

**RANGELAND LEASING PRACTICES AND NEED TO SECURE THE LAND
TENURE RIGHTS TO HERDERS**

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Abstract

The key challenge in establishing and building climate-resilient, eco-friendly, and green livestock industry in Mongolia depends on the preservation of Mongolia's pastureland, its quality, and conditions.

Securing and protecting of the herders' rights to pastureland as the foundation of their employment and income sources are often neglected or left as a matter too complicated or sensitive to deal with. Securing of pastureland provides security of employment, income and livelihoods to the herders and motivates the herders to invest in the livestock and pastureland and practice better rangeland management. Mongolia is the 19th largest and the 2nd biggest landlocked country. Multi-disciplinary studies have shown that the degradation and deterioration of pasturelands has significantly worsened with the growth in herd numbers, as well as from human activities and negative changes in climate and the environment. Reduced rainfall and climatic changes have led to declines in grass growth and feed quality, resulting in poor herding productivity.

The investigation of the study reveals that the herder households are vulnerable to climate change and poverty, land grabbing is a real threat causing loss of money invested in the pastureland, insecure rights to pastureland discourages herders to invest in pastureland, inconsistent government policy can cause reduction of income, further degradation of pastureland, and lead the herders to migrate to cities. On the other hand, the example of the project introducing the rangeland leasing provides strong evidences to support the securing of land rights. In order to address the situation, the following action needs to be taken immediately:

- Herders need to be trained of their rights, i.e. right to pastureland as it is the foundation of their employment and learn to voice their concerns to the government. In order words, human rights based approach needs to be implemented in the government policies regarding the herders.
- Pastureland is a sensitive issue and often used as a tool to win votes by politicians. However, it is a time to revise relevant laws and regulations that concern land, especially the pastureland to make amendments to secure and protect the land rights of herders. Law on land, law on nature and environment protection, and others need to be evaluated and revised to establish a strong legal system and protection for herders.
- Nationwide implementation of territorial land use planning need to be introduced, so that the local governments will make informed decisions when issuing land permits for various purposes. The advantage of the territorial land use planning is participatory approach allowing the community members to be an essential part of the planning.
- A mechanism to resolve the land disputes needs to be established which will allow the herders to submit complaints in case of their rights being violated and seek protection to secure their source of income and sustain their livelihoods.

Key words: Rangeland leasing, climate resilience, rangeland management, securing of pastureland rights

Introduction

The key challenge in establishing and building climate-resilient, eco-friendly, and green livestock industry in Mongolia depends on the preservation of Mongolia's pastureland, its quality, and conditions. However, scientists, researches, government agencies, and international organizations tend to focus solely on rangeland ecology and livestock and rural poverty reduction through increased livestock productivity. Securing and protecting of the herders' rights to pastureland as the foundation of their employment and income sources are often neglected or left as a matter too complicated or sensitive to deal with. This is the main reason I want to discuss the root cause of

pastureland degradation, herder community vulnerability to natural disasters and climate change, and violation of human rights.

Securing of pastureland provides security of employment, income and livelihoods to the herders and motivates the herders to invest in the livestock and pastureland and practice better rangeland management. Mongolia is the 19th largest and the 2nd biggest landlocked country. Multi-disciplinary studies have shown that the degradation and deterioration of pasturelands has significantly worsened with the growth in herd numbers, as well as from human activities and negative changes in climate and the environment. Reduced rainfall and climatic changes have led to declines in grass growth and feed quality, resulting in poor herding productivity.

Method and Materials

It might be too late to redeem the livestock industry if the legal system doesn't improve immediately and herders' have rights to the pastureland to practice herding. Too many projects have been implemented to increase the livestock productivity, increase the herder income, fight against desertification, and prevent from pastureland degradation, yet there is almost no result and the livestock sector is running its business as usual. According to the available data, there are about 58 projects implemented in the agricultural sector including pastureland, poverty reduction, desertification, etc. The analysis is done only on these 58 agricultural projects. There are number of projects implemented in the relevant sectors concerning nature and environment.

We have investigated several reasons for securing pastureland rights to herders as the foundation to achieve the ultimate goal of building the climate resilient, eco-friendly, and income generating livestock industry.

1. **Main characteristics of herder population:** The total population is over 3 million, and nearly half of the population living in the capital city, Ulaanbaatar. The rural population is only 961,600, i.e. 31.5% of the population lives in rural areas. Statistics also reveal that by the end of 2015, there are nearly 56 million heads of livestock nationally and just 153,085 herder households. At the end of 2012, there were 146,081 herder households revealing that over the past few years the number of herder households has been gradually increasing. The livestock sector depends heavily on the activities of 297,828 herders, which is only about 10% of the population. The age group disaggregation presents that 54.4% is between 35-59, 36.0% between 15-34. Compared to statistics of 2012, the number of herders in age group of 15-34 has been steadily decreasing from 40.7% down to 36.0% while the age group of 35-59 increased by 4.7%.
2. **Inadequate government services:** Herding is strenuous work, with unlimited work hours and no occupational safety provisions. Herders must work outdoors irrespective of the climatic conditions, and are at risk of disease, with many losing their ability to work or dying at an early age. They are also susceptible to such animal-to-human diseases as brucellosis and parasites (*Echinococcus*, *Cysticercus tenuicollis*). Diet is an important component of herders' health. Herders' diets are predominantly meat-based, with a general lack of vegetables and other vitamin-enriched food. This had led to high rates of stomach and liver cancer. There is also a lack of other government services in remote areas. The lack of information and means of communication is one of leading causes of rural to urban migration. Overall, the quality of life for herders is poor compared with urban life. In trying to survive in a harsh climate, herders have little time to focus on their living conditions, health, diet and wellbeing.
3. **Herder household income and its instability:** About 57.7% of the herder households have fewer than 200 head of livestock, with only 3.8 % of wealthier herders owning more than 1,000. According to economists, 200 livestock per household is below the living standard and is sufficient to sustain people's lives. This means that nearly 60 percent of

herders, or 91,851 herder households, are vulnerable to losing their livestock – their key source of income and household security – in natural disasters.

Furthermore, economic studies show that the herder household income depends on three main factors: N=number of livestock (herders \uparrow – dzud \downarrow), Y=yield produced from a livestock unit (stable \downarrow), and P=unit price (stable \downarrow) and it can be expressed as $LR=N*Y*P$. The table below provides the key factors affecting the herder household income and their further tendencies.

Table 1: Factors affecting herder household income and their further tendencies

#	Factors	Tendencies
1	Pastureland size	Stable, decreasing
2	Types of grasses and pastureland grass yield	Decreasing
3	Number of livestock	Increasing
4	Productivity of a livestock unit	Stable, decreasing
5	Market price	Stable
6	Technology	No change
7	Natural and climate factors	Changing with negative impacts

4. **Government policy to increase livestock size and its implications:** One of the two reasons of herders increasing the number of their livestock is the government policy to award and provide some incentives to herders whose livestock reaches over one thousand. The second reason is herders' lack of economic education, which leads them to believe that more animals will bring more income. Economic studies prove that increased number of livestock does not guarantee or generate better income; and in fact it has reverse effect. The market responds to the increase of supply of livestock products with price fall. The reverse effect is not only observed in the market response, it also causes further degradation of pastureland and poor animal health making the livestock vulnerable to natural disasters like droughts and dzud.

Since 2016 the government has established management information system (MIS) providing comprehensive data about the projects implemented under the official development assistance funds in Mongolia since 2000. The MIS provides information of not all the projects implemented by different players including international organizations such as WB, ADB, TIKA, UN agencies, etc. and it still lacks information on projects implemented by nongovernmental organizations in the sector. Based on the available information of above mentioned 58 projects, total of USD17,700,000 are spent on poverty reduction projects, USD9,909,594 dzud relief, and USD329,176 on restocking.

5. **The nature of business practices of the herder households:** A study shows that the herders' business practice is mainly oriented in supplying the household needs of meat, milk and dairy products and selling the surplus products in the market. Income generated from selling the surplus livestock products are used for purchasing of consumer goods. The table below shows the consumer price index of the products sold and purchased by the herders.

Table 2: Comparison of consumer price index of sold and purchased good of herders (2005=100)

Price Index of Purchased Goods			Price Index of Sold Goods		
	<i>Products</i>	<i>Index</i>		<i>Products</i>	<i>Index</i>
1	Clothes, shoes	131.7	1	Mutton	103.5
2	Household items	139.7	2	Milk	192.7
3	Medicine	167.7	3	Cow and horse hides	62.1
4	Transportation services	163.7	4	Sheep and goat skins	41.6

5	Education services	182.5	5	Cashmere	53.3
	Average index	157.1		Average index	90.6

The data reveals that price index of livestock raw material and products is below the price index of consumer goods, and it has great impact on the income and livelihoods of the herders, especially in the remote areas far from the main markets.

6. **Factors of animal diseases and losses of herder households:** Often herders suffer a loss of animals due to diseases and other reasons effecting their income generation. The number of livestock suffered from infectious and parasite diseases increased by 13,600 between 2012 and 2015 causing a loss of 4,300 livestock. To add to the loss, total of 625,600 adult animals were lost in 2015. The losses and animal disease spread and the types of diseases indicate that the livestock sector is highly vulnerable to natural disasters and climate change. Although there is livestock index insurance and other insurances services are provided to herders, in case of animal losses caused by these reasons the compensation is not provided because most insurance companies do not cover such incidents of high risks.

There are many projects have been implemented spending USD 418,087,847 to improve the livestock health for almost two decades. However, the impact of these projects do not meet the intended targets such as enabling herders and livestock production companies to export final products. The livestock health care system is still in its early stages of development and requires extensive intervention.

7. **Pastoral land policy and land disputes:** From 2012 to 2015, the territory designated for pastureland has decreased by 417,100 hectares while the land for settlements, land under road and networks, land with forest resources, and land with special needs have increased. It may explain the reason of increased land disputes between herders, farmers, local governments, and miners for the last three decades. Incoherent law and regulations regarding the land related matters, absence of law on pastureland, heavy emphasize on large scale mining production, and inadequate legal framework regarding the artisanal and small scale mining activities are the main reasons of such disputes, often leaving the herders as victims due to not having any legal security on their pastureland.

Over the last 16 years many projects have been implemented in the agriculture and livestock sector spending over USD204,055,418 which includes USD24,056,647 on livestock sector only. The projects each have components on capacity building, policy reform and legal framework improvements. Despite the efforts made through various projects, there is no consolidated understanding on the need to promote legal and policy reforms on pastureland.

8. **Investment in pastureland:** There is no comprehensive study that attempted to calculate the actual costs of the livestock sector. However, a study of agricultural economists reveal that on average one sheep eats grasses worth of MNT70080, yet the government spends only MNT76 per sheep per year for pastureland improvement. The pastureland is the state property, therefore the herders have no motivation or reasons to invest in pastureland to improve its condition and prevent from further degrading. The available data provide that about USD35,419,543 has been spent on pastureland projects in addition to investments made to promote intensive and semi-intensive farming that cost about USD13,814,627.

Practicality of Securing the Rangeland Rights to Herders

The reasons outlined above all point to the dire need to establish strong legal system to secure the land rights to herders. Over the past three decades, a number of international projects have been implemented with objectives to reduce poverty, improve the sustainable livelihoods of herders, and to establish climate resilient livestock sector. The activities of these projects can be

summarized in the following categories: i) improvement of livestock breed to increase the yield of milk, meat, wool and cashmere from relatively fewer animals; ii) improvement of livestock health and registration system; iii) implementation of rotational grazing in practice; iv) improvement of water points and water supply; v) increase of hay and fodder preparation; vi) planting of forages and prepare fodder; and vii) production of value added products to increase the household income. However, none of the projects have tackled the core issue of securing and protecting of herders' land rights except the Peri-Urban Rangeland Project (2008-2013) funded by Millennium Challenge Corporation (MCC), which has first introduced rangeland leasing in Mongolia. Therefore, in this study we have cited some of the outcomes presented in the mid-term evaluation report.

- i) Perception of herder households of the importance and benefits of the rangeland leasing - the majority (69.5%) thought that the rangeland leases were very beneficial or at least slightly beneficial, while some project households (28.1%) felt neutral about the leases. Only a small percentage (2.5%) answered that the leases caused more problems than benefits.
- ii) Increase of household income and investments – Over the 2-year period between baseline survey and follow-up survey, the annual income have increased as a result of improved animal breed and reduction of number of livestock appropriate to the pastureland carrying capacities as shown in the table below. The evaluation also points out that the herder households started to invest in livestock related property. For example, the female-headed households invested MNT 76,667 in livestock related property, which is less than the male-headed households by MNT 56,380.

Table 3: Comparison of Average Household Income, per year

	Household type	Baseline survey	Follow-up survey
1	Female headed household (MNT)	3,464,993	5,612,823
2	Male headed household (MNT)	5,208,580	6,953,458

- iii) Training subjects with the highest attendance rate were the animal health and veterinary service (65%) and pastureland managements (64%). And these training subjects were rated as highly valuable. The study further reveals that the project households practiced rotational grazing, invest in the improvement of livestock breed, reduction of number of livestock, and better business practices which could be the results of the extensive trainings provided.

The best practices of MCC-funded project was shared with other international and national organizations playing important role in pastureland sector, consequently Green Gold project funded by SDC has taken the approach and continuing the promotion of pastureland lease contracts.

Available data and pastureland quality monitoring reports reveal that unless the rights of herders to pastureland is secured and there's an effective mechanism to encourage herders to invest in the pastureland the money spent to tackle the problems of poverty, pastureland degradation, desertification, etc. will continue to be ineffective.

Conclusions & Implications

The investigation of the study reveals that the herder households are vulnerable to climate change and poverty, land grabbing is a real threat causing loss of money invested in the pastureland, insecure rights to pastureland discourages herders to invest in pastureland, inconsistent government policy can cause reduction of income, further degradation of pastureland, and lead

the herders to migrate to cities. On the other hand, the example of the project introducing the rangeland leasing provides strong evidences to support the securing of land rights. In order to address the situation, the following action needs to be taken immediately:

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Only with the strong legal system established securing the pastureland rights to herders, Mongolia will achieve its goals and objectives of the “Mongolian Livestock” Program. The program states: “Within the objectives to establish the livestock sector climate resilient and to develop the sector as environmentally friendly, maintaining traditional livestock herding practices, and to effectively develop the economic return of the sector, the following activities will be implemented: a) establish good governance in the livestock sector; b) increase the competitiveness of the livestock sector in the market through improved livestock breed producing raw materials and productions with perfect biological types; c) upgrade the veterinary services to the international standards, and protect the public health through securing the animal health; d) develop livestock herding that is resilient to climate change and natural and ecological changes; and e) develop the livestock product market and establish processing and trading chain.

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