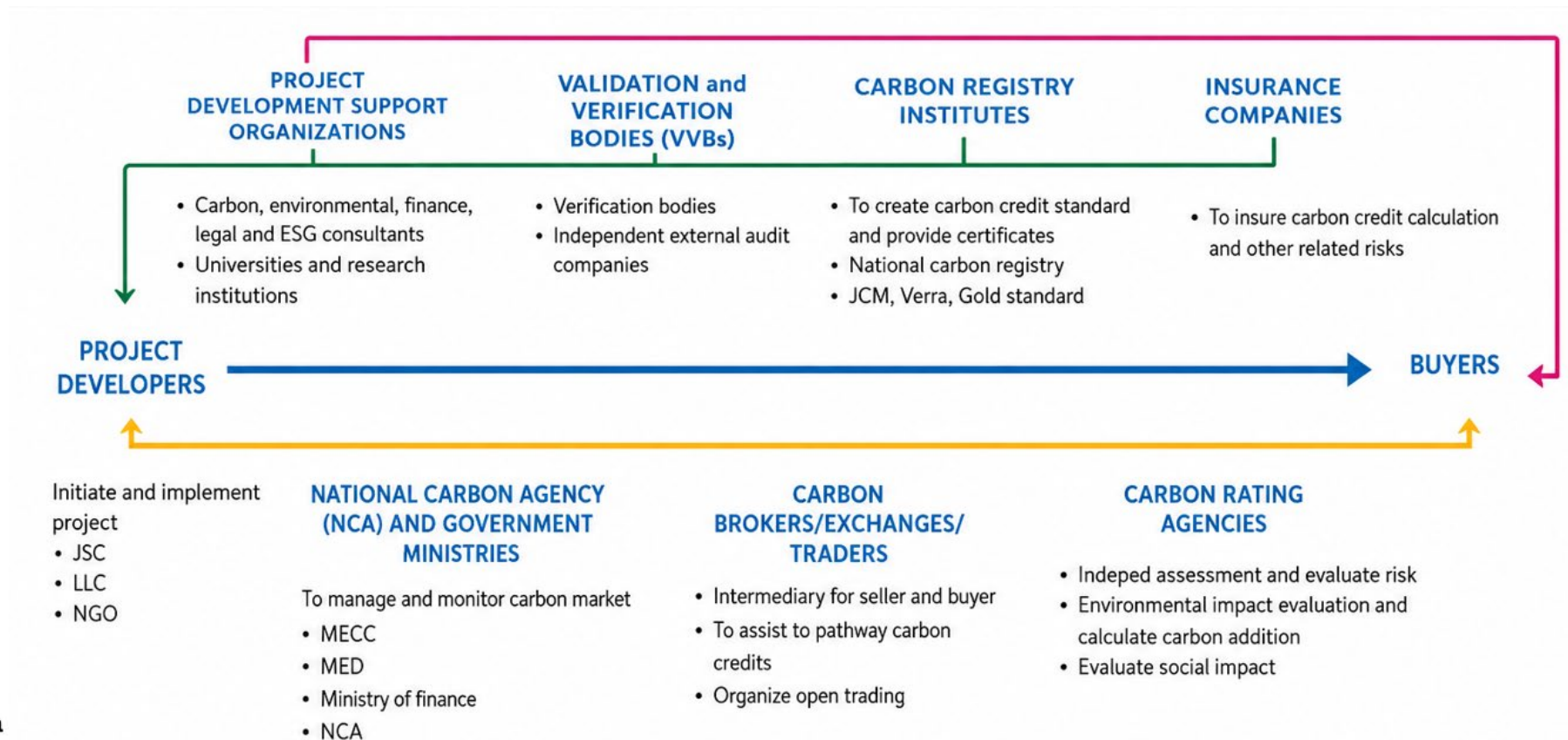
- Energy & Transport • Agriculture • LULUCF

Private Sector Mapping and Assessment



Private Sector assessment: over 110 organizations surveyed

- Awareness & Capacity
- Project Development Barriers
- Financing & Project Readiness



Readiness Project Progress



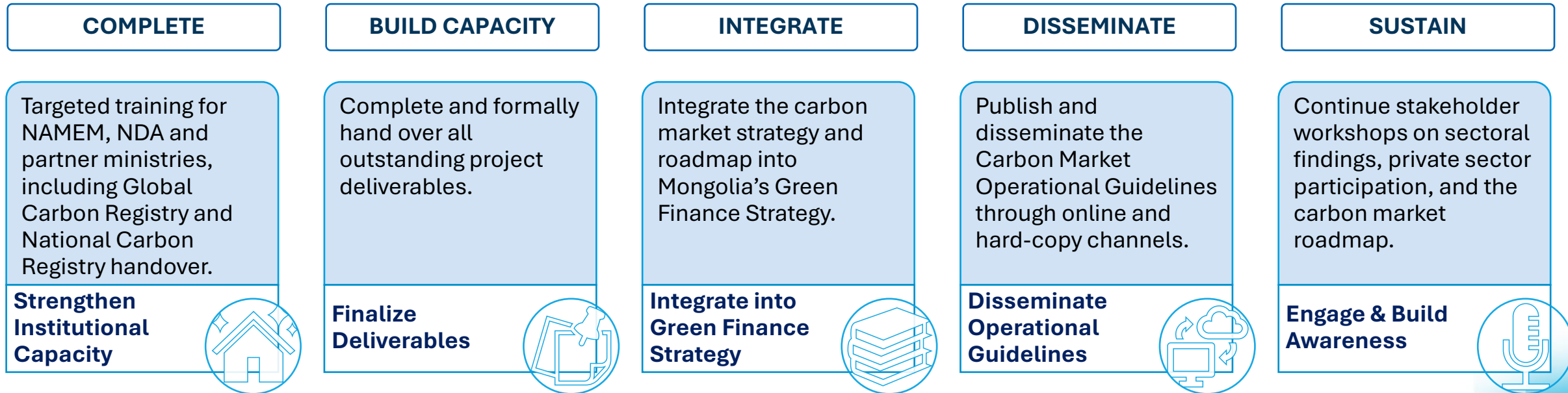
Outcome	Completed	In progress
Policy and Regulatory Framework	- Supported the development and adoption of the Law on Climate Change by the Parliament of Mongolia on 2 July 2026 - Developed the Carbon Market Operational Guidelines, establishing operational procedures and responsibilities for the development, authorization, registration, MRV, issuance, transfer, and use of carbon credits under Mongolia's carbon market	Regulatory procedure on authorization, registration, and transfer of carbon credits
Private sector readiness	- Mapped the roles and responsibilities of carbon market actors and identified their market entry barriers and challenges - Organized and provided carbon market technical training to over 450 participants from the public and private sectors	Developing a strategy to enhance private sector participation in the carbon market
Carbon registry development	- Completed the functional and technical requirements for the National Carbon Registry - Developed a demo version of the National Carbon Registry System and deployed it on the National Data Center server	Finalizing the feasibility study report for the National Carbon Registry
Sectoral MRV guideline	- Created lists of eligible activities for carbon projects under Article 6 - Conducted a comparative assessment on international methodologies and identified the most applicable ones for Mongolia.	Creating project level MRV guidelines for sustainable heating, e-buses, and improved feed of livestock to reduce methane

Lessons Learned



	Lesson	Short takeaway
	Start with government priorities	▪ Maintain close, continuous coordination with the NDA and listen to both its immediate needs and long-term priorities. ▪ Understand that the project is a part of a broader national climate agenda: outcomes and deliverables linked to overall national climate goals and progress.
	Coordinate, don't duplicate	Proactively coordinate with other IOs (GIZ, GGGI, ADB, World Bank, etc.) to align efforts, avoid duplication, and leverage complementary expertise and resources.
	Leverage UNDP global expertise	Tap into UNDP's global expertise, tools, knowledge and networks to complement country-level capacity and accelerate implementation.
	Bring local and international experts	Procure a diverse group of professionals: local experts, international experts, and a working group of local government representatives, to ensure both technical quality and local ownership.
	Build the market while building capacity	Engage the private sector early and continuously while developing the market framework to build future market participants and strengthen understanding of carbon markets
	Stay adaptive	▪ Regularly assess progress at both the government and project levels and remain flexible in implementation. ▪ Adjust outcomes, sequencing and timelines to reflect evolving government priorities, capacity and operating conditions.

Priorities for the Remaining 6 Months



End Goal: Consolidating results, strengthening national ownership, and ensuring sustainability



| **GCF.10** |
| 10 YEARS OF CLIMATE IMPACT |

Thank you

Colombo, Sri Lanka
14–17 September 2026