A new transition: Mongolia 2010 and beyond

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A country in transition

- **1990** – socialism to democracy & market economy
- **2010** – lower middle income to middle income and beyond

But that what does that mean for the people of Mongolia?
Mongolia at glance

- **Population**: 2.7 Million; demographic window
- **Stable democracy**
- **Human Development Index**: ranked 100th in 2010 global HDR
- **Average GDP growth**: 9% in 2004 – 2008
- **Successful graduation from IMF standby programme**
- **Mineral wealth**: double digit GDP growth expected from 2013
But....

- GDP growth dependent mainly on mining sector
- Landlocked
- Vulnerable to external shocks
- High poverty and unemployment
- Persistent disparities (rural/urban; gender; regional)
- Inadequate social and physical infrastructure
- Corruption
Focus on MDGs

**Good news:** 6 out 9 goals likely to be achieved by 2015

**Bad news:** 3 goals *unlikely* to be achieved

- Poverty: at 35.2%, decrease by only 1.1% in last 10 years
- Women’s representation in decision making: 3 female MPs out of 76
- Environment: 45% of population has access to safe water and 28% to adequate sanitation
UN response

UNDAF for 2012-2016 will focus on:

- Poverty reduction
- Basic social services
- Environment
- Governance
Economic growth is:

- pro-poor, job-rich and inclusive
- translated into social investment for basic services
- environmentally sustainable
....to ensure... (2)

Country is prepared to mitigate:

- climate change
- natural and manmade disasters
- global crises
....to ensure... (3)

Country has structures and capacity to:

- achieve gender equality
- promote rule of law and democracy
- govern effectively and efficiently
- promote and protect human rights
Focus on trade and transport

Very difficult trade environment because:

- Landlocked
- Far from ports
- Vulnerable to oil price volatility
- Lack of transport infrastructure
- Lack of harmonization of border and customs procedures
Trade for development

How?

- Increase *productivity* and *competitiveness*
- Strengthen trade related *infrastructure and logistics*
- Pursue preferential bilateral and multilateral transit and trade facilitation agreements to *lower trade barriers and increase access to markets*
- Promote *Mongolian as a transit corridor* between Russia and China
UN Response

Trade for **human** development

- Encourage economic diversification and private sector development
- Support productivity and competitiveness
- Promote cross border trade and economic activity
- Encourage investment of government revenue from trade into HD
UNDP support

- Private sector development
- Trade
- LLDC
- Regional cooperation
Thank you.