

# MONGOLIA

**MONGOLIA  
HEAD OF DELEGATION**

Your Excellency President Sir Suma, Distinguished Governors, Ladies and gentlemen

I am honored to address the 25<sup>th</sup>, the first quarter of the century Annual Meeting of the Board of Governors of the European Bank for Reconstruction and Development (EBRD) held here in London. On behalf of Government of Mongolia, I would like to express my sincere gratitude to the Government and the people of United Kingdom for the warm welcome and hospitality.

In recent years, the economic activities, especially manufacturing, trade and investment are still remained subdued globally reflecting the volatility and uncertainties in most developing and emerging economies. Economies are recovering slowly from the recent downturn, however, weak trade performance and backdrops in commodity market translating into the decline of the investment especially in the extractive industry is challenging the natural resource oriented countries like Mongolia. Typically to natural resource-rich countries, Mongolia is facing booms and burst issues like other natural-resource rich countries among the EBRD's member countries of operation. In response, we are taking broad based policy responses to manage the vulnerabilities, sustain the economic stability and strengthen the growth.

Over the last 25 years, economy of Mongolia has changed drastically. Having a world sweeping transition from planned to market economy, Mongolia has been expanding the range of partners and opening up the economy to the rest of the world and integrating into the world economy. Mongolia became a vibrant democratic country with steadily strong GDP growth, outperforming other emerging economies. Despite the current commodity market backdrop and other short-term challenges, the gradual economic recovery is expected in response to gradual and prudent policy actions. We believe that medium and long terms prospects of Mongolia are promising. We continue take actions to strengthen the fiscal and monetary policies by improving the legal environment in support of long-term sustainable development and expand the economy by establishing favorable investment climate and opening up prominent mega projects to foreign investors. The government of Mongolia is committed to improve the business environment and boost the foreign direct investment flow.

Here, I am pleased to note that it has passed 10 years since Mongolia became EBRD's member country of operations. Undoubtedly, EBRD made an invaluable contribution to the economic, especially private sector development of the country. I am delighted to notice that during this decade of fruitful cooperation, EBRD became one of the leading foreign investors in Mongolian private sector with portfolio of over 1.3 million euro in supporting the non-extractive private sector to diversify the economy and supporting the financial and banking sector to promote sustainable growth. Over the last years, the involvement of the EBRD is expanding steadily which shows the potential and confidence of Mongolian private sector for the foreign investors.

Today, it is becoming evident that prosperity, sustainable and inclusive development cannot be achieved by the government alone. The proactive private sector participation is needed. The operation of the EBRD in Mongolia prioritizing the development of infrastructure involving the participation of private sector through public private partnerships shows that as always, EBRD remains responsive and relevant to the changes and needs of its member countries of operation. We are confident that EBRD will continue pioneering and taking actions to expand the operations in the region that will be address the challenges and support the new opportunities we face.

Also, I am urged to highlight that enhancing the voice and participation of developing countries, especially smaller and medium sized recipient countries in EBRD Board will make immense effort to determine needs and challenges of the country of operation, support long term effectiveness of the cooperation and strengthen the governance framework of EBRD. And we continue to encourage the Board of Directors to reinitiate the reform to enhance the representation of all shareholders and increase the voice and participation of smaller and medium-size recipient countries.

With this opportunity, I am pleased to invite you to the 12th ASEM Finance Ministers' Meeting in Ulaanbaatar, Mongolia. The Finance Ministers' Meeting will determine the future partnership between Asia and Europe for prosperous connectivity. We encourage all members to actively participate and provide their fruitful input for future cooperation between Asia and Europe.

Once again, we remain thankful to the government and people of United Kingdom for their warm hospitality. As always, I would like to thank all staff of EBRD for the excellent organization of the meeting.

Thank you.