

MONGOLIA:

Trade and Trade Facilitation

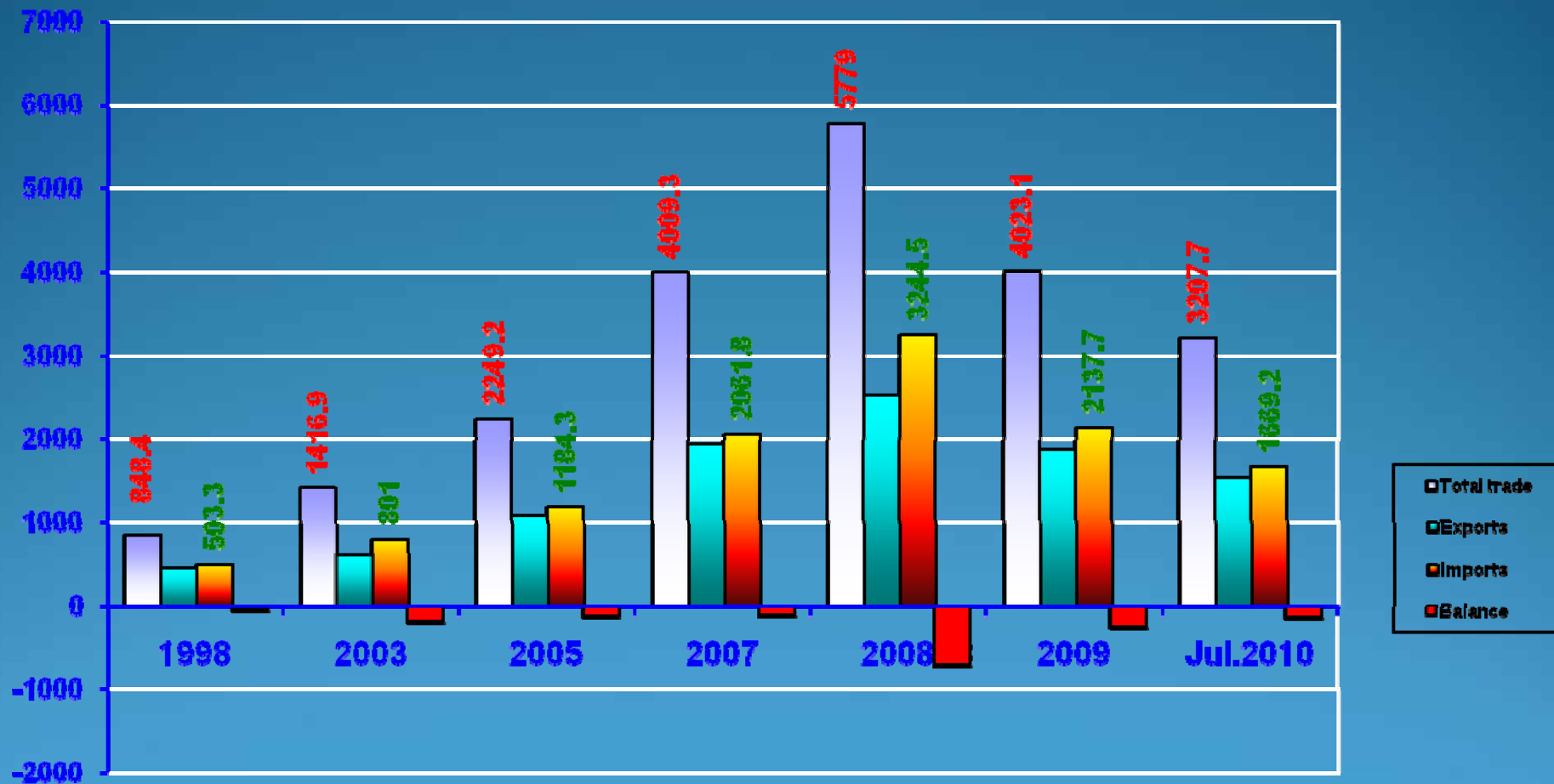
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Asia-Pacific Trade Facilitation Forum 2010

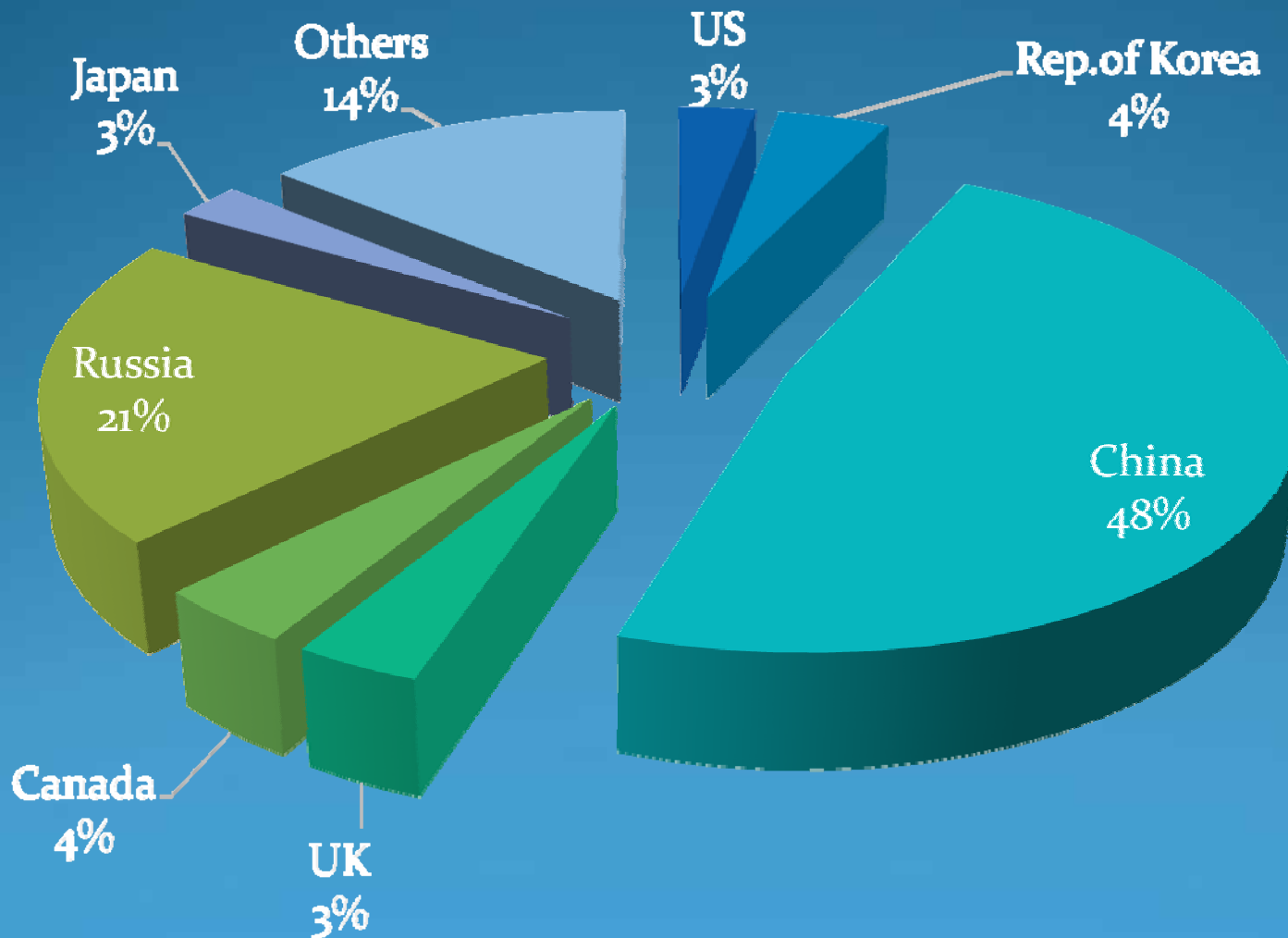
Content

- Trade context
- The country's competitiveness
- Problems and challenges
- Performance
- Recent measures by the Government to improve the trade enabling environment
- Single Window Implementation Master Plan

Trade turnover, mln USD



Trading partners, 2009



Trade context

- Until the global crisis, trade turnover has been on the increase
- Trade expansion in terms of volume, value and destination
- Compared to pre-transition period, Mongolia trades with more than 130 countries (neighbours count for close to 70% of total trade)

Competitiveness indicators for Mongolia

- Doing Business 2010: ranking at 60 (out of 183 countries), falling from 56 in 2009
- Global Competitiveness Index 2010-2011: ranking at 99 (out of 132 countries), an advancement by 18 places from 117 in 2009-2010
- Global Enabling Trade Report 2010: ranking 116 (out of 125 countries), falling from 113 in 2009
 - Market Access (ranking 110)
 - Border administration (ranking 114)
 - Transport and communication infrastructure (ranking 97)
 - Business environment (ranking 85)

Competitiveness indicators for Mongolia

- Logistics Performance Index 2010: ranking 141 (out of 155 countries), falling from 136 in 2007
 - Customs (131)
 - Infrastructure (129)
 - International shipments (91)
 - Logistics performance (144)
 - Tracking and tracing (136)
 - Domestic logistics costs (70)
 - Timeliness (142)

Problems and challenges

- geographical location: higher trade costs (time+money)
- underdevelopment of infrastructure
- GETR & LPI: customs, border administration, logistics competence, tracking and tracing, timeliness, domestic logistics costs

→ PERFORMANCE IS VERY LOW

What can we do to improve performance?

- geographical location
 - bilateral and multilateral talks with partners
- infrastructure
 - long-term and resource-intensive measures
- customs, border administration, logistics:
 - *address and resolve*

Government measures

- 2010 - Year of Business Environment Reform (Master Plan) objectives:
 - Improve legal environment
 - Ease of doing business
 - Create healthier and more competitive business environment
 - Promote Finance and Investment
 - Improve, ease and rationalize State Services
- The implementation rate of trade-related measures – 50% (as of the first half of 2010)
- Implementation: 2010 and beyond

Government measures

- Draft Trade Law
- Draft Mid-term Foreign Trade Concept
- Export Promotion Strategy
- Single Window Implementation Master Plan

→ *ultimate goal: enabling trade and trade facilitation*

Single Window Master Plan

A Single Window – one-stop facility to exchange information between traders and government bodies

- reduce complexity
- reduce time and cost
- improve performance of customs and border administration
- ensure transparency
- improve competitiveness

through the benefits which accrue both to the government and businesses

Implementation of the Master Plan

Effective implementation of the Master Plan:

- Political commitment
- Institutional support
- Determination and cooperation of the stakeholders
- Resource mobilization

Envisaged starting: 2011

Recommendations to the Forum

Continued Capacity Building for Single Window and trade facilitation

- Strengthen mechanism to facilitate exchange of information and experience (through the UNNExT)
- Focus on freedom and facilitation of transit
- Promote paperless trade
 - Use of International standards (to ensure interoperability and interconnectivity between MSW and SW of other countries)
 - Consider a regional agreement for recognition of electronic documents in transit and destination countries

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THANK YOU!