



*The **AMERICAN CHAMBER** of Commerce in Mongolia*

ROADMAP FOR GROWTH 2018



AmCham Mongolia
Policy and Advocacy Priorities

Ulaanbaatar

THE AMERICAN CHAMBER OF COMMERCE IN MONGOLIA 2018 ROADMAP FOR PRIVATE SECTOR-LED GROWTH

Background

AmCham Mongolia aims to build, strengthen, and protect business between the United States and Mongolia, and to actively promote Mongolia as a destination for American investment via the direct involvement of American-owned businesses and Mongolian companies representing American brands, operating across all sectors of the economy.

AmCham Mongolia builds multi-stakeholder coalitions by promoting U.S.-Mongolia government-to-government, business-to-business, and cross-sectoral engagements to identify opportunities for mutually beneficial partnerships.

AmCham Mongolia aims to be an effective business association by helping its members grow their businesses, and by supporting the Government of Mongolia in creating a business environment that is conducive to growth and attractive to both local and foreign investment.

AmCham Mongolia firmly believes that Mongolia's current social and economic issues can be addressed through the growth of a strong and competitive private sector operating across all sectors as the backbone of the economy. Moreover, a private sector-led economy will provide sustainable development for the country and for the well-being of current and future generations of Mongolians.

Therefore, AmCham Mongolia will continue its support and partnership with the Government of Mongolia and other key stakeholders to promote a strong and vibrant private sector in Mongolia. We believe that evidence-based, well thought out, well communicated, and well promoted policy and advocacy work can contribute substantially to an improved climate for investing and doing business in the country. As a result, the country's developmental growth will be secured and sustained.

This Roadmap presents a high-level framework for AmCham Mongolia's policy and advocacy priorities in 2018, by building on the interests and needs of its members, the Government, and other stakeholders to promote a vibrant private sector and to make the country an attractive investment destination for growth.

Policy and Advocacy Priorities for 2018

AmCham Mongolia aims to build, strengthen, and protect business between the United States and Mongolia, and to actively promote Mongolia as a destination for American investment via the direct involvement of American-owned businesses and Mongolian companies representing American brands, operating across all sectors of the economy.

AmCham Mongolia's 2018 priorities are to support the country's economic growth by assisting the government in regaining investor confidence, resulting from systemic policy reforms and the implementation of major economic and infrastructure projects. The priorities will also include supporting the mining and non-mining sectors, and promoting the competitiveness of the private sector not only in the country but also in the region and beyond.

AmCham Mongolia will strongly advocate for and showcase the success stories of its members' businesses in Mongolia. It will act as an effective bridge and platform for its members with other businesses, the Government of Mongolia, and other key stakeholders who can improve the business environment and help attract investment to the Mongolian economy.

The overall focus of AmCham Mongolia's policy and advocacy for 2018 will be supporting the growth of a strong private sector as the backbone of the economy.

Other priorities are:

1. Improving the investment climate for both local and foreign investors;
2. Supporting a competitive mining sector as the engine of the economy;
3. Encouraging economic diversification and the growth of non-mining business;
4. Strengthening regional and global connectivity.

The focus: supporting the growth of a strong private sector as the backbone of the economy

The growth of a strong private sector is not only in the interest of our members but also the Government of Mongolia and all stakeholders who want to advance the country's development.

AmCham Mongolia will continue to advocate for the promotion of free trade and free enterprise to regain investor confidence.

With stakeholders and partners, AmCham Mongolia will support the Government of Mongolia in its efforts to create an improved economic policy framework to address fundamental issues in the economy and its structure. AmCham Mongolia will continue its advocacy efforts for the enforcement of the U.S.-Mongolia Transparency Agreement in order to foster greater bilateral economic and commercial relations.



1.Improving the investment climate for both local and foreign investors

AmCham Mongolia believes strongly that a well-planned, strong, consistent, transparent, and enforceable legal and regulatory environment is the cornerstone to growing business and attracting investment.

AmCham Mongolia will continue in its efforts to create a more favorable investment climate and tax regime, and promote the country as a destination for potential investors, both from overseas and within the country. These efforts will be coordinated with the government, as well as with other business and industry associations and partners.

Some specific areas of focus for AmCham in 2018 will be:

- Support and promote an investor and business-friendly climate and tax regime in the country through the Investment Protection Council and other effective platforms;
- Promote technical discussions and consultations on the most pressing issues affecting the business environment to improve the legal and regulatory framework;
- Fully implement and comply with the principles of the U.S.-Mongolia Economic Transparency Agreement;
- Promote the sanctity of contracts through a stronger legal and regulatory framework to ensure the compliance of all parties to contractual obligations in Mongolia.

2.Supporting a competitive mining sector as the engine of the economy

Mongolia's mining sector is the engine of the country's economy. The sector accounts for 20% of the country's GDP and 90% of the country's exports. AmCham Mongolia believes firmly that developing a responsible and competitive mining sector will create a strong foundation for economic growth and the country's development.

AmCham Mongolia members are major investors and suppliers to Mongolia's mining industry. By sharing and showcasing our members' best practices and successes, AmCham Mongolia will support the development of a competitive mining sector in Mongolia.

AmCham Mongolia will advocate for and support the creation of an effective and attractive legal and policy framework that ensures the investment necessary for the development of both existing and future mining projects. AmCham's efforts to enrich the industry will be undertaken through the establishment of the AmCham Mongolia Mining Committee.

3.Encouraging economic diversification and the growth of non-mining business

Mongolia's economy is largely dependent on commodity exports. However, with its geographical location, natural resources, and well-educated, young population, the country has huge potential to advance the development of other sectors of the economy, such as agriculture, tourism, finance, cashmere, renewable energy, and ICT.

AmCham Mongolia members are strongly interested in investing and doing business in non-mining activities in Mongolia. Our members utilize some of the most innovative technology, machinery, equipment, and best practices available, which give these sectors the capability to become more internationally competitive and attractive to foreign investment.

AmCham Mongolia will continue its commitment to advancing opportunities in agriculture, financing, and renewable energy by attracting investment to its members by bringing advanced technology and know-how to Mongolia. AmCham Mongolia's committees on Financial Services, Agriculture, the Auto and Machinery Industry, and Intellectual Property Rights will take a leading role in assisting the government in its efforts to foster economic diversification.

4.Strengthening regional and global connectivity

Regional and global connectivity for business in Mongolia is crucial to be successful and competitive in a global economy.

AmCham Mongolia is affiliated with the U.S. Chamber of Commerce, the world's largest business federation with over 3 million-member companies, as the local affiliate of the Asia-Pacific Council of American Chambers of Commerce (APCAC). AmCham Mongolia can communicate with other Chambers for references, to facilitate access to available resources, and to mediate in establishing initial contacts with U.S. businesses on an individual basis.

Some specific activities will include:

- Establishing connections for its members with their peers and markets in the region and the USA;
- Organizing inbound and outbound trade missions and the hosting of high-level U.S. government officials;
- Exchanges and trade fairs in the region and the USA;
- Leading and supporting a Mongolian delegation to attend the APCAC regional conference to gain insight on regional perspectives and to learn best practices used in the Asia-Pacific region for building an enabling business environment in Mongolia;
- Continuing to identify export opportunities and lobby the United States for the inclusion of Mongolia in the Generalized System of Preferences. Inclusion in this system would enable the duty-free export of select products to the U.S., and would provide opportunities for Mongolian companies to expand their business in the USA.





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AMCHAM MONGOLIA MEMBERS



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