



The AMERICAN CHAMBER of Commerce in Mongolia

Press Release

22.10.2019

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AmCham Mongolia hosts a panel discussion on “Leveraging Export Opportunities for Mongolia”

ULAANBAATAR- American Chamber of Commerce in Mongolia (AmCham Mongolia) hosted its October Monthly Meeting on "Leveraging Export Opportunities for Mongolia" on October 22, 2019 at the Blue Sky Hotel & Tower. The panelists that participated were Economic and Commercial Section Chief at the U.S. Embassy Benjamin Le Roy, Private Sector Development Senior Expert at EU TRAM Project Carl Krung, Deputy Director of Economic Cooperation and Foreign Trade Department at the Ministry of Foreign Affairs Ulziisaikhan Ganbold and the moderator was CEO of Bloomberg TV Mongolia Dolgion Erdenebaatar.

Mongolia's economy was traditionally built on traditional livestock, and as foreign investment increased, the economy became dependent on mining. Mongolia has vast reserves of copper, gold, coal, molybdenum, fluorspar, uranium, tin and tungsten. The abundant mineral reserves have become the major source of economic growth. Economic diversification is a priority for economic stability, and thus, Mongolia is investing into various other sectors.

Mongolia's export capacity can be drastically improved, and AmCham's meeting was held to explore what is stagnating the economy's ability to export. There are vast opportunities for export of raw and processed products such as meat, dairy, wool, seabuckthorn, nuts, wheat, and processed products. The panelists extensively discussed the situation of exports and imports, difficulties, regulations, and potential solutions. Each panelist contributed their expertise from their relevant fields. The meeting had a high turn-out from local companies, foreign investors, international banks, financial institutions and embassies.

Mongolia traded with 156 countries in 2018 and total external trade turnover reached 12.9 billion USD, of which 7 billion was exports and 5.9 billion was imports. While the Government of Mongolia has been pursuing policies to ease the flow of trading, and expand Mongolian markets, there are several issues that are stagnating the process. The most crucial issue is the land-locked location of Mongolia, which makes flow of goods rather challenging and additional costs are often added. Other than logistics and tariff issues, international standards of sanitation and hygiene is a major issue for exports.

The European Union is embarking on a trade policy which supports land-locked, developing countries to overcome their trade barriers. EU TRAM provides support to the Ministry of Foreign Affairs as the Ministry responsible for trade policy matters in order to

enhance its capacity to assess, formulate, negotiate and implement effective trade policies. Private Sector Development Senior Expert at EU TRAM Project Carl Krung said that the project contributes to the expansion of Mongolia's exports by implementing a strategic policy to diversify its economic structure, and reduce the pressure of balance of payments.

Deputy Director of Economic Cooperation and Foreign Trade Department at the Ministry of Foreign Affairs Ulziisaikhan Ganbold highlighted, "The Government of Mongolia is implementing a Mongolia Export Program, by prioritizing economic growth and development by increasing exports in the non-mining sectors."

Economic and Commercial Section Chief at the U.S. Embassy Benjamin Le Roy introduced the U.S. GSP System to provide Mongolian exporters information on exporting to the U.S. The GSP is a mechanism that exempts 120 different types of products from customs tax.

The moderator, CEO of Bloomberg TV Mongolia Dolgion Erdenebaatar, asked thought provoking, pressing questions and effectively stirred the conversation. He highlighted that enabling export requires a structural change in many fields, both in the public and private sectors. He also noted that good governance, stable economy, growth, foreign investment are foundations on which export and import possibilities grow on.

About AmCham Mongolia

The American Chamber of Commerce (AmCham) in 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 accredited by the U.S. Chamber of Commerce as its official affiliate in Mongolia. Based in Washington D.C., U.S. Chamber of Commerce is the largest federation in the world with over 3 million members.