



*The **AMERICAN CHAMBER** of Commerce in Mongolia*

# ROADMAP FOR GROWTH 2017



AmCham Mongolia  
Policy and Advocacy Priorities

Ulaanbaatar

## THE AMERICAN CHAMBER OF COMMERCE IN MONGOLIA ROADMAP FOR GROWTH 2017

### Background

AmCham Mongolia seeks to build, strengthen, and protect business between the United States and Mongolia and to actively promote Mongolia as a destination for American investment.

AmCham Mongolia is of the view that a large number of Mongolia's social, economic and health issues can be addressed through a growing and strong private sector and that businesses need to succeed for Mongolia to succeed.

In 2017 AmCham Mongolia will strongly advocate for and showcase success stories of AmCham members doing business in Mongolia in a broad range of sectors as a means to promote free market and free enterprise, doing business in Mongolia, and to regain investors' confidence in Mongolia.

Our 4 target areas for 2017 include:

- Financing
- Economic Diversification
- The Legal and Regulatory Environment
- Business and Investment Promotion

### Financing

Our members need greater access to competitive financing in order to grow their businesses and remain competitive with companies receiving financing from Mongolia's neighbors. AmCham will undertake to open more doors for competitive financing (debt and equity capital) from venture capital funds, development finance institutions such as the Overseas Private Investment Corporation, export finance institutions such as the US EXIM Bank, international financial institutions, and other means.

### Economic Diversification

Since the late 1990s until roughly 2012, Mongolian economic policy focused primarily on minerals exploration and mining. With a shift in focus toward other sectors of the economy, Mongolia has attracted interest in its agriculture and renewable energy sectors. Our members have some of the most innovative technologies, machinery and equipment that will make these sectors internationally competitive and attractive to foreign investment. AmCham commits to advancing opportunities in these sectors to its members and attracting investments and advanced technologies and knowhow to Mongolia.

AmCham Mongolia will reinforce advocacy efforts by the AmCham Agriculture Committee in addressing bottlenecks to bolster the potential of the agriculture sector to be a driving force for economic diversification of Mongolia.

Economic diversification has also lead to greater interest in franchising of American brands in Mongolia. AmCham will promote franchising opportunities in Mongolia.

### Legal and Regulatory Environment

A well planned, strong, consistent, transparent and enforceable legal and regulatory environment is the cornerstone to growing business and attracting investment. However, overregulation can be just as damaging as the absence of any of these factors. Some specific areas of focus for AmCham in 2017 include:



## **Legal and Regulatory Environment**

- Address corruption and promote an enabling business environment through undertaking bold actions to deregulate the economy and reduce or eliminate government involvement in business. Vigorous efforts are required to simplify government services and to promote the use of one-stop services applying e-government.
- Fully implement and comply with the principles of the U.S. - Mongolia Economic Transparency Agreement.
- Promote sanctity of contract through a strengthened legal and regulatory framework to ensure compliance of all parties to contractual obligations in Mongolia.
- Address existing issues related to the lack of enforcement of court rulings, which leads to significant additional financial and administrative burdens on businesses in Mongolia.
- Advocate for the adoption of internationally competitive labor market standards in Mongolia through comprehensive revision of the labor legal framework to align it with international labor practices and processes.
- Introduce comprehensive taxation reforms focusing on the development of official interpretations of the taxation laws; and formulation of guidance and methodologies to implement the taxation laws.
- Foster the development of a sustainable financial system in Mongolia through the establishment of AmCham Mongolia's Committee on Financial Services which will develop policy recommendations to financial governing bodies on a range of critical topics.
- Promote a publically safe and environmentally-friendly auto and machinery industry in Mongolia through making bold decisions to gradually ban the import of right-hand driving automobiles; to address the import of a low quality diesel; and to address emission standards for public transport.
- Consistently advocate for the full enforcement of intellectual property rights in Mongolia by promoting Mongolia's strict compliance to commitments as a signatory to numerous international intellectual property agreements and treaties, an institutional framework to deal with IPR issues, and commitment to increase public awareness on respect of IPR.
- Identify key export opportunities and lobby the United States for including Mongolia into the Generalized System of Preferences. Inclusion into this system enables duty-free exports of selected products to the US and thus provides opportunities for countries to increase exports and expand into new markets.

## **Business and Investment Promotion**

AmCham members are the best and strongest advocates for promoting Mongolia's success to attract business and investment. When they have success, they are proof to the world that Mongolia is the right place to invest and engage in business. When they have success, each one of them has a positive message to spread to audiences around the world. As our members have success, AmCham will channel their positive messages of success to promote business and investment into Mongolia. Some of the ways in which we will do this in 2017 are as follows:

- AmCham will showcase success stories of its members in doing business in Mongolia through publication and broad dissemination.
- Organize a trade mission to the United States under the leadership of the Honorable US Ambassador to Mongolia to introduce the new US administration to Mongolia and showcase success stories of doing business in Mongolia to potential US investors.
- Lead a Mongolian delegation to the APCAC regional conference to gain regional perspectives and learn best practices in the Asia and Pacific region for building an enabling business environment in Mongolia.
- AmCham will continue to organize quality Monthly meetings and Networking nights as platforms for promoting Mongolia and doing business in Mongolia and as a way to lobby the government of Mongolia.







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