



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

2021 PRESIDENTIAL ELECTION BRIEFING

June 2021

Background

This briefing provides an overview of the 2021 presidential election process in Mongolia, the mandate of the president, and a summary of the candidates and their political platforms vis-à-vis important policy issues.

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Presidential elections in Mongolia

Mongolia has a prominent history of holding free and democratic presidential elections since 1993.

Mongolia's eighth presidential election will take place on June 9, 2021. Mongolians living abroad voted on May 30 and 31. The General Election Commission reported that approximately 7,400 Mongolians living abroad were registered to vote in the election.

The first presidential election was held in 1993, and P. Ochirbat was elected the first President of Mongolia. Since then, Mongolia has had five presidents, including N. Bagabandi, N. Enkhbayar, Ts. Elbegdorj, and Kh. Battulga.

The current president, H.E. Kh. Battulga, is not eligible to run in 2021, as constitutional amendments approved in 2019 limit the eligibility of former presidents to be re-elected.

Mandate of the President

The constitutional amendments of 2019, which came into force on May 25, 2020, have significant implications for the mandate of the office of President.

A presidential term is now six years, and only a Mongolian-born citizen of Mongolia, who is at least 50 years old and has established permanent residence in Mongolia for at least five years, may be elected president for a single term. The presidential election is held in a two-round system to determine a single winner. Voters cast a single vote for their chosen candidate in the first round. If no candidate receives the required number of votes to win the election, then all but the top two candidates with the most votes are eliminated, and a second round of voting is held.

Under the 2019 constitutional amendments, there have been major changes made to the to the process for appointing judges. The president can now approve judicial appointments, including those of chief justices, with recommendations from the Judicial General Council and Supreme Court. The president no longer has the power to appoint the chairman of the Independent Authority Against Corruption (IAAC).



Candidates and political platforms for the 2021 presidential election

In accordance with the Law on Presidential Elections, only political parties with seats in Parliament are eligible to nominate candidates for the presidential elections.

There are two political parties and one coalition with seats in Parliament: the Mongolian People's Party (MPP), the Democratic Party (DP), and the Right Person Electorate Coalition (RPEC). Each party or coalition may have internal elections to nominate a candidate, with the party agreeing on a single candidate to represent their party in the presidential election. Candidate selection takes place in late April and early May, and political parties submit their nominations to the General Election Commission.

The parties with seats in Parliament have nominated the following candidates:

Mongolian People's Party

As expected, the MPP nominated the former Prime Minister and current chairman of the party, Mr. U. Khurelsukh. He is a well-known politician with strong support and power within the party.

The MPP unanimously endorsed U. Khurelsukh's nomination, without any challengers being nominated.



U. Khurelsukh, the MPP candidate, started his campaign tour in his hometown provinces of Khentii and Dornod. His campaign slogan is “Mongolia: Owner of its Wealth,” focused on the fair and equal distribution of benefits from mineral resources. Considering this slogan as a continuation of the MPP's minerals agenda, some analysts believe that the MPP will continue its protectionist policies on strategic deposits, including the Oyu Tolgoi and Tavan Tolgoi mines. U. Khurelsukh's platform states that he will distribute benefits from mineral resources to every Mongolian citizen through sovereign wealth and savings funds. It also explicitly states that he will closely work with Parliament and Cabinet on the cancellation of the OT “Dubai agreement”. U. Khurelsukh's platform is focused on strengthening justice, having an independent legal system, and continuing the MPP's judicial system reforms.

Democratic Party

The DP divided into two factions after its major loss in the 2020 parliamentary elections. One faction is led by M. Tulgat, who is backed by current DP chairman S. Erdene, and the other one is led by current MP O. Tsogtgerel, who is backed by the DP caucus and other sitting MPs.

Due to its internal division, the DP organized two party primaries. The DP faction led by M. Tulgat voted electronically for their presidential nominee, and the other DP faction voted in-person. Several leaders of the DP, including prominent economist R. Amarjargal, Ts. Oyungerel, L. Gundalai, and D. Ganbat ran for the party's nomination, and S. Erdene won the vote with a small margin over R. Amarjargal. The DP faction led by O. Tsogtgerel voted for N. Altankhuyag, former PM and current MP, who had recently renewed his DP membership to be their presidential candidate.

The DP faced the very strong challenge of internal division and regaining the support of voters ahead of the presidential election. For several days, a group of DP MPs led by D. Ganbat had a hunger strike in protest of the GEC's decision to reject their faction's nominee and accepting S. Erdene's application to run as the DP's presidential candidate. They accused the MPP of influencing the GEC's decision and demanded a review of the final decision made by the GEC to register the DP's presidential candidate.



S. Erdene, the DP candidate, began his campaign tour at Ulaanbaatar's Freedom Square, where many democratic demonstrations took place in the early 1990s. Analysts say this election is crucial for the DP's survival, as the DP is currently going through internal divisions. S. Erdene's slogan is "Democratic Mongolia without Dictatorship," which suggests that the DP considers the current ruling party, the MPP, to be a dictatorship that needs to end with this election. His main message to constituents is that one party should not rule three branches of government: presidential, parliamentary, and executive. Therefore, the people must choose the DP to maintain a balance of power and oversight. His platform is focused on protecting personal freedom and human rights, private ownership, economic freedom, and the rule of law. It states that S. Erdene will pursue neutrality in his foreign policy, and enable Mongolians to travel to Schengen states without visas by 2027. S. Erdene is a strong challenger to Khurelsukh, considering the fact that DP candidates have won the last two presidential elections.

The Right Person Electorate Coalition

The Right Person Electorate Coalition (RPEC) was formed by the National Labor Party (NLP), Social Democratic Party, and Zui Yos Party. The NLP is a new, emerging political party led by MP T. Dorjkhand and professionals in different sectors. As a result of its Let's Pick Our President campaign, the NLP chose D. Enkhbat, CEO of Datacom, to be their presidential candidate, which was welcomed by many elites, the business community, and the public. D. Enkhbat is a prominent speaker in various areas, especially in IT and digital education, and is also a former MP and former vice chairman of the Civil Will Green Party, but he has not pursued a political career for the last 10 years.



D. Enkhbat, the RPEC candidate, began his campaign tour in Ulaanbaatar's Dari Ekh ger district, one of the poorest and remote areas in the city, to highlight his focus on solutions to critical local problems: corruption and poverty. D. Enkhbat's slogan is "Mongolia Can," which focuses on empowering Mongolians to take ownership and leadership in solving their own problems. He says his campaign is not pursuing the interests of a party, but the interests of the people, which suggests that Mongolian engineers can do it, Mongolian youth can do it, and the Mongolian people can do it. However, some have criticized the slogan, saying that it has the same tone as current President Kh. Battulga's past campaign slogan: "Mongolia Will Win". D. Enkhbat's platform is concentrated on empowering Mongolians to believe in their capacities, professionals, and experts to build a new, modern Mongolia based on advanced technology, innovation, and education, as well as the rule of law and sustainable development. Some analysts say that Enkhbat's campaign is not about winning this election, but to generate more awareness and publicity for the National Labor Party. D. Enkhbat is widely known among educated and active social media users, but he's not as well-known among residents of rural areas. This week, D. Enkhbat flew to several provinces, starting from Khuvsgul and on to Khovd. Many DP members who are not happy with their party's candidate, S. Erdene, have said that they would support D. Enkhbat, which would split the DP's votes.

On April 29, the ruling Mongolian People’s Party (MPP), led by former Prime Minister U. Khurelsukh, and the Mongolian People’s Revolutionary Party (MPRP), led by former President N. Enkhbayar, officially signed a merger agreement. “The merging of the two parties is a historic event for the country. It was necessary for the two parties, which have the same values and ideology, to merge for the country,” Khurelsukh said at the agreement signing ceremony. In early May, N. Enkhbayar announced his party’s endorsement of U. Khurelsukh’s nomination and stated that the MPRP would support him in the presidential election. However, on May 28, the MPRP was dissolved by order of the Supreme Court due to the merger with the MPP.

Comparative overview of the candidate platforms

On Monday, May 24, presidential election campaigns officially began, and candidate platforms were made public. After receiving their credentials, candidates began travelling across the country to reach voters in as many provinces as possible within the two-week election campaign period.

Key policy issues	U. Khurelsukh	S. Erdene	D. Enkhbat
FDI	Resource nationalism	pro-FDI	pro-FDI
SOE reforms	Increase SOEs and state funds	Reduce the number of SOEs; make them public companies	Reduce the number of SOEs; more focus on the private sector
Oyu Tolgoi	Cancellation of the Dubai agreement	Initiate a bill to sell 10% of OT shares on stock exchange	No mention of OT
Innovation and digital transformation	Implement the Digital Mongolia program	Attract FDI in the technology and manufacturing sectors, and environmental protection	Promote innovation and the adoption of new technology by establishing a council for digital development and technology policy
Economic orientation	State-regulated economy	Private sector-based economy	Private sector-based economy
Fighting corruption	Public servants should not be allowed to have assets in offshore accounts	Declare corruption a threat to national security and take specific measures to fight it	Support anti-corruption culture and the independence of the IAAC
Foreign relations	Promotion of the third neighbor policy	Promotion of a policy of neutrality and the third neighbor policy; enable visa-free travel to the Eurozone by 2027	Promotion of the third-neighbor policy by supporting the implementation of mega projects

Good governance	Promote good governance	Promote good governance	Promote good governance by not interfering in the internal affairs of Cabinet and Parliament
Rule of law	Promote the rule of law through the fair application of laws	Make courts public to enable public oversight of court proceedings	Promote the rule of law through the fair application of laws
Political reform	Institute transparency in political party financing	Institute transparency in political party financing	Institute a proportional election system by amending election regulations
Business environment	Develop export-oriented manufacturing and multiple pillars of the economy	Support PPP and encourage domestic companies to compete in the global market	Promotion of domestic corporations to make them regionally competitive
Tax policies	Support progressive tax policy and increase luxury taxes	No particular reference to tax policies	Support progressive tax policies

AmCham Mongolia’s partnership with stakeholders

AmCham Mongolia is committed to constructively partnering and working with all branches of the government, including the Office of the President, advocating for free enterprise and free market principles in Mongolia.

AmCham Mongolia advocates for the private sector-led economic growth of Mongolia.

