

# MONGOLIA AT A GLANCE

**MONGOLIA-JAPAN  
Business Forum**  
**20 May 2021**



## Population

**3.2 MILLION**



AVG



**70,000**



ANNUAL NEW BIRTHS

## GDP



**13.32**

BILLION USD

**5.1 %**

GROWTH

(2021 FORECAST)

## Area

**1.5 MILLION KM2**

**17<sup>TH</sup>**

LARGEST  
COUNTRY



LANDLOCKED



## Total FDI



**29.6**

(1990-2020)

BILLION USD

(123 COUNTRIES HAVE INVESTED  
IN MONGOLIA)

## TOP INVESTORS TO MONGOLIA 5 COUNTRIES



CANADA



CHINA



THE  
NETHERLANDS



LUXEMBOURG



SINGAPORE



**70%**

OF THE INVESTMENT GOES  
INTO EXTRACTIVE INDUSTRY.

## Export



**7.6**

BILLION USD

(WITH 142 COUNTRIES)

72.5%



CHINA



EUROPEAN  
UNION  
COUNTRIES



SINGAPORE



GREAT  
BRITAIN



RUSSIA

## TOP EXPORT:



**2.7**

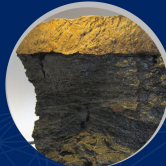
COAL BRIQUETTES  
BILLION USD



**2.1**

COPPER ORE  
BILLION COAL

## TOP EXPORTED PRODUCTS:



**28%**

COAL BRIQUETTES



**23.6%**

GOLD, UNWROUGHT  
OR IN SEMI-MANUFACTURED  
FORMS



**23.5%**

COPPER ORE



**8.4%**

IRON ORE AND  
CONCENTRATES



CASHMERE, WOOL  
(UNPROCESSED)



GEMSTONES



GOLD

## POTENTIAL:



**ENERGY** (wind and solar  
power potential is estimated  
to be equivalent to 2,600  
gigawatts (GW) of installed  
capacity or 5,457  
terawatt-hours of clean  
electricity generation)



**RARE EARTH  
ELEMENTS**  
(31m tonnes  
of rare earth  
resources)



**PROCESSED  
CASHMERE AND  
WOOL, CASHMERE  
PRODUCTS**



**ORGANIC  
SKINCARE**



**ORGANIC  
HONEY AND  
SEABUCKTHORN**



**PROCESSED SKIN,  
LEATHER AND  
LEATHER GOODS**



**MEAT:  
BEEF AND  
MUTTON,  
HALAL MEAT**



**DAIRY  
PRODUCTS**

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## Import

**5.3**

**BILLION USD**  
(WITH 72 COUNTRIES)



### TOP IMPORTER COUNTRIES:



### TOP IMPORTS 2020



REFINED PETROLEUM  
AND DIESEL

**1.0**  
BILLION USD



AUTOMOBILES  
AND PARTS

**815**  
MILLION USD



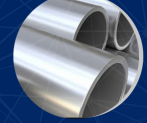
PROCESSED  
FOOD



VEGETABLES AND  
FRUITS



CHEMICAL  
PRODUCTS



STEEL

## Covid-19 vaccination

AS OF MAY 1, 2021

MONGOLIA IS THE FASTEST  
VACCINATING  
COUNTRY (REUTERS) WITH

**70,000**

DOSES ADMINISTERED DAILY ON AVERAGE.  
THE GOVERNMENT PLANS TO VACCINATE  
THE WHOLE POPULATION BY JULY 1, 2021.

## Culture:

MONGOLIAN  
CULTURE IS A RICH  
MELTING POT OF  
SHAMANISM AND  
BUDDHIST BELIEFS  
WITH AN INFUSION  
OF NOMADIC  
VALUES AND  
TRADITIONS.

### LABOR FORCE



**68.3%** **53.4%**



HALF OF THE POPULATION  
IS UNDER AGE 27, MAKING IT  
A DYNAMIC YOUNG  
POPULATION.

**98%**  
LITERACY RATE

**68.6%**  
ENROLMENT RATIO IN  
TERTIARY EDUCATION

GROWING AT AN  
AVERAGE ANNUAL RATE OF  
**8.06%**

## Weather:

BECAUSE OF ITS HIGH ALTITUDE  
AND OF ITS SITUATION FAR FROM  
ANY SEA - HAS AN **EXTREME  
CONTINENTAL CLIMATE**:  
VERY COLD WINTERS, WITH  
TEMPERATURES WHICH CAN  
REACH -30°C, AND SHORT, BUT  
WARM SUMMERS,  
PARTICULARLY IN THE  
GOBI DESERT.

## Living in Mongolia



ULAANBAATAR CITY  
**1.5 MILLION**



**100**

INTERNATIONAL ORGANIZATIONS,  
EMBASSIES AND MULTINATIONAL  
COMPANIES.



**21** PROVINCES  
**333** SOUMS



THE LEAST **CRIME-RIDDEN**  
COUNTRIES.

MON ENG

OFFICIAL LANGUAGE IS  
MONGOLIAN, BUT  
ENGLISH CAN BE USED  
TO AN EXTENT FOR  
COMMUNICATION.

ULAANBAATAR IS **1.5-4 HOURS** AWAY FROM MAJOR HUBS SUCH AS **BEIJING, SEOUL, TOKYO AND HONG KONG.**

## Food:

MONGOLIAN CUISINE  
PREDOMINANTLY CONSISTS OF  
**DAIRY PRODUCTS, MEAT, AND  
ANIMAL FATS.** THE EXTREME  
CONTINENTAL CLIMATE OF  
MONGOLIA HAS INFLUENCED THE  
TRADITIONAL DIET. USE OF  
VEGETABLES AND SPICES ARE  
LIMITED BUT WIDELY  
AVAILABLE IN BIG CITIES.



## Governance

POLITICS OF MONGOLIA TAKES PLACE IN A  
FRAMEWORK OF A **SEMI-PRESIDENTIAL  
MULTI-PARTY REPRESENTATIVE DEMOCRACY**.  
EXECUTIVE POWER IS EXERCISED BY **THE PRIME  
MINISTER**, WHO IS THE HEAD OF GOVERNMENT,  
AND THE CABINET. LEGISLATIVE POWER IS VESTED  
IN PARLIAMENT. THE JUDICIARY IS INDEPENDENT  
OF THE EXECUTIVE AND THE LEGISLATURE.





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## International indexes (2020)



**DOING BUSINESS IN MONGOLIA-  
10TH** IN EAST ASIA & PACIFIC COUNTRIES

(in East Asia & Pacific countries)



**DEALING WITH  
CONSTRUCTION  
PERMITS** 6<sup>TH</sup>



**REGISTERING  
PROPERTY** 6<sup>TH</sup>



**GETTING  
CREDIT** 4<sup>TH</sup>



**PROTECTING  
MINORITY  
INVESTORS** 6<sup>TH</sup>



**PAYING TAXES** 7<sup>TH</sup>

**MONGOLIA'S CREDIT RATING  
(MOODY'S)**

**B3**

**STABLE**

## Access to the international market

**JAPAN - MONGOLIA ECONOMIC  
PARTNERSHIP AGREEMENT (JMEPA)**

- From Mongolia **5,700** products  
- From Japan **9,300** products  
(direct and phased exemption from customs duties on reciprocal imports)

**EUROPEAN UNION GSP+**

Customs tariff off for **7,200** products to EU countries


**USA GSP +**

More than **3,500** products customs tariff off enter to the US market

**ASIA PACIFIC TRADE AGREEMENT  
(INDIA, SOUTH KOREA, SRI LANKA,  
LAOS, BANGLADESH & CHINA)**

tariff discount on **10,667** types of products in trade with the six member countries

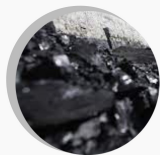
## Investment opportunities in Mongolia

PRIORITY SECTORS	INTERNATIONAL POSITION	RESERVES		
<b>Mining</b> 	Mongolia ranks 7th in global resources with around 1170 known deposits and over 10'000 known occurrences of 80 different types of mineral resources. <b>Potential in the sector:</b> <ul style="list-style-type: none"> <li>- Exploration licences</li> <li>- Invest in new opportunities – value-added product plants such as copper cathodes</li> <li>- Exploration and extraction of rare earth elements</li> </ul>	<b>Mineral resources</b>	<b>Proven reserves</b>	<b>World ranks</b>
		Copper	57 million tonn	12 <sup>th</sup>
		Coal	37.2 billion tonn	23 <sup>rd</sup>
		Iron ore	1.2 billion tonn	19 <sup>th</sup>
		Gold	2,500 tonn	
		Zinc	1.7 million tonn	
		Flourspar	48.3 million tonn	4 <sup>th</sup>
		Uranium	197.0 thousand tonn	
		Crude oil	332.6 million tonn	76 <sup>th</sup>

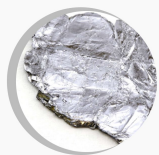
**Уул уурхай, хүнд үйлдвэрлэлээрээ дэлхийд:**



хайлуур  
жоншны  
үйлдвэрлэлээр  
**3-рт,**



коксжих  
нүүрсний  
олборлолтоор  
**7-рт,**



молибден ба  
вольфрам  
(W-Content) -аар  
**10-рт**



зэсийн  
үйлдвэрлэлээр  
**16-рт**

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## Investment opportunities in Mongolia

### PRIORITY SECTORS

### INTERNATIONAL POSITION

### RESERVES

#### Agriculture



- **2<sup>nd</sup>** largest cashmere reserve country
  - **4<sup>th</sup>** largest Asian Wool Exporter
  - **2<sup>nd</sup>** largest global Horse Meat producer
  - **4<sup>th</sup>** largest Asian Sheep and Goat Meat producer
- Luxury brands that use Mongolian cashmere and wool include Gucci, Burberry and Alexander McQueen.

#### Potential in the sector:

- To grow as an intensive farming- meat and dairy products
- Organic products: seabuckthorn and honey
- Meat export
- Vegetable plants for domestic consumption



**67 million**  
livestock

**1.3 million**  
hectares of arable land

**31%** of GDP is from  
agriculture  
and light  
industry

#### Renewable energy



Mongolia has over **300** sunny days a year and has one of the largest wind reservoir. The country's combined wind and solar power potential is estimated to be equivalent to **2,600** gigawatts (GW) of installed capacity or **5,457** terawatt-hours of clean electricity generation per year. The amount is enough to meet the country's energy demand (around 1.2GW as of 2018), and can meet northeast Asia's regional energy demand with a suitable transmission infrastructure. The government's target is a share of renewable energy in total installed capacity of 20% by **2023** and **30% by 2030** as announced in the State Policy on Energy, 2015–2030. (ADB)

Further potential: Asia's super grid



#### Information & technology sector (Fintech & banking)



Mongolia presents a huge untapped opportunity for tech companies. It is home to a massive labor pool of educated and talented IT workers, and wages are very competitive to other developed countries.

- **2.6 million** Internet users
- **4.4 million** mobile users, 64% (3G-5G) users
- **93%** of the population has an account with financial institution
- **22%** of the population manages accounts and makes payments with mobile phones

Start-up efforts: The tech talent in Mongolia and the development of high quality startups have both seen a significant spike, many of the startups now competing globally. Some of the fintech companies have started exporting their business in Asia.



#### Transportation & logistics



Mongolia is a natural transport and logistics hub and the country is a reliable corridor for trade flows between Europe and Asia. The transit time is **11** days by train in comparison with **45** days via the sea. In **2014**, **89%** of the total goods traffic volume transported by railway between the Russian Federation and the PRC was through the Zabaikalsk– Manzhouli border crossing point, 7% through Mongolia, and 4% through Kazakhstan.

#### Further potentials:

Road and Belt

Gas pipeline connecting Russia and China



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### As an investor you will enjoy:

#### ENABLING LEGAL ENVIRONMENT

- Non-discriminatory policy towards foreign investors
- Stabilization package for your business to prosper
- Tax exemption for initial 5 years of qualifying businesses in economic free zones
- Land use rights up to 60+40 years and many other benefits
- More benefits to innovative business start-ups offering sandbox approach, environment to test new business ideas without limitations



#### TAILORED PROMOTION FOR YOUR NEED

- Visit [www.investmongolia.gov.mn](http://www.investmongolia.gov.mn) for an integrated information for investors;
- Subscribe to monthly newsletter “Invest in Mongolia” for investors available in English and Mongolian;
- Check out our Pitchbook 2021 for businesses to invest in
- Sign up for our next “Invest in Mongolia” event Tokyo 2021, Seoul 2021;
- Visit our social media sites below for frequent updates—  
<https://www.facebook.com/ndagovMN>  
<https://twitter.com/ndagovMN>



#### DIGITALIZED SERVICES

- Check out the special COVID-19 menu for investors on our website
- Take our survey on improving policy and services for investors during the COVID19; link:
- Drop by our One Stop Service Center where you can get 62 types of services from 5 government agencies in one stop
- Get your reference for visa extension visit; [invest-assist.gov.mn](http://invest-assist.gov.mn)
- Submit your grievances via [ipc.gov.mn](http://ipc.gov.mn) instantly



#### INVESTOR PROTECTION MECHANISMS:

- Grievances are resolved through [ipc.gov.mn](http://ipc.gov.mn) or through Investment Council led by the Prime Minister
- Judicial services are available to resolve disputes per international treaties, conventions and national laws;
- A competent office with qualified experts /home doctors/ is available to assist your business and investment at NDA
- NDA officers will ensure protection of your business and investment by liaising with other parties on behalf of you in Mongolia

