

## AT AMCHAM'S MONTHLY MEETING, MAYOR D. SUMIYABAZAR EMPHASIZED FOREIGN INVESTMENT AND TECHNOLOGICAL ADVANCEMENT ARE CRITICAL TO THE DEVELOPMENT OF ULAANBAATAR

During its virtual Monthly Meeting, on September 24, AmCham Mongolia hosted the Governor of Capital City and Mayor of Ulaanbaatar, D. Sumiyabazar, for a conversation about addressing city development issues. Over 40 attendees from the private sector, foreign embassies, and government officials attended the meeting. The mayor highlighted pressing issues related to the city's development, such as reducing traffic congestion, decentralization, and improving infrastructure.

According to a recent survey, 52 percent of Ulaanbaatar residents stated that top priority issues for the residents of the capital city include unemployment, poverty, livelihoods, and reduced income; 41 percent stated traffic congestion, public transportation, roads, and the availability of parking; 20 percent stated air pollution; and 15 percent stated water, the environment, soil pollution, lighting, landscaping, and green infrastructure. Eighty-five percent of the survey participants also stated that resolving traffic congestion should be an immediate priority of city officials because the city is currently losing eight percent of the national GDP due to the problem, and losses could reach 10 percent of GDP by 2024. The mayor said that traffic congestion in Ulaanbaatar has cost the country's economy 11.8 trillion MNT, and that if nothing is done about it in the next five years, that loss will almost double to reach 24.3 trillion MNT. A government working group has proposed allowing only left-hand drive vehicles in Ulaanbaatar by 2028, raising the import tax on vehicles used for more than seven years by 2022, and improving loan terms for buying new cars next year.



Mayor D. Sumiyabazar also gave an update on city officials' latest plans concerning legislative reform, the Cabinet's decision to spend billions of MNT on reducing traffic congestion, decentralization, and infrastructure improvement. Ulaanbaatar's development policies and goals include improved health and safety, strengthened governance, economic independence, a good business environment, reduced traffic congestion, education and culture, green development, and planning and standards. He also presented new provisions for the Law on the Legal Status of the Capital City of Mongolia to improve the legislative environment, and openly answered questions from the audience.

D.Sumiyabazar emphasized that he is pursuing different initiatives to make Ulaanbaatar and its satellite cities, including Aero City, more investor-friendly. He envisions a city where foreign investors can make investments and bring with them the latest technology and know-how, and wants to make reforms to the legislative environment to turn Ulaanbaatar into a smart and eco-friendly city, similar to other developed cities around the world. He also stated that mutually beneficial partnership and trust between city officials and foreign investors that promises will be kept are essential for the long-term success of Ulaanbaatar's development.

AmCham Mongolia thanked Mayor D. Sumiyabazar for his time and his detailed presentation on solutions to the critical issues in Ulaanbaatar. AmCham supports the mayor's plans to make Ulaanbaatar an investor-friendly, smart, and eco-friendly city, and his short-term solutions for traffic congestion. He was asked to reconsider the 2028 timeline for banning right-hand drive vehicles in Ulaanbaatar and moving it to closer date, since addressing traffic congestion in the city is a critical issue that can't wait for another 5-10 years to be resolved.

### **About AmCham Mongolia**

AmCham Mongolia is an independent membership-driven organization that seeks to build, strengthen, and protect business between the United States and Mongolia, and to actively promote Mongolia as a destination for American investment. AmCham Mongolia is the official local affiliate of the U.S. Chamber of Commerce, the largest business federation in the world with over 3 million member companies. AmCham Mongolia is also a member of the Asia-Pacific Council of American Chambers of Commerce, consisting of 29 American Chambers of Commerce in the Asia-Pacific region.