Asia Pacific Innovation Forum 2019

Tehran, Iran

Nagi Otgonshar
Advisor to Chief of Cabinet Secretariat
Government of Mongolia
Geography: Mongolia is a landlocked country in eastern Asia between China and Russia

Capital: Ulaanbaatar

Population: ~ 3 million

Area: 1.56 million sq. km (19th largest in the world)

Main industry: Mining, Agriculture

Government: Parliamentary

GDP / GDP Growth: Total $13bn / 6.7% (2019E, ADB)

ICT KEY INDICATORS

<table>
<thead>
<tr>
<th>Key indicators for Mongolia (2017)</th>
<th>Asia &amp; Pacific</th>
<th>World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed-telephone sub. per 100 inhab.</td>
<td>9.5</td>
<td>9.5</td>
</tr>
<tr>
<td>Mobile-cellular sub. per 100 inhab.</td>
<td>126.4</td>
<td>104.0</td>
</tr>
<tr>
<td>Active mobile-broadband sub. per 100 inhab.</td>
<td>80.8</td>
<td>60.3</td>
</tr>
<tr>
<td>3G coverage (% of population)</td>
<td>95.0</td>
<td>91.3</td>
</tr>
<tr>
<td>LTE/WiMAX coverage (% of population)</td>
<td>21.0</td>
<td>86.9</td>
</tr>
<tr>
<td>Individuals using the Internet (%)</td>
<td>23.7</td>
<td>44.3</td>
</tr>
<tr>
<td>Households with a computer (%)</td>
<td>32.6</td>
<td>38.9</td>
</tr>
<tr>
<td>Households with Internet access (%)</td>
<td>23.0</td>
<td>49.0</td>
</tr>
<tr>
<td>International bandwidth per Internet user (kbit/s)</td>
<td>22.7</td>
<td>51.7</td>
</tr>
<tr>
<td>Fixed-broadband sub. per 100 inhab.</td>
<td>9.3</td>
<td>13.0</td>
</tr>
</tbody>
</table>

Fixed-broadband sub. by speed tiers, % distribution

-256 kbit/s to 2 Mbit/s | 27.0 | 2.4 | 4.2 |
-2 to 10 Mbit/s | 72.3 | 7.5 | 13.2 |
equal to or above 10 Mbit/s | 0.8 | 90.0 | 82.6 |

Note: Data in italics are ITU estimates. Source: ITU (as of June 2018).
INNOVATION LEGAL & POLICY ENVIRONMENT

CURRENT LAW
- Communications Law 2019
- Electronic Signatures Regulations Law 2011
- Innovations Law 2012

DRAFTING LAW
- Information Security Law
- Data Protection Law
- E-governance Law

POLICY PAPERS
- The concept of sustainable development of Mongolia- 2030
- Government action plan – 2020
- Government ICT policy – 2025
  - Object 4 “to create integrated innovation and R&D system in Mongolia by accelerating ICT R&D activities and undertaking measures to establish science and technology parks”
- Government Innovations Policy – 2025

STATE FUNDING OF INNOVATION PROJECTS
- Est. In 2008
- In total 4,056 Projects Funded to date

ST&I Investment by Science & Technology Fund

GOVERNMENT BODIES SUPPORTING INNOVATION
- Ministry of Education, Culture, Sciences and Sports
  - Innovation Department
  - ST&I Fund
- Cabinet Secretariat of Mongolia
  - Communications, Information Technology Agency (“CITA”)
CASE IN POINT: PUBLIC SECTOR DIGITAL TRANSFORMATION

GOVERNMENT ORGANIZATIONS: GOVERNMENT SERVICE CENTER – 4+21

MOBILE USERS
- REGISTERED: 4’222’761
- ACTIVE: 3’046’149

INTERNET USERS
- INTERNET: 306’150
- MOBILE BROADBAND: 3’989’300

PUBLIC SERVICE DELIVERY E-MACHINE: 23

GOVERNMENT SERVICE PORTAL (Web + App based): 168

INFRASTRUCTURE

DAN (Decentralized Authentication Network- mobile ID, electronic signature use)

GOVERNMENT ELECTRONIC DATABASE (ongoing)

XYP (“EXchange Your Platform” – Intergovernmental information exchange system)

COUNTRYWIDE FIBER OPTIC CABLE, 43K km (>95% connected)
CASE STUDY: INNOVATION IN PRIVATE SECTOR: LendMN (Startup)

LendMN – AI powered micro lending app-based platform

- **532K** Registered Users
- **120K** Borrowers
- **1.3M** Micro loans issued
- **US$103M** Total disbursed
- **1.8%** NPL/Total Portfolio

Fast & Easy 24/7
Instantly transfers a loan to customer’s bank account in less than 5 minutes

Flexible
Lends any amount between $20-$800 for up to 30 days

Unlimited repeat loan
Customers can get loan as many times as they need within credit limit

Transparent Fees & No Collateral
Charges flexible fee based on loan amount and term.
No commitment fees and hidden charges

Gamification - Bonus Points
Rewards repeat customers with increased loan amount and lower fee

CASE STUDY: INNOVATION IN PRIVATE SECTOR: LendMN (Startup)

- **532K** Registered Users
- **120K** Borrowers
- **1.3M** Micro loans issued
- **US$103M** Total disbursed
- **1.8%** NPL/Total Portfolio

Fast & Easy 24/7
Instantly transfers a loan to customer’s bank account in less than 5 minutes

Flexible
Lends any amount between $20-$800 for up to 30 days

Unlimited repeat loan
Customers can get loan as many times as they need within credit limit

Transparent Fees & No Collateral
Charges flexible fee based on loan amount and term.
No commitment fees and hidden charges

Gamification - Bonus Points
Rewards repeat customers with increased loan amount and lower fee