

# Mongolia and It's Relation with ADB

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**23 November 2007**

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Russia

Kazakhstan

Mongolia

China



Beijing

# MONGOLIA: General Background

Indicators	Fiscal Year	FY02	FY03	FY04	FY05	FY06
	POPULATION		2.48	2.50	2.53	2.56
GDP (\$) *		1236.9	1479.7	1945.6	2524.3	3172.4
GDP growth (%)		4.0	6.5	10.8	7.1	8.4
GDP per capita (\$)		499	591	769	986	1230
Export* (\$) *		524.0	615.9	853.3	1064.9	1542.8
Import* (\$) *		690.8	801.0	1011.6	1184.4	1485.6
International Reserves* (\$)		399.4	242.7	250.4	430.3	1060.6

\$ - US dollars

\$\* - Millions Us dollars

# ADB`s operations in Mongolia

- # Joined ADB in 1991
- # ADB set-up its RM in Mongolia in 2001
- # Cumulative lending: \$666,54 million for 40 projects
- # Cumulative technical assistance: \$122,1 million for 67 projects
- # Main focus of ADB sectoral operations:
  - > Education
  - > Health
  - > Road and Transport
  - > Financial
  - > Agriculture sectors

# **Regional Cooperation in context of Mongolia-PRC relationship**

# Objective and Outcomes of the Regional Cooperation

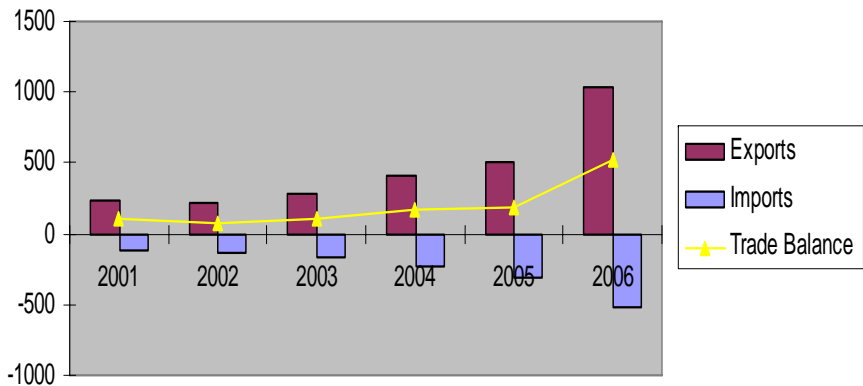
- Objective: Growth potential of Mongolia and PRC to be fully achieved through enhanced regional cooperation
- Outcome: Put into operations a number of effective regional cooperation programs for which ADB can provide unique value added

# Priority areas

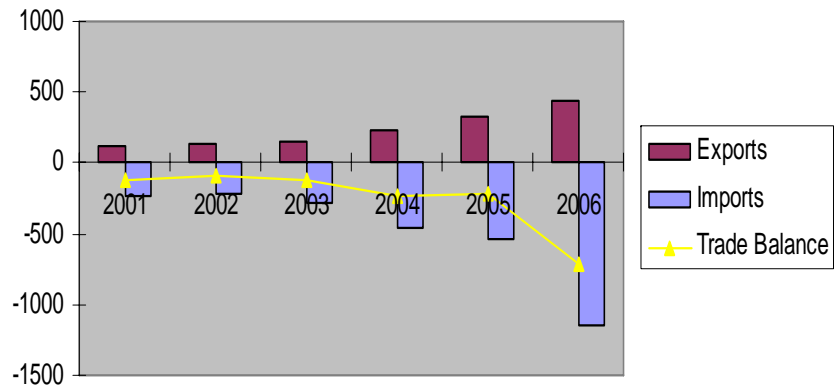
- ❑ Trade
- ❑ Energy
- ❑ Transport
- ❑ Customs
- ❑ Environment

# Trade Balance

Mongolia's Merchandise Trade with China  
(2001-2006)



PRC's Merchandise Trade  
with Mongolia (2001-2006)



- ❑ Mongolia exhibits significant trade surplus with China. Exports are at US\$ 1,040 Million, while imports are US\$ 521.6 Million

- For the past 10 years, PRC has been the No.1 recipient of Mongolia's exports and No. 2 source of imports
- 48% of exports go to PRC (mineral products)
- 25% of imports are sourced from PRC (machinery, mechanical appliances and chemical products)

- ❑ Mongolia has been enjoying a trade surplus with PRC for the past five years, which demonstrates PRC's consistently high demand for products from Mongolia

# Road/Transport

- ❑ Cooperation in this sector is facilitated by ADB thru its CAREC program.
- ❑ Roads Development Project along the north-south corridor
- ❑ Western Regional Road Corridor under processing for 2008
- ❑ Major issues:
  - PRC-MON-RUS transport transit agreement framework
  - Constructing MON Choybalsan for PRC A`ershan railway



# Energy Cooperation

## Cooperation Programs and Initiatives

- ❑ Mongolia's Ministry of Energy and Fuel has signed an MOU with the PRC's State Grid Corporation regarding the joint development of power plants and the export of electricity to the PRC.
- ❑ PRC granted Mongolia a loan of \$300 Million for the development of a hydropower plant in the Eg River (2007)

# Customs Cooperation