



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

2022 ROADMAP FOR PRIVATE SECTOR-LED GROWTH

January 2022

Background

The Roadmap for Growth is a strategic framework for AmCham Mongolia's policy priorities and activities, designed to contribute to building an enabling business environment and creating a level playing field for American businesses and our membership in Mongolia.

Policy and Advocacy Priorities for 2022

1. Supporting private sector-led economic recovery and growth in Mongolia.
2. Promoting U.S.-Mongolia bilateral trade and investment and regional connectivity.
3. Tailoring support for our members' interests and elevating their brand recognition.

Details of the priorities include:

1. Supporting private sector-led economic recovery and growth through a more focused third neighbor investment policy, and in sectors where our members operate; including, but not limited to, minerals, agriculture, financial services, digital transformation, trade and commerce, energy, and auto and air transportation.

In response to the COVID-19 pandemic the government engaged in large-scale spending, at the same time, experiencing diminishing revenue. The pandemic highlighted Mongolia's economic dependence on the policy decisions of its two neighbors, and underscores the need for a policy that will grow the economy by encouraging greater investment with third neighbors.

AmCham will strongly advocate for an enhanced third neighbor investment policy to promote greater investment with American businesses and our members. This policy must include a commitment to private sector-driven economic growth and discourage the growth of state-owned enterprises, which distort free market competition, hamper autonomy, discourage investment, and diminish innovation.

The policy must create a more favorable investment and business climate by promoting the rule of law, sanctity of contracts, and a stable tax regime. Encouraging a transparent, consistent, and enforceable legal and regulatory environment committed to fighting corruption and resolving investor and business disputes in a timely manner is also essential.



These efforts will be coordinated with the government, as well as with other business and industry associations and partners.

Specific activities include:

- **Developing a third neighbor investment policy** with the Government of Mongolia, to meet the specific investment and business needs of third neighbor investors and Mongolians doing business with third neighbors, focused on private sector-led economic growth in a free market economy.
- **Creating greater participation in a more transparent and inclusive legislative process to improve the business and investment climate for private sector businesses in Mongolia** through our involvement in various legal task forces for legislative reform in areas dealing with investment, public-private partnership, minerals, the sovereign wealth fund, foreign trade, digital transformation, virtual assets, currency regulations, and more. In addition, advocating for reducing state interventions in business activities.
- **Holding public-private dialogues on critical issues in key sectors, and continuing our engagements with Parliament and government agencies at all levels** to sustain the momentum developed in 2021, and to promote our key policies outlined in the Roadmap.
- **Leading and coordinating multi-stakeholder partnerships for an in-country FDI promotion campaign** to change the public's negative perceptions of FDI.

AmCham Mongolia's membership and Mining, Financial Services, Agriculture, Trade, Auto and Machinery Industry, and ICT and the Digital Economy committees will play a leading role in these activities while promoting economic diversification and social and economic sustainability in a free market, private sector-driven economy.

Furthermore, with recent global trends on climate change following COP26, AmCham will promote green financing and a green economy through our Financial Services Committee.

2. Promoting greater U.S.-Mongolia bilateral trade and investment, and regional connectivity, through our Trade Committee, bilateral engagements with U.S. and Mongolian high-level stakeholders, affiliation with the U.S. Chamber of Commerce, regional affiliation with the AmChams of the Asia Pacific (AAP), and by joining the American Association of the Indo-Pacific (AAIP).

Strong bilateral ties between Mongolia and the U.S. are critical to AmCham's mission, especially the ties between policy makers and key investment, policy, and diplomatic constituencies in both countries' capitals. There is opportunity to utilize and build upon the existing legislative framework between both countries and to create a more coherent



and focused third neighbor trade policy addressing the short, mid, and long-term goals for developing greater bilateral trade and investment.

Strong commercial and advocacy ties between businesses operating in Mongolia, the U.S., and in the region are essential for increasing business and trade, developing private sector-led growth, and strengthening the Mongolian economy. AmCham Mongolia is affiliated with the U.S. Chamber of Commerce, the world's largest business federation, with over 3 million member companies. AmCham Mongolia is a member of the AmChams of Asia Pacific (AAP), consisting of 28 Chambers of Commerce throughout the Asia-Pacific. This year, we plan to join the American Association of the Indo-Pacific (AAIP). Through our affiliations, we will have the opportunity to address the Biden Administration's Indo-Pacific Economic Framework; engage policy makers in Washington and the region; connect global, regional, and local businesses; and garner resources to develop and advise on a third neighbor trade policy.

Specific activities include:

- Exploring opportunities under the existing legislative framework to support greater trade between the U.S. and Mongolia.
- Developing a third neighbor trade policy with the Government of Mongolia to support greater trade between the U.S. and Mongolia, and setting clear priorities and milestones that will continue to grow bilateral and regional trade with Mongolia.
- Establishing connections for AmCham members with their peers, as well as markets in the region and the U.S.
- Organizing inbound and outbound Doorknocks and Trade Missions, and the hosting of visits by high-level U.S. government officials to Mongolia and high-level Mongolian government officials to the U.S.
- Organizing the annual American Days Expo in Mongolia and supporting a Mongolia Days Expo in the U.S.
- Leading and supporting a Mongolian delegation to attend the annual meeting of AAP to gain and share insights on regional perspectives, and to learn and share best practices used in the Indo-Pacific region that can be used to build an enabling business environment in Mongolia.
- Actively engaging with the U.S. Congressional Caucus on Mongolia and Mongolia-U.S. parliamentary group in the Mongolian Parliament.
- Continuing advocacy efforts for the full implementation and enforcement of the U.S.-Mongolia Transparency Agreement to foster greater bilateral economic and commercial relations, and to improve the business and investment environment in Mongolia.
- Upscaling policy dialogues and forums, engaging with and inviting regional and global business leaders and other stakeholders.



3. Promoting our members' interests and visibility

AmCham members are investing and doing business in the minerals and non-minerals sectors in Mongolia. Our members utilize some of the most innovative technology, machinery, equipment, and best practices available, which gives these sectors the capability to become more internationally competitive, generate greater revenue, protect the environment, create jobs, develop a modern workforce, and attract investment. Moreover, our members promote anti-corruption efforts, and many are bound by the U.S. Foreign Corrupt Practices Act.

AmCham will continue its commitment to advancing opportunities for our membership and American companies in agriculture, financial services, micro power, renewable energy, and other sectors in which they operate, and work to attract greater investment and bring advanced technology and know-how to Mongolia through our members.

AmCham will also tailor support to our members and seek more ways to elevate their brand recognition.

Specific activities include:

- Undertaking member-based advocacy through customized policy and advocacy efforts tailored to the needs of our members.
- Providing members with timely and high-quality intelligence and analysis regarding political, economic, and policy developments.
- Elevating brand recognition of our members through different communications channels and recognizing their contributions to our committees, events, meetings, Networking Nights, etc.
- Promoting corporate and social responsibility culture within the Mongolian business community by publicizing and showcasing our members' best practices and successes through our Corporate & Social Responsibility Committee.

