



# THE 2024 ROADMAP FOR PRIVATE SECTOR-LED GROWTH

December 2023

**THE AMERICAN CHAMBER OF COMMERCE IN MONGOLIA**  
**2024 ROADMAP FOR PRIVATE SECTOR-LED GROWTH**

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## BACKGROUND

The Roadmap for Growth is a broad strategic framework for AmCham Mongolia's policy advocacy priorities, designed to build an enabling business environment and create a level playing field for American businesses and our members in Mongolia.

This strategic document outlines on-going policy advocacy efforts building on momentum of accomplished milestones as well as new approaches and strategies to maintain the leading role of the organization within the business community.

A couple of new features include but not limited to: focusing on targeted policy issues whereby tax reforms will be an important priority including the tax dispute resolution.

Another new initiative is an establishment of the U.S. Relations Committee to upscale the bilateral relations building on success of the AmCham's U.S. Doorknock in June 2023.

Certainly the parliamentary elections in June 2024 and hence formation of the new government will be an important factor to deal with monitoring rhetoric of the government toward foreign investment. AmCham Mongolia intends to vigorously engage with new Parliament and government members to present the policy messages.

### Policy and Advocacy Priorities for 2024

1. Supporting private sector-led economic growth in Mongolia
2. Prioritizing greater commerce and trade integration with the U.S. and third neighbors, particularly by boosting U.S investment in Mongolia's agriculture sector
3. Tailoring support for our members' interests and elevating their presence and brand recognition

Details of the priorities include:

1. **Supporting private sector-led economic growth through a more focused third neighbor investment policy and in sectors where our members operate, including minerals, agriculture, financial services, digital transformation, trade, commerce, energy, and auto and air transportation.**

Mongolia's economy is projected to accelerate to 5.2 percent growth in 2023 from 4.7 percent in 2022 as mining and exports expand, and the post-pandemic recovery in services continues.



As mining production increases, economic growth is expected to accelerate to above six percent in 2024-2025.<sup>1</sup>

There will be a parliamentary election in June 2024, which will be crucial in developing prudent policies that will expand the Mongolian economy for the next four years.

It is essential for Mongolia to vigorously promote a private sector-led economy and pursue its third neighbor policy to attract and retain investments from other countries. The American Chamber of Commerce in Mongolia (AmCham Mongolia) believes the Government of Mongolia should continue actively promoting increasing FDI from third neighbors and developed nations while pursuing balanced relations with its two immediate neighbors. AmCham Mongolia will coordinate and lead these efforts, working with the government and other business and industry associations and partners.

**According to the 2023 Mongolia Investment Climate Statement**, "Mongolia attracts investor attention but has trouble converting interest into investment. Unless and until Mongolia embraces a stable business environment that transparently creates and predictably implements laws and regulations, investors will likely find Mongolia too risky and opt for more competitive countries. An essential step to mitigate these risks is for Mongolia to implement the U.S.-Mongolia Agreement on Transparency in Matters Related to International Trade and Investment (known as the Transparency Agreement), which requires a public comment period before new laws and regulations become final. Mongolia has implemented some of this agreement but is over five years behind full implementation of public notice commitments."



<sup>1</sup> <https://mn.usembassy.gov/2023-investment-climate-statement-mongolia/>

Specific goals and activities include:

1. Supporting private sector-led economic growth through a more focused third neighbor investment policy

Goals	Specific actions	Expected outcomes
<p>a) Upscale AmCham's policy advocacy initiatives and key policy messages to remain the leading business association contributing to a favorable investment climate in Mongolia</p>	<ul style="list-style-type: none"> <li>- Organize Monthly Meetings</li> <li>- Identify and secure relevant speakers for Monthly Meetings – development of an annual plan for speakers</li> <li>- Hold public-private dialogues on critical issues, including comprehensive tax reform and the resolution of tax disputes in key sectors</li> <li>- Continue engagements with Parliament and government agencies at all levels</li> <li>- Develop a 2024 Election Guide to inform members of the different platforms of parties running in the parliamentary election in June 2024</li> <li>- Organize in-country Doorknock 2024 to engage with the new Mongolian government</li> </ul>	<ul style="list-style-type: none"> <li>- Our key policy messages are conveyed to the relevant policy-makers</li> <li>- Engagements and follow-up actions on key policy and advocacy issues in a monthly basis</li> <li>- Private sector-led economic growth is promoted in our key engagements with policy makers</li> <li>- Maintain our position as a leading business association in policy and advocacy, recognized by business community and other business chambers</li> <li>- Development and distribution of the 2023 Election Guide among our members</li> <li>- Meet with new Parliament and government, Ministries, and government agencies in September to convey our key policy messages</li> </ul>
<p>b) Create greater participation in a more transparent and inclusive legislative process</p>	<ul style="list-style-type: none"> <li>- Organize public consultations or take policy advocacy actions on the following legislations:                             <ul style="list-style-type: none"> <li>o Amendments to the Investment Law</li> <li>o Amendments to the Minerals Law</li> <li>o Tax disputes</li> <li>o Amendments to taxation laws</li> <li>o Commercial law</li> <li>o Amendments to the Insolvency Law</li> </ul> </li> <li>- Consolidate comments from our members to share with the relevant stakeholders</li> <li>- Active engagements and follow-ups on our comments</li> <li>- When necessary, call for the repeal of objectionable provisions in proposed legislation</li> </ul>	<ul style="list-style-type: none"> <li>- Ensure that our key comments are reflected in legislation</li> <li>- Ensure that proposed legislation is pro-FDI and encourages private sector growth</li> <li>- Ensure that new amendments to the Law on Legislation concerning full implementation of the Transparency agreement including public commenting and translating new laws into English are implemented by policy makers, Ministries, and government agencies.</li> </ul>



Goals	Specific actions	Expected outcomes
<p>c) Effectively manage AmCham Committees:</p> <ol style="list-style-type: none"> <li>1. Financial Services</li> <li>2. Agriculture</li> <li>3. Legal</li> <li>4. ICT &amp; Digital Economy</li> <li>5. CSR / ESG</li> <li>6. Mining, Infrastructure, Heavy Industry</li> <li>7. U.S. Relations</li> </ol>	<ul style="list-style-type: none"> <li>- Organize a minimum of quarterly committee meetings</li> <li>- Actively involve our members in committee activities</li> <li>- Develop position papers on select issues to be presented to the responsible government agencies</li> <li>- Appoint new chairs when necessary</li> </ul>	<p>Active engagement and policy, advocacy action by the committees</p> <ul style="list-style-type: none"> <li>- Development of minimum five (5) position papers on select issues</li> </ul>
<p>d) Build coalitions and alliances with other critical stakeholders</p>	<ul style="list-style-type: none"> <li>- Partner with business chambers on common issues of policy and advocacy by submitting joint proposals to the relevant government stakeholders</li> <li>- Coordinate our policy and advocacy efforts with business chambers and diplomatic missions from third=neighbor countries</li> <li>- Meet and exchange information with business chambers and diplomatic missions from third neighbors on a quarterly basis</li> <li>- Partner with champions of reform within the Mongolian government</li> </ul>	<ul style="list-style-type: none"> <li>- Quarterly meetings with other business chambers and diplomatic missions from third-neighbor countries</li> <li>- Joint proposals submitted to Parliament and Cabinet</li> <li>- Coordinated policy and advocacy efforts with other business chambers and third neighbor diplomatic missions</li> <li>- Ad hoc meetings with champions for reform within the Mongolian government</li> </ul>



## **2. Prioritizing greater commerce with the U.S. and third neighbors, particularly by boosting U.S. investment in Mongolia's agriculture sector**

Strong bilateral ties between Mongolia and the U.S. are critical to AmCham's mission, especially the ties between policymakers and key investment, policy, and diplomatic constituencies in both countries' capitals. In this regard, another new initiative in 2024 would be establishment of new committee on the U.S. relations.

Mongolia's agricultural sector faces unprecedented challenges, including disruptions in the supply of essential inputs, such as fertilizer, and market uncertainties. The U.S. government has been working with Mongolian counterparts to promote sustainable and resilient economic growth and food security. For instance, the U.S. Department of Agriculture (USDA) Food for Progress program assists developing countries in improving agricultural productivity and promoting the trade of agricultural products. U.S. agricultural commodities donated to recipient countries are sold on the local market, and the proceeds are used to support agricultural, economic, or infrastructure development programs. The program helps address food insecurity, promote more climate-smart agriculture, and facilitate trade. The USDA is currently assisting in implementing a five-year program in Mongolia. Taking advantage of this program, bilateral partnerships between Mongolia and the United States to advance growth in the agriculture sector could be expanded by providing technical assistance, capacity building, and training to farmers and producers of agricultural products.

Strong commercial and advocacy ties between businesses operating in Mongolia, the U.S., and the region are essential for increasing business and trade, developing private sector-led growth, and strengthening the Mongolian economy. One of the key issues for AmCham Mongolia in 2024 will be launching a direct flight to the United States, which will be instrumental in increasing bilateral trade and commercial relations between the U.S. and Mongolia. AmCham Mongolia will organize the necessary consultations involving the relevant U.S. and Mongolian stakeholders to successfully launch the direct flight to the United States in 2024.

AmCham Mongolia is affiliated with the U.S. Chamber of Commerce, the world's largest business federation, with over three million member companies. AmCham Mongolia is a member of the AmChams of Asia Pacific (AAP), consisting of 25 chambers of commerce throughout the Asia-Pacific. AmCham Mongolia is also a member of 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 with policymakers in Washington and the region; connect global, regional, and local businesses; and garner resources to develop and advise Mongolian government on third neighbor trade policies.



Specific goals and activities include:

2. Prioritizing greater commerce and trade integration with the U.S. and third neighbors, particularly by

Goals	Specific actions	Expected outcomes
<p>a) Explore opportunities under the existing legislative framework to support greater trade and investment between the U.S. and Mongolia</p>	<ul style="list-style-type: none"> <li>- Successfully organize Washington DC Doornock Trade Mission 2024</li> <li>- Host Certified Trade Mission of American businesses with a focus on agriculture and other sectors</li> <li>- Cooperate with the USDA through Food for Progress program</li> <li>- Organize consultations or roundtables with the relevant U.S. and Mongolian stakeholders on <b>launching a direct flight to the United States.</b></li> </ul>	<ul style="list-style-type: none"> <li>- Successful execution of Investor Forum 2024</li> <li>- Successful launching and functioning of the U.S. Relations Committee</li> </ul>
<p>b) Identify and promote bilateral cooperation between private businesses, increase U.S. investment into Mongolia: increase U.S. business engagement to the benefit of our member businesses; increase U.S. government agency support of programs and policies beneficial to our members</p>	<ul style="list-style-type: none"> <li>- <b>Initiate and organize Investor Forum 2024</b> along with pitch sessions to bring in global investors, including American investors, in collaboration with relevant government and private sector stakeholders</li> <li>- <b>Establish the new, U.S. Relations Committee</b></li> </ul>	
<p>c) Continue more active and productive engagements and joint initiatives with the U.S. Embassy and U.S.-based stakeholders through a regular information exchange</p>	<ul style="list-style-type: none"> <li>- Host visits by high-level U.S. government officials to Mongolia and high-level Mongolian government officials to the U.S.</li> <li>- Actively engage with the U.S. Congressional Mongolia Caucus and Mongolia-U.S. parliamentary group in the Mongolian Parliament</li> </ul>	<ul style="list-style-type: none"> <li>- Our key policy messages are conveyed to the relevant U.S. policymakers</li> <li>- Active engagements and follow-up actions on key policy and advocacy issues</li> <li>- Quarterly policy update to the U.S. stakeholders</li> <li>- Virtual calls with the U.S. stakeholders and businesses</li> </ul>
<p>d) Upscale policy dialogues and forums, engaging with and inviting regional and global business leaders and other stakeholders</p>	<ul style="list-style-type: none"> <li>- Lead and support 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 in the Indo-Pacific region that can be used to build an enabling business environment in Mongolia</li> </ul>	<ul style="list-style-type: none"> <li>- Help members to connect with AmChams in the Indo-Pacific</li> </ul>





### 3. Promoting our members' interests and visibility

AmCham members invest and do business in Mongolia's minerals and non-minerals sectors. Our members utilize some of the most innovative technology, machinery, equipment, and best practices available. These sectors have the potential 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, 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 corporate recognition.

AmCham Mongolia will closely monitor its relations and communications with our members through regularly updated Membership Relations Tracker to ensure meeting of their specific needs, member-tailored advocacy, active involvement of the members in AmCham events and activities including different committee meetings, sponsorship and networking opportunities.

Specific goals and activities include:

#### 3. Promoting our members' interests and visibility

Goals	Specific actions	Expected outcomes
a) Undertake member-based advocacy through customized policy and advocacy efforts tailored to the needs of our members	<ul style="list-style-type: none"> <li>- Respond to the needs of our members in a timely manner by contacting relevant government stakeholders</li> <li>- Conduct rigorous follow-ups</li> </ul>	<ul style="list-style-type: none"> <li>- Member satisfaction with AmCham's customized policy and advocacy efforts</li> <li>- Resolution of the members' key issues and needs</li> </ul>
b) Provide members with timely and high-quality intelligence and analysis regarding political, economic, and policy developments	<ul style="list-style-type: none"> <li>- Development of Weekly Policy Notes that will be qualitatively improved throughout the year based on member feedback</li> </ul>	<ul style="list-style-type: none"> <li>- WPN to continue to be a leading policy resource</li> <li>- Development of up to five policy notes and briefings on emerging political, economic, and business issues for member reference</li> </ul>
c) Elevate our members' recognition	<ul style="list-style-type: none"> <li>- Promote our members through different communications channels and recognize their contributions to our committees, events, meetings, and Networking Nights, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- Increased visibility and recognition for our members, measured by AmCham Mongolia's membership satisfaction survey</li> <li>- Members feel appreciated, measured by AmCham membership satisfaction survey</li> </ul>



Goals	Specific actions	Expected outcomes
d) Monitor relations and communications with our members	<ul style="list-style-type: none"> <li>- Update AmCham Membership Relations Tracker on a regular basis</li> <li>- Maintain and retain current membership</li> </ul>	<ul style="list-style-type: none"> <li>- Successful organization of the 2024 CSR Awards</li> <li>- Publish a press release about CSR award winners in mainstream media outlets</li> </ul>
e) Promote corporate and social responsibility culture within the Mongolian business community	<ul style="list-style-type: none"> <li>- Publicize and showcase our members' best practices and successes through our Corporate &amp; Social Responsibility Committee and annual CSR Awards Night</li> </ul>	

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