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Politics

Mongolian Parliamentary delegates’ visit to Poland successfully ends

March 23 (infomongolia.com) Following the meeting with the Marshal of the Senate Bogdan Borusewicz, Speaker of the State Great Khural (Parliament) Zandaakhuu ENKHBOLD held a meeting with the Marshal of the Sejm (Lower House) Mr. Radoslaw Sikorski on March 19, 2015.

During the meeting, parties agreed that the bilateral relations have been growing not only in the frames of parliamentary partnership, but also in many other spheres and relying on strong inter-state cooperation, the sides expressed their willingness to deepen collaboration in economic spheres.

In his remarks, Speaker Z.Enkhbold noted, “We appreciate the Government of Poland on supporting the European Union-Mongolia Partnership and Cooperation Agreement signed in April 2013. The Mongolia-Poland Intergovernmental Commission plays an important role to expand bilateral economic partnership and in order forward the cooperation, parties should implement tasks negotiated at the first Mongolia-Poland Intergovernmental Commission meeting.

In the frameworks of Mongolia’s Government Action Plan for 2012-2016, it was reflected to stimulate Project on Gas and Liquid Fuel from Coal as well as Project on Studying in Developing Oil Shale and Coal Chemical Factories. In the scope of this implementation, the Genie Oil Shale Mongolia LLC is planning to build a pilot plant in Mongolia. However, Poland is experienced in this sector and thus, we would like to get acquainted and cooperate with Polish oil shale development industry.

Also, Mongolia expresses it gratitude to the Government of Poland for stating to support Mongolia’s candidacy for United Nations Security Council Election to be held in New York during the 77th session of the United Nations General Assembly in October 2022.

Moreover, Mongolia is currently undertaking to host the 11th Asia-Europe Meeting (ASEM) Summit in Ulaanbaatar, Mongolia in 2016 and we hope Poland would participate with its high-level representatives.

In conjunction, we invite the Polish Parliamentary delegates to attend the Parliamentary Assembly of the OSCE to be held in Ulaanbaatar, Mongolia in September 2015”.



Following the meeting, Secretary General of the State Great Khural, B.Boldbaatar and Lech Czapla, Secretary General of the Sejm have inked a Protocol, and the Mongolian delegates visited the Sejm Hall.

On the same day, Minister for Foreign Affairs of Poland, Grzegorz Schetyna paid a courtesy call on the Speaker of Mongolian Parliament, and at the beginning of meeting Foreign Minister noted the partnership between our two countries relies on friendly relations that has been lasting since the establishment of diplomatic ties.

On March 19, 2015, Speaker Z.Enkhbold met with the Deputy Prime Minister of Poland Mr. Janusz Piechocinski and during the meeting, Deputy Premier emphasized that the two countries cannot utilize the partnership ties at hundred percent and therefore, he expressed his interest to broaden cooperation as in economic sector as well as in cultural spheres.

At the end of his first day official visit, Speaker met with Mongolian citizens residing in Poland and currently, over 920 Mongolian nationals are studying and working with legal residencies.

On March 20, 2015, the Parliamentary delegates headed by Speaker Z.Enkhbold and Marshal B.Borusewicz visited Gdansk city on the Baltic coast, Poland's principal seaport and laid wreaths to the Monument to the Fallen Shipyard Workers of 1970 in Gdansk.

On the same day, the delegates participated in the opening ceremony of "We have same solidarity with Mongolians" exhibition at the "European Solidarity Centre" in Gdansk.

President of Mongolia Meets Representatives of Presidential Advisory Board of Myanmar

March 23 (infomongolia.com) On March 20, 2015, President of Mongolia Ts.Elbegdorj received the representatives of the Presidential Advisory Board of the Republic of the Union of Myanmar. The delegation led by Chief Political Advisor to President Ko Ko Hlaing and Chief Legal Advisor to President Sit Aye have been visiting Mongolia to learn its experience of the transition to democracy.

At the beginning of meeting, President Ts.Elbegdorj wished representatives success in their visit and remembered his visit to Myanmar in 2013. During this visit, President Ts.Elbegdorj met with President Thein Sein, the First Speaker of the Upper House of the Parliament Khing Aung Myint and the leader of opposition, Nobel Peace Prize Laureate Aung San Suu Kyi respectively.

The meeting held in a constructive and friendly atmosphere. Concluding the meeting, President Ts.Elbegdorj asked the representatives to convey his sincere greetings to the President of Myanmar, the Speaker of the Parliament and the Nobel Peace Prize Laureate Aung San Suu Kyi, reports the Press and Communications Division of the Office of the President of Mongolia.

Following the meeting, President Ts.Elbegdorj welcomed the guests at the State Affairs Ger Palace.



Cabinet Meeting in Brief

Ulaanbaatar, March 24 (MONTSAME) At its meeting on Monday, the cabinet approved directives to be maintained by a delegation during the 1st meeting of the Mongolia-S.Korea intergovernmental joint committee.

- The first meeting of the intergovernmental joint committee will run March 25-26 in Ulaanbaatar, and an obligation was given to N.Tomorkhuu, the Minister of Road and Transportation, to adopt a composition of the delegation.
- The cabinet backed a draft concept of the law on ensuring the unity of measurement in order to refine upon the measurement system within a plan for implementing the 2012-2016 governmental action program and the legal reform policy of Mongolia. The Minister of Justice and the Deputy PM were authorized to approve the draft concept.
- The cabinet discussed draft directives the Minister of Foreign Affairs must adhere to during official visit to China this April.
- The cabinet discussed a draft resolution of parliament on approving a basis of the military policy of Mongolia, initiated by the President of Mongolia. Some proposals will be conveyed to the draft initiator.
- The cabinet discussed an implementation of the 2012-2016 action program of the government and decided to submit it to parliament, reflecting some proposals of the cabinet members.
- The cabinet considered a draft of a scrutinized plan for implementing the program on overcoming current economic difficulties and decided to approve it with proposals from the Ministers.
- The Minister of Construction and Urban Development D.Tsogtbaatar presented a general report of the unified fund of reserved lands for 2014. - A report was given to the cabinet on results of a working visit of D.Oyunkhorol MP, the Minister of Environment, Green Development and Tourism, to Germany and her participation in the ITB Berlin 2015 international tourism exhibition. The Minister was ordered to approve and to implement a plan of related measures.

MP D.Demberel receives Ambassador Somnath Ghosh

March 26 (gogo.mn) Yesterday, /March 25th/, MP D.Demberel received Ambassador Extraordinary and Plenipotentiary of India to Mongolia, Somnath Ghosh. At the beginning of the meeting, MP D.Demberel expressed his gratitude on 60th anniversary of the establishment of diplomatic relations between India and Mongolia.

Mr. Somnath Ghosh appreciated on receiving by PM D.Demberel, and gave information on official visit of Indian PM, which will be paid in May, Narendra Modimost. Moreover, he commented on the agreements that will be signed during the visit and organization of the visit. He clarified readiness of Mongolia for the visit.

PM D.Demberel pointed out that the visit of Indian PM, Narendra Modimost is the most important event for the celebration of 60th anniversary establishment of diplomatic relations between India and Mongolia.



Moreover, MP D.Demberel expressed his view that visit of Indian PM, Narendra Modimost is significant for keeping the frequency of political dialogue and high-level visits between the two countries as well as expanding comprehensive partnership cooperation.

Z.Enkhbold meets Ambassador of Canada

Ulaanbaatar, March 26 (MONTSAME) Speaker of parliament Z.Enkhbold Thursday received Mr Eelco Jager, the Ambassador Extraordinary and Plenipotentiary of Canada to Mongolia.

The Speaker started the meeting, congratulating Mr Jager on being appointed the new Ambassador of Canada to Mongolia, and underlined that the Mongolia-Canada relations and cooperation have been expanding recent years, and that investment and trade are important sectors of the ties.

Mr Enkhbold expressed a satisfaction with restoring a working group meeting for discussing an agreement on supporting Mongolia-Canada investments and on mutually protecting investments. He also emphasized that the two countries can widen the cooperation in spheres of wooden constructions, agriculture, education, infrastructure, health and winter sports apart from the mining sector.

Thanking the Speaker for the audience, Mr Jager said he will make efforts to widen the Mongolia-Canada relations and cooperation and will activate the cooperation in the mining, agriculture and other areas.

Mr Eelco Jager was appointed the Ambassador Extraordinary and Plenipotentiary of Canada to Mongolia on March 11 of 2015.

Foreign Relations

Mongolians attend ARF EEPS Meeting

Ulaanbaatar, March 23 (MONTSAME) An expert and Ambassador of Mongolia J.Choinkhor; and an advisor at the Multilateral Cooperation Department of the Ministry of Foreign Affairs P.Baasankhuu participated in the 9th ARF Experts and Eminent Persons (EEPs) Meeting held March 11-13 in Helsinki, Finland.

Co-organized by the European Union (EU) and Singapore, the meeting attracted experts of 26 countries. The Foreign Minister of Finland Mr Erkki Tuomioja made the opening remarks of the meeting which was co-chaired by B.Desker, an expert and Ambassador of Singapore; and his counterpart of Finland E.Hamilo.

The participants shared views and issued recommendations on opportunities and challenges for implementing diplomacy on prevention in Asia-Pacific region, realization of a plan of the ARF Prevention Diplomacy, its prospects, peaceful mediation, talks, regional disputes, improving the ARF actions and other issues.



Embassy of Republic of Poland in Ulaanbaatar, Mongolia Would Be Restored in 2015

March 23 (infomongolia.com) On March 18-21, 2015, Mongolian Parliamentary delegates continued their official visit to the Republic of Poland right after the visit conducted to the Federal Republic of Germany.

The visit to Poland was headed by Speaker of the State Great Khural (Parliament) Mr. Zandaakhuu ENKHBOLD upon an invitation of the Marshal of the Senate, Mr. Bogdan Borusewicz.

On the first day of official visit, March 19, Speaker Z.Enkhbold and accompanying delegates held a bilateral meeting with the Marshal of the Senate, Mr. Bogdan Borusewicz and at the beginning of meeting the invitee noted that Mongolia's successful transition into a democratic society shows a good sample to other nations.

Marshal B.Borusewicz further said, "Poland is a member of European Union and to note, the EU investors have a great interest to invest into your country and thus, as a Marshal of Senate, I would like to ask your support on the implementations. The organized Poland-Mongolia Business Forum boosted to deepen bilateral business cooperation. We see there are a lot of opportunities to do a business in your country. In past years, nationals of Poland traveled visa-free to Mongolia and we hope this status will be extended in 2015 and pursuant to statistics, number of Polish travelers to Mongolia increased in recent years. Also, we glad that your visit to our country coincides with the 65th anniversary of the establishment of diplomatic relations between Poland and Mongolia".

In turn, Speaker said, "Mongolia is very satisfied with inter-political cooperation, particularly, in inter-parliamentary relations between our two top legislative organs, where the affiliated parliamentary groups play an important role to boost the cooperation and we appreciate that the Polish Senate (Upper House) and Sejm (Lower House) support these close collaboration. The traditional cooperation between our Secretariats of the State Great Khural and Sejm of Poland had been lasting over many years and in the frameworks of this visit, the two Secretariats will be inking a Protocol today on broadening partnership. Also, the intergovernmental agreement on cooperation in defense sector signed in January 2013 was a vital step to develop partnership in the field. Moreover, we would like to ask you on paying particular attention to restore a Polish diplomatic office in Ulaanbaatar, because Mongolian citizens face difficulties to be issued a Polish visa that would helpful to broaden bilateral trade and economic cooperation and we hope the Embassy of Poland in Mongolia would be opened in 2015". In response, Marshal Bogdan Borusewicz pledged to restore the Polish Embassy in Ulaanbaatar this year in term of achieving goals to bring economic partnership into a newer level.

Following the meeting, the two Chairmen of top legislative body delivered a press statement to journalists, where parties assured that marking the 65th anniversary of diplomatic relations, it was negotiated to restore the Embassy of Poland in Ulaanbaatar,



also to continue a science research work in Mongolia by Polish geologists that had been commenced back many decades ago.

At the bilateral meeting, Chairwoman of Mongolia-Poland Parliamentary Group at the State Great Khural MP L.Erdenechimeg, MP L.Bold, MP Ts.Nyamdorj, MP U.Enkhtuvshin, MP Z.Bayanselenge, Secretary General of the Secretariat of Parliament B.Boldbaatar, Senior Advisor to the Speaker S.Lambaa, as well as Ambassador Extraordinary and Plenipotentiary of Mongolia to the Republic of Poland A.Ganbaatar and other officials were present.

Mongolia and the Republic of Poland have established the diplomatic relations on April 14, 1950.

The Embassy of Poland in Ulaanbaatar was first established in 1960 but closed following the 1990s economic crisis and had been re-operational in 2005-2009, later the Honorary Consulate of the Republic of Poland to Mongolia was opened in June 2011, chaired by Head of Mission Mr. Dashdeleg GANKHUYAG.

Moreover, the Polish Government has recently appointed the Ambassador Extraordinary and Plenipotentiary of the Republic of Poland to Mongolia as Mr. Michal Labenda.

Trilateral meeting of Vice Foreign Ministers held in Beijing

March 24 (gogo.mn) March 23th 2015 Beijing hosted trilateral meeting of the Vice Ministers of Foreign Affairs of Mongolia, Peoples Republic of China and Russian Federation.

Vice Ministers of the three countries have attended the meeting, which was dedicated to expanding trilateral cooperation on trade, economy, infrastructure, humanitarian and other sectors and exchanged their views on documents and agreements to be signed during the upcoming trilateral meeting in Ufa, Russian Federation to be held in July 2015.

First Mongolia-South Korea Intergovernmental Joint Committee Meeting to Run in Ulaanbaatar

March 24 (infomongolia.com) The regular Cabinet meeting of the Government took place on March 23, 2015 and the following decisions were issued:

- Minister of Roads and Transportation N.Tumurkhuu, who is concurrent Chairman of Mongolia-South Korea Intergovernmental Joint Committee on behalf of Mongolian Government, is entrusted to co-host the First Mongolia-Republic of Korea Joint Committee Meeting in Ulaanbaatar to be held on March 25-26, 2015.

Also, Minister N.Tumurkhuu is assured to appoint the Joint Committee's members of Mongolian side and to adhere Mongolia's policy.



- Moreover, the Minister N.Tumurkhuu was also obliged to administer the feasibility study to construct the intermodal logistics center for new "Bogdkhan" railroad to connect Rashaant and Maanit platforms and "Ulaanbaatar" Railway with support of Asian Development Bank (ADB) and the priorities to negotiate with the ADB on fund for construction were given to Minister N.Tumurkhuu and Finance Minister J.Erdenebat. The Bogdkhan railroad will be detouring the new International Airport being constructed at Khushigt Valley in Tuv Aimag.

Mongolian Journalists to Unite for 11th ASEM Summit in Ulaanbaatar

March 26 (infomongolia.com) During the 10th Asia-Europe Meeting in Milan, Italy, in October 2014, Mongolia was authorized to host the 11th ASEM Summit in Ulaanbaatar in 2016. The heads of state and government of 53 different countries are anticipated to gather in Ulaanbaatar and Mongolia will be at the center of the world's attention attracting the global media.

Mongolia is giving great importance to organizing this remarkable event and from today press and media organizations have started to cooperate and team up with each other to organize the 11th ASEM Summit in Ulaanbaatar.

On March 25, 2015, a press conference was called by the National Council to organize the ASEM Summit at the Citizen's Chamber. The press conference attracted almost all the representatives of press and media in Mongolia including Department of Public Relations and Information of the Ministry of Foreign Affairs, Mongolian Journalists' Union (MJU), Mongolian National Broadcaster (MNB), MONTSAME Agency, Daily Newspapers' Association, Association of Websites, Mongolian Television Channels' Union, Mongol Mass Media LLC, journalists accompanied President at the ASEM Summit and other officials.

At the press conference, journalists discussed the organizational issues of the Summit and agreed to sign a Memorandum of Understanding under the motto "Let's Unite for ASEM".

Member of Collegium of Eurasian Economic Commission, Tatyana Valovaya Visits Mongolia

March 26 (infomongolia.com) On March 25-28, 2015, Member of the Collegium (Minister) on the Main Areas of Integration and Macroeconomics of the Eurasian Economic Commission, Mrs. Tatyana Dmitrievna Valovaya pays a visit to Mongolia.

The program of the visit prepared jointly by the Embassies of Belarus and Russia in Ulaanbaatar, Mongolia. Mrs. Tatyana Valovaya plans to meet Minister and Head of the Cabinet Secretariat of Mongolia, Mr. Sangajav BAYARTSOGT, Minister for Foreign Affairs, Mr. Lundeg PUREVSUREN, Minister for Industry, Mr. Dondogdorj ERDENEBAAT, and Minister for Food and Agriculture, Mrs. Radnaa BURMAA.



Member of the Collegium (Minister) on the Main Areas of Integration and Macroeconomics of the Eurasian Economic Commission Tatyana Valovaya will also make a speech for representatives of public, politic, academic and business circles of Mongolia.

Foreign Minister meets EEC Board member

Ulaanbaatar, March 26 (MONTSAME) The Minister of Foreign Affairs Mr L.Purevsuren Thursday received a visiting delegation headed by Ms T.D.Valovaya, a member of the Board and Minister of the Eurasian Economic Commission (EEC) in charge of Technical Regulations.

The parties concurred to establish a cooperation memorandum between Mongolia's government and the EEC, and expressed their readiness to study together issues of creating favorable conditions for augmenting a turnover of external trade and for facilitating customs forms by setting up a mechanism of discussing trade and economic matters.

Present at the meeting were Ambassadors of Belarus and Kazakhstan to Mongolia.

Foreign Trade

China, Mongolia meet on cross-border trade zone

March 27 (cihan) China and Mongolia have agreed to dedicate nine square km on either side of their border to a joint economic zone, in their first meeting on the issue. The two sides met in Erenhot of north China's Inner Mongolia Autonomous Region on Thursday to discuss a zone comprising land in Erenhot and Zamyn-Uud across the border.

They will meet again in April, said Cao Hongying, deputy head of the foreign investment department of the Ministry of Commerce, on Friday.

The agreement over land allocation follows an August meeting between Chinese President Xi Jinping and Mongolian counterpart Tsakhiagiin Elbegdorj in which Xi stressed the importance of the zone and called for a separate free trade treaty to be signed as early as possible.

China and Mongolia share a border stretching 4,710 km. Erenhot, which sits on the route of the China-Mongolia-Russia railway, is the border's most significant customs checkpoint, accounting for 70 percent of trade between the two countries. In June, China's cabinet approved the city to pilot preferential policies in finance, taxation, investment and industry to deepen cooperation between China and Mongolia.



Luo Qing, mayor of Erenhot, said on Friday that the zone will consolidate the city's role in trade and tourism, and contribute to Inner Mongolia's opening up.

Economy

Investors fear for Mongolia's finances

HONG KONG, March 23 (IFR) - Mongolia will struggle to repay its debts in the next three years, analysts and investors have warned, if it is unable to reverse a drop in economic growth.

Despite the country's vast reserves of gold, copper and coal, weak commodity prices have weighed heavily on Mongolia's finances. GDP growth of 7.8% in 2014 is still outpacing many of its regional neighbours, but it is down substantially from earlier years. Growth fell to 11.3% in 2013 from 17.5% in 2011, according to the World Bank.

Weaker revenue from mining has significantly harmed the government's finances. One of the most glaring examples is in its external liquidity resources, which fell to just over US\$1bn this January from US\$4bn in January 2013, according to Fitch.

Mongolia has become more reliant on a bilateral swap agreement with China. The People's Bank of China had previously capped this agreement to Rmb10bn (US\$1.6bn), but, in July 2014, this was ratcheted up to Rmb15bn.

The Mongolian Government has US\$1bn of sovereign bonds due in January 2018 and, in 2017, it will have to repay some of its swap agreements with China. It has also not helped matters that the local currency, the tugrik, has lost 42% of its value against the US dollar in the last two years.

Analysts believe that there is sufficient time to resolve these problems and that much of these obligations can probably be refinanced.

However, the worry is that the situation could worsen before it improves and, as such, Mongolia could struggle to repay debt and face a ratings downgrade. Both will make refinancing more complicated and expensive.

"Mongolia's B2 rating suggests that a default is not imminent," said Anushka Shah, an analyst at Moody's, which cut its sovereign rating from B1 last July. "However, the rating is considered speculative and is subject to high credit risk.

"The government has a window to resolve these vulnerabilities, but, as time goes by, the window closes. Large repayments are due in 2017 and 2018, and that time horizon is not that far away."

The government has also given mixed signals over foreign ownership rights in certain industries. In particular, disputes over the vast Oyu Tolgoi mining project, a joint venture between Mongolia and Rio Tinto, have spooked foreign direct investors.

This uncertainty has rattled FDI, which fell 81% year on year, according to the country's central bank.

The dispute over Oyu Tolgoi has been going on since 2012 and, while observers believe an agreement will eventually be reached, they say some sort of deal is needed soon.



"Activity has certainly slowed," said a Hong Kong-based foreign investor. "There are fewer expats there and less money. There are good-quality companies there, but nothing is really insulated from mining.

"It's also pretty clear to everyone there that the government spends on programmes that don't have much economic impact on the ground. The government's inability to finance those projects is stressing the economy. Then, the concerns over Rio Tinto are there, and investors ask themselves if Rio can't win an argument there, what chance do I have?" (Reporting By Spencer Anderson, editing by Steve Garton, Dharsan Singh and Daniel Stanton)

EBRD President Suma Chakrabarti Visits Mongolia

March 23 (infomongolia.com) On March 20, 2015, the EBRD President, Sir Suma Chakrabarti has conducted a one-day official visit to Mongolia. This is his second visit to the country at the helm of the European Bank for Reconstruction.

One of the pleasant decisions for Mongolian enterprises was an approval of allocating an MNT (Tugrug) loan to private sector businesses provided by the EBRD that has been greatly contributing to reduce the currency risk.

According to program, Mongolian national manufacturer the Teso Corporation was granted to receive such fund from the EBRD and in the frameworks, the company has been renewing its "Ice Mark" factory by installing Romanian manufactured "Gram Equipment" to accomplish this year.

During his visit, Sir Suma Chakrabarti got acquainted with the factory activities and had met with other private sector entrepreneurs, bankers as well as government officials, international financial institutions and the diplomatic community.

At the meeting with government officials, President Suma Chakrabarti stressed the importance of Mongolia and the whole of the Central Asian region to the EBRD and said, "We want to help boost growth in Mongolia. We look forward to working with the government on steps to improve the investment climate and the diversification of the economy. We would like to see Mongolia once more leading the world in economic growth, just as it did a few years ago".

The EBRD has so far invested over 1.2 billion USD in Mongolia in various sectors of the economy. Central Asia as a whole has seen a growth of investment in recent years, reaching 11.5 billion USD to date.

Mongolia's Economy to Lag Asian Growth Rates in 2015

March 24 (gogo.mn) Developing Asia will maintain its strong economic growth in 2015 and 2016 supported by soft commodity prices and recovery in the major industrial economies, says a new Asian Development Bank (ADB) report. The report forecasts developing Asia will achieve gross domestic product (GDP) growth of 6.3 percent in



both 2015 and 2016, the same as in 2014. Growth in Mongolia is forecasted to be 3.0 percent and 5.0 percent in the same period, from 7.8 percent in 2014.

For Mongolia, growth is forecasted to slow to 3.0 percent in 2015, reflecting necessary fiscal and monetary tightening to contain inflationary and balance of payments pressures. Assuming a stable external environment and the resumption of major investment in mining in 2015, economic growth should recover to 5.0 percent in 2016.

Consumer price inflation, which peaked in July 2014 at 14.9 percent year on year following expansionary monetary and fiscal policies and currency depreciation, dropped to 9.3 percent in February 2015 as monetary policy was tightened and is expected to meet the central bank's policy target of 7.0 percent by the end of 2016.

The government's immediate policy challenge is to tighten monetary and fiscal policy to address pressure on the balance of payments, while safeguarding financial sector stability, debt sustainability, and the welfare of the population, especially for citizens living under the poverty line.

Nominal public debt to GDP, including the central bank's foreign liabilities, rose from 31.0 percent in 2010 to 77.4 percent in 2014 with the consolidated deficit peaking at 11.5 percent of GDP last year. While some recent fiscal reforms are steps in the right direction, such as bringing Development Bank of Mongolia expenditures partly on budget, there is a need to strengthen debt management, especially by ensuring that borrowed funds are invested in a manner that increases the competitiveness of Mongolia's key economic sectors. It is also important to prepare for the repayment of significant liabilities in 2017-2018. Diversification of the economy also remains a central challenge, to ensure more consistent growth patterns, and for generating jobs, which the capital-intensive minerals sector is less apt to do.

Stock Exchange

Stock exchange news for March 23

Ulaanbaatar, March 23 (MONTSAME) At the Stock Exchange trades on Monday, a total of 35 thousand and 377 units of 17 JSCs were traded costing MNT 24 million 758 thousand and 673.00.

"Khovsgol khuns" /28 thousand and 241 units/, "Moninjbar" /1,950 units/, "APU" /1,777 units/, "Mongol makh expo" /1,120 units/ and "E-trans logistics" /1,004 units/ were the most actively traded in terms of trading volume, in terms of trading value were "Khovsgol khuns" (MNT 14 million 120 thousand and 500), "APU" (MNT six million 039 thousand and 700), "Mongol makh expo" (MNT one million 736 thousand and 500), "Khosog trade" (MNT 967 thousand and 400) and "Shivee ovoo" (MNT441 thousand and 800).

The total market capitalization was set at MNT one trillion 307 billion 986 million 968 thousand and 002. The Index of Top-20 JSCs was 13,112.06, decreasing 1.53% and the all index of MSE was 957.37, decreasing 0.92% against the previous day.



Stock exchange news for March 24

Ulaanbaatar, March 24 (MONTSAME) At the Stock Exchange trades on Tuesday, a total of 359 thousand and 246 units of 22 JSCs were traded costing MNT 31 billion 053 million 813 thousand and 738.00.

"Material impex" /15 thousand and 244 units/, "Talkh chikher" /14 thousand and 759 units/, "Hermes center" /9,292 units/, "Mongol makh expo" /1,164 units/ and "Genco tour bureau" /465 units/ were the most actively traded in terms of trading volume, in terms of trading value were "Talkh chikher" (MNT 265 million 633 thousand and 400), "Material impex" (MNT 236 million 262 thousand and 500), "Gazar suljmel" (MNT five million 770 thousand and 050), "Gutal" (MNT two million 266 thousand and 100) and "Mongol makh expo" (MNT one million 804 thousand and 220).

The total market capitalization was set at MNT one trillion 331 billion 127 million 559 thousand and 491. The Index of Top-20 JSCs was 13,299.46, increasing 1.43% and the all index of MSE was 964.39, increasing 0.73% against the previous day.

Stock exchange news for March 25

Ulaanbaatar, March 25 (MONTSAME) At the Stock Exchange trades on Wednesday, a total of 75 thousand and 418 units of 19 JSCs were traded costing MNT 105 million 113 thousand and 368.00.

"Mongol savkhi" /63 thousand and 548 units/, "APU" /7,835 units/, "Mongol makh expo" /1,120 units/, "Genco tour bureau" /734 units/ and "Mongolia Development Resources" /574 units/ were the most actively traded in terms of trading volume, in terms of trading value were "Mongol savkhi" (MNT 63 million and 548 thousand), "APU" (MNT 28 million 108 thousand and 095), "Darkhan nekhii" (MNT three million 052 thousand and 500), "UB-BUK" (MNT two million and 250 thousand) and "Gutal" (MNT two million and 108 thousand).

The total market capitalization was set at MNT one trillion 326 billion 444 million 737 thousand and 166. The Index of Top-20 JSCs was 13,135.03, decreasing 1.24% and the all index of MSE was 959.30, decreasing 0.53% against the previous day.

Stock exchange news for March 26

Ulaanbaatar, March 26 (MONTSAME) At the Stock Exchange trades on Thursday, a total of 14 thousand and 401 units of 15 JSCs were traded costing MNT 14 million 299 thousand and 447.00.

"E-trans logistics" /7,869 units/, "Mongol makh expo" /2,814 units/, "Agrotechimpex" /1,800 units/, "Remikon" /1,034 units/ and "Bishreilt industrial" /288 units/ were the most actively traded in terms of trading volume, in terms of trading value were "Agrotechimpex" (MNT four million and 860 thousand), "Mongol makh expo" (MNT four million 361 thousand and 801), "Material impex" (MNT one million and 550 thousand), "Gobi" (MNT one million 039 thousand and 090) and "E-trans logistics" (MNT 747 thousand and 555).



The total market capitalization was set at MNT one trillion 326 billion 311 million 886 thousand and 709. The Index of Top-20 JSCs was 13,129.86, decreasing 0.04% and the all index of MSE was 959.16, decreasing 0.01% against the previous day.

Stock Exchange news for March 27

Ulaanbaatar, March 27 (MONTSAME) At the Stock Exchange trades on Friday, a total of 107 thousand and 489 units of 15 JSCs were traded costing MNT 89 million 951 thousand and 990.00.

"Bishreilt industrial" /53 thousand and 405 units/, "Mongol makh expo" /49 thousand and 427 units/, "APU" /3,361 units/, "Khokh gan" /330 units/ and "Merex" /320 units/ were the most actively traded in terms of trading volume, in terms of trading value were "Mongol makh expo" (MNT 39 million 541 thousand and 600), "Bishreilt industrial" (MNT 37 million 383 thousand and 500), "APU" (MNT 12 million 012 thousand and 300), "Makh impex" (MNT 504 thousand and 010) and "Gobi" (MNT 218 thousand and 700).

The total market capitalization was set at MNT one trillion 326 billion 759 million 411 thousand and 150. The Index of Top-20 JSCs was 13,159.42, increasing 0.23% and the all index of MSE was 960.32, increasing 0.12% against the previous day.

Stock exchange weekly review

Ulaanbaatar, March 27 (MONTSAME) Five stock trades were held at Mongolia's Stock Exchange March 23-27 of 2015. In overall, 591 thousand and 931 units of 45 JSCs were traded costing MNT 31 billion 287 million 937 thousand and 216.00.

"Mongol savkhi" /63 thousand and 712 units/, "Mongol makh expo" /55 thousand and 645 units/, "Bishreilt industrial" /53 thousand and 693 units/, "Khovsgol khuns" /28 thousand and 241 units/ and "Material impex" /15 thousand and 375 units/ were the most actively traded in terms of trading volume, in terms of trading value were "Talkh chikher" (MNT 266 million 137 thousand and 400), "Material impex" (MNT 238 million 281 thousand and 240), "Mongol savkhi" (MNT 63 million 715 thousand and 590), "Mongol makh expo" (MNT 49 million 181 thousand and 241) and "APU" (MNT 46 million 709 thousand and 100).

The total market capitalization was set at MNT one trillion 326 billion 759 million 411 thousand and 150. The Index of Top-20 JSCs was 13,159.42, and the MSE all index was 960.32.

Business

J.Od selected as president of new Ulaanbaatar Chamber of Commerce

March 24 (Mongolian Economy) Executives of major companies operating in the capital reached a decision this week to establish the Ulaanbaatar Chamber of Commerce and Trade after several discussions.



The new Chamber defined its long term aims for developing Ulaanbaatar into a leading regional financial and business centre. Its goals are to support the city's economic development, protect the interests of entrepreneurs, develop the partnership between the government and the private sector, and create a favorable environment for investment and business cooperation with the governing City Council.

Representatives of 64 companies participated in the meeting. They approved the rules and regulations of the Chamber, and chose a president and board of directors—consisting of 15 members, including MCS Group, Shunkhlai, Ard Financial Union, Golomt Bank, Newcom, Jiguur Grand and Nomin Holding. By unanimous vote, the new board of directors selected president of MCS Group J.Od as the first president of the Ulaanbaatar Chamber of Commerce.

The newly elected president of the Chamber, J.Od, stated: “The world's largest cities have Chambers of Commerce, which integrate their enterprises. These chambers support taxpaying companies who make valuable contributions to the development of the city, and hear their voices and opinions to make collaborative decisions. People who live in the city, including myself, wish and dream to make Ulaanbaatar a comfortable, clean and beautiful city that has a favorable business and investment environment. Thus, entrepreneurs and municipal authorities will work together to set a correct and reliable foundation for our Chamber.”

In accordance with the rules, the president will serve a two-year term, and can be elected twice. The 15-member board of directors will establish an executive office for day-to-day work.

Many have questioned the difference between the Mongolian National Chamber of Commerce and Industry and the Ulaanbaatar Chamber of Commerce and Trade. Ulaanbaatar Chamber board member and director of the Mongolia Opportunities Fund B.Batsaikhan said: “The Mongolian National Chamber of Commerce and Industry is a national organization that integrates many large and small companies and performs a wide scale of operations through its local branches. As for our Chamber, it will operate within the framework of Ulaanbaatar entrepreneurs and will cooperate with professional associations and the National Chamber of Commerce and Industry.”

The first chamber of commerce was founded in 1599 in Marseille, France. A chamber of commerce is not a governmental body or institution, and has no direct role in the writing and passage of laws and regulations that affect businesses. However, it's usually the largest non-governmental organisation that represents a locale's business community. Chambers of commerce serve as the main private sector non-profit organisation that cooperates with policymakers in an attempt to get laws passed that are favorable to businesses.

During this week's meeting, General Director of the Economic Development Agency of Ulaanbaatar E.Temuulin said: “We certainly have to work together with the private sector to develop not only the capital city but also the whole country. Therefore, the city administration welcomes this proposal of cooperation. We have a plan to make Ulaanbaatar a regional economic and financial centre. We believe our cooperation will successfully continue under one purpose.”

The organisers of the meeting explained that they have invited foreign representatives from America and Japan to help make Ulaanbaatar an international financial centre. Ard Financial Union executive director Ch.Ganhuyag noted that the Chamber's membership



is open to all and appealed to all companies operating in Ulaanbaatar to join the Chamber.

Several company representatives shared their thoughts on the establishment of the Ulaanbaatar Chamber of Commerce and Trade.

P.Batsaikhan, President of Shunkhlai Group:

We successfully held the first meeting to establish the Ulaanbaatar Chamber of Commerce. This was work that needed to be done. I would like to congratulate those who initiated and organised this work. Ulaanbaatar is the economic centre of Mongolia. We need to protect the interests and investments of businesses operating in this economic centre. Also, the City Mayor's Office expressed their support during the meeting. I believe that the establishment of this Chamber of Commerce will be a big contribution to the future development of the city. In addition to the 64 companies who were present today, the Chamber is open for other companies to join, if they agree to the rules and regulations. We will support and cooperate with them.

Ch.Gankhuyag, Executive Director of Ard Financial Union:

Most of the Mongolian enterprises are operating in the capital city. The offices of foreign companies which are investing in Mongolia are located only in Ulaanbaatar. Most of the population resides here. It means that Ulaanbaatar creates business and economic competitiveness. Ulaanbaatar is the face of Mongolian development. Therefore, our Chamber will actively operate to not leave all the issues to the city council, but to resolve the issues together and create a comfortable, neat and clean city together. And we will work in unison to make Ulaanbaatar a financial and business centre within Asia.

N.Surenbaatar, director of business development at New Juulchin Tours:

I think it's an initiative to develop the country through an innovative method. I believe the establishment of this Chamber will solve many issues of city development and the business sector by supporting the businesses operating in the city and consolidating the voices of the private sector to support their development.

Concept of Draft Law on Small and Medium Enterprises approved

Ulaanbaatar, March 24 (MONTSAME) The cabinet approved Monday the draft concept of the draft new wording of the law on small and medium enterprises (SME) and told the Minister of Industry D.Erdenebat to complete a development of the draft new wording and submit to the cabinet for discussion.

During the development of the draft concept, such matters were taken into account as a legal background, social expectations and practical demands that would expand a scope of the SMEs' activities, specify the classifications of the enterprises, refine the regulations bylaw, improve the efficiency of the law implementation.

The new wording of the law will be developed by reflecting changes in some articles and amendments. They offer that the Cabinet member in charge of the matters regarding the SME is to issue the regulation concerning the credit allocations from the Promotion Fund for the SMEs, and the Fund's annual financial schedule, taking into consideration all the priorities of the economic sphere and location map of the anticipated project/factory.



Mongolia to Participate in Pyongyang Spring International Trade Fair 2015 with Charter Flights to North Korea

March 25 (infomongolia.com) Mongolian Embassy in Pyongyang, the Democratic People's Republic of Korea and Mongolian National Chamber of Commerce and Industry (MNCCI) are jointly to participate in the "Pyongyang Spring International Trade Fair" to take place in Pyongyang on May 11-14, 2015.

In the frames of collaboration between the MNCCI and North Korean Committee for the Promotion of External Economic Cooperation, the DPRK is also to attend the 19th "SME's Product, Service and Technology 2015" International Exhibition & Trade Fair to be organized at the Misheel Expo Center in Ulaanbaatar on June 11-15, 2015.

In 2014, Mongolia participated in the "Pyongyang Spring International Trade Fair" showcasing its leather accessories, handbags & outfits, cashmere products, camel & sheep woolen blankets, jackets, goat, sheep & camel socks, small & medium size carpets, meat & meat products as well as other food products that were much attracted by Korean side. Contrary, Mongolian entrepreneurs were interested in importing traditional and modern medical drugs from North Korea as well as pharmaceuticals, medicinal plants, fruits, and cotton textiles.

In conjunction, charter flights from Ulaanbaatar to Pyongyang will be conducted for consumers and travelers during the event.

The "SME's Product, Service and Technology 2015", an annual International Trade Fair, is the largest business hub in Mongolia with the great variety of exhibits and the most onsite deals annually supported by the Government of Mongolia.

The purpose of this trade fair is to present domestic & foreign SME's commodity products and services promoting its business between interested parties. The SME's Product, Service and Technology International event was first initiated in 1997 and thereafter, 18 sessions have been successfully hosted so far. In 2014 Fair Trade, exhibitors from many countries such as Russia, China, India, Poland, and Taiwan had performed their products and services.

Mining

Rio Tinto CEO says Nov plan to restart Oyu Tolgoi was "best and final offer"

* Rio in talks with Mongolia on "detail" of Oyu Tolgoi restart

* Financing for second phase needs renegotiating

* Timing for completion of second phase still unclear



By Terrence Edwards

ULAN BATOR, March 28 (Reuters) - Proposals made to the Mongolian government by global mining giant Rio Tinto last November to restart the long-delayed Oyu Tolgoi copper mine were the firm's "best and final offer" and won't be changed, Rio's chief executive said.

Rio submitted the proposals to resolve some outstanding issues, including a \$127 million tax claim that has already been cut to \$30 million as well as the approval of a \$4 billion project financing package to pay for phase-two construction.

"This is the best and final offer and we believe this a very reasonable approach to resolving the outstanding issues," said Sam Walsh in an interview with Reuters on Saturday ahead of a visit to the mine.

"Clearly, in terms of reaching a final conclusion there's a lot of detail that needs to be resolved, so negotiations were continuing last week," he said, adding that Rio was "not looking for special treatment" but wanted more certainty and clarity from Mongolia.

Walsh said the firm would be willing to go to international arbitration to resolve the tax dispute, but said it was not expected to affect current phase-one production at the mine. Rio Tinto's Turquoise Hill Resources owns 66 percent of the \$6.5 billion Oyu Tolgoi, with the Mongolian government holding the remainder. Rio is also in charge of running and developing the project, which is located in the Gobi desert close to Mongolia's border with China.

The first, open-cut phase of the mine is already in operation. Turquoise Hill reported \$1.6 billion in revenue for 2014 from the sale of 733,700 tonnes of concentrate from the mine.

Walsh said financing for the second phase of the project, which will extend the mine underground, will have to be renegotiated, especially in light of volatile copper prices.

"There have been a number of lenders who rolled over their offers. Once we've resolved all of the negotiations, we need to go back to lenders to confirm the availability of the funding," he said.

He didn't have a specific timeframe for when the second phase could finally begin operations, saying Rio would first have to finalise negotiations with the government and also remobilise its workforce.

"There are a lot of moving parts there that would need to be taken into account before you can specify when it would start," he said. (Writing by David Stanway; Editing by Kim Coghill)

China Urges to Implement Tavan Tolgoi Project in Mongolia

March 24 (infomongolia.com) On March 23, 2015, the Minister of Mongolia Mr. Mendsaikhan ENKHSAIKHAN received in his office the Ambassador Extraordinary and Plenipotentiary of the People's Republic of China to Mongolia, Mr. Wang Xiaolong.

During the meeting, the sides exchanged views on ongoing projects of Tavan Tolgoi, New Silk Road to connect Asia and Europe, and Steppe Road as well as other project being discussed mutually by Mongolia and China.



Ambassador Wang Xialong noted, "Our side eagerly studying the offers proposed by Mongolian side on Tavan Tolgoi Project and we will shortly respond to co-work on this issue. Also, we believe the tripartite sides of Russia, China and Mongolia would actively collaborate in order to implement the initiations on New Silk Road and Steppe Road projects. Henceforth, the three parties would reach real progress prior the Trilateral Meeting to be held in Russia in July 2015".

Mining permits' bid to complete this April

Ulaanbaatar, March 24 (MONTSAME) The Minister of Mining R.Jigjid reported Monday to the cabinet members on the results of the mining licenses' bids, intensification of gold mining and the implementations of amendments to the Law on Prohibiting Mineral Exploration and Extraction Near Water sources, Protected areas and Forests.

In accordance with the regulation about issuing mining licenses for 106 sites on-hold with cancelled permits due to court decisions, a total of six bids had been organized. As a result, the licenses for 29 sites' operations have been issued, of which 24 have been obtained by the previous permit-holders and five sites have had new operating companies. Proposals have not satisfied the requirements for eight sites. Next bid was released on March 3 for 13 mine sites, and will be concluded on April 2, he said.

A working group in charge of the implementation of government resolution on intensifying the economy through increased gold mining has settled principal matters with the Bank of Mongolia on the required financing for the gold mining intensification.

A working group established in relation to the new amendments to the observance regulation of the Law on Prohibiting Mineral Exploration and Extraction near Water sources, Protected areas and Forests has developed the drafts of observance regulations and related to them agreements. The group submitted these drafts to the Ministries for their reviews.

M.Enkhsaikhan: Negotiations are not postponed for two months

March 24 (gogo.mn) Deputy Speaker of State Great Khural, MPP Leader M.Enkhsaikhan has said in one of his interviews that according to the latest information received the Tavan Tolgoi negotiations have been postponed for two months and he confirmed that this information was given at the MPP group session briefing.

In view of this statement Minister of State and Tavan Tolgoi Project Leader M.Enkhsaikhan clarified that no official announcements have been made that the negotiations have been postponed for two months. While two weeks earlier he said in one of the interviews that the negotiations have been paused due to the issues of Chalko debt.



Exploration licenses have been issued on 39 areas

March 25 (gogo.mn) Exploration licenses for the common minerals on the 39 areas of Capital City vicinity have been issued to 37 entities.

The authorities have warned the entities that remediation is mandatory after the exploration activities.

Last year the authorities have received exploration license applications on 86 areas within the city vicinity from the 66 entities to explore for the common minerals used in construction sector, such as sand, gravel, brick mud, trap, granite.

After strict filtering of the applications authorities have granted licenses for exploration activities as follows: 1- Bagakhangai, 1-Bayanzurkh, 9-Nalaikh, 8-Sonignokhairkhan, 20-Khan-Uul districts, respectively.

Energy

Speaker legs Sankou Solar Mongolia

Ulaanbaatar, March 23 (MONTSAME) The Chairman of the State Great Khural Z.Enkhbold got acquainted with the activities of Sankou Tech Mongolia and Sankou Solar Mongolia companies, which produce clean energy products on March 22.

Sankou Solar Mongolia, which started its production in March of 2011, has satisfied ISO9001 and TUV Rheinland JAPAN for its solar screens that are now being exported to Japan and Russia. The company also produces lighting for family and street uses. Total export of the company has reached 7.5 mW energy or some 31 thousand solar screens. The company supplied the domestic market with 110 kW solar energy systems. As for Sankou Tech Mongolia Company, it is based on 100-percent investment by Shimizu Takashi, a citizen of Japan. The company started its operations in Mongolia in February of 2005 to produce aluminum details and spare parts for robotic machines. It has supplied 104 range of parts ordered from Japan, so far. The company manufactures over 58 thousand products, and make exports equivalent to over one billion MNT.

Executive director of the Group Shimizu Norimasa talked about the difficulties in their operations. There are many difficulties, such as high interest in bank loans, inadequate taxation services, lack of single-window system for foreign investors, electricity malfunctions and outage during the hi-tech production, he said.

In response, the Speaker promised to focus on improving the single-window and taxation services, and obligated the Ministry of Energy to manage the electricity malfunctions.

Mr Shimizu Takashi thanked the Speaker for his time during the weekend and expressed a satisfaction with cooperating with Mongolia, " a strong country that has great potentials in the future".



Accompanying the Speaker were the Vice Minister of Energy O.Purevbaatar, the Vice Minister of Industry Kh.Badelkhan, and advisor to the Speaker Ts.Buyantsogtoo.

Wind power plant to be erected in Tsogttsetsii

Ulaanbaatar, March 23 (MONTSAME) Clean Energy Asia LLC, a subsidiary of Newcom Group, intends to build a 50 MWT wind power plant in Tsogttsetsii soum of Omnogovi aimag.

The main investors for the project are Japan's SoftBank and Japan's International Cooperation Agency (JICA). The European Bank for Reconstruction and Development has also presented its interest to cooperate in the financing.

Estimated total value of the investments stands at some 100 million US dollars. According to the company, the produced in Tsogttsetsii energy will be supplied to the Central region's power grid, the commercial agreement with the Government has already been inked. "The project's feasibility study has been concluded, now we are focusing on the financial matters," said a director of Newcom Group responsible for energy and infrastructure D.Gankhuyag.

The group has been conducting studies in this soum since 2008 and has concluded that it has the appropriate wind speed for the intended plant. The studies are continuing in the matters on building wind and solar power stations to occupy 230 thousand hectares in Khurmen, Bulgan and Tsogttsetsii soums, he added.

A feasibility study works for Khurmen's wind power station has been commenced. The further intention of this project is to export the energy to China, Japan and South Korea, in frames of the Asia Super Grid initiative.

Industry

Ministry of Industry meets Ambassador of Russia

Ulaanbaatar, March 24 (MONTSAME) The Ministry of Industry D.Erdenebat Tuesday received Mr I.K.Azizov, the Ambassador Extraordinary and Plenipotentiary of the Russian Federation to Mongolia.

The parties exchanged views on measures for abolishing difficulties in passing Mongolia-Russia borders in frames of a matter of the bilateral cooperation. They also discussed a chance of setting up a joint working group for establishing a trans-boundary commercial free-zone in conjunction with an approval of a new wording of the law on free-zone.

After this the two shared views on a preparation for a visit of a delegation headed by T.D.Valovaya, a member of the Ministers' Council of the Eurasian Economic



Commission in charge of main guidelines of integration and macroeconomic affairs. The visit is expected late March.

EBRD issues loans with domestic currency

March 26 (UB Post) While the MNT exchange rate is weakening, the European Bank for Reconstruction and Development (EBRD) has made a popular decision to start a loan program based on domestic currency.

Analysts say the program will be important for attracting investment to Mongolia, increasing the amounts of loans issued, ensuring the sustainability of the nation's financial system, developing the capital market, and supporting national currency.

The EBRD began with an investment in TESO Corporation. On March 23, President of the EBRD Suma Chakrabarti paid a one-day visit to Mongolia, becoming acquainted with TESO's operations.

TESO Corporation took out loans from the EBRD for technical upgrades and to build a new factory to produce import-replacement products.

During his visit to TESO Corporation, Suma praised the development of their operations in a short time, and applauded TESO's focus on improving its production, service, as well as financial management. He told journalists, "We want to help boost growth in Mongolia. We look forward to working with the government on steps to improve the investment climate and the diversification of the economy. We would like to see Mongolia once more leading the world in economic growth, just as it did a few years ago."

Upgrades to the production of TESO's Ice Mark line of products has commenced, and equipment from Romania is being installed. The company will start production with its new technology in 2015. A large project to build food storage facilities that meet food safety standards is now also underway for TESO's seven factories.

Head of the Board of TESO O.Damjin said, "Our company successfully took out loans from the EBRD. This is a great example of Mongolian entrepreneurs being valued at the international level, and it is an honor for us. With the loans, our company is aiming to build a factory that can produce import-replacement products, and this is a big responsibility for us."

During his visit to Mongolia, Chakrabarti also called on President of Mongolia Ts.Elbegdorj, discussing multilateral issues, and held a meeting with authorities of Mongol Bank.



Agriculture

Belarus bans livestock imports from Mongolia's Khovd Province

MINSK, 28 March (BelTA) – Belarus banned livestock imports from Khovd Province of Mongolia due to a foot-and-mouth disease starting from 25 March, BelTA learned from the Veterinary and Food Control Department of the Agriculture and Food Ministry. “The World Organization for Animal Health reported on the case of foot-and-mouth disease in Khovd Province of Mongolia,” the department said.

In this regard the Veterinary and Food Control Department of the Belarusian Agriculture and Food Ministry has introduced temporary restrictions on the import of susceptible cattle, meat products and other raw materials made from these animals, hides, hoofs, horns, raw casings, sheepskin, wool, goat hair, bull and sheep sperm, cattle fetuses, milk and dairy products, meat of wild ruminant, solid-hoofed, small non-ruminant cloven-hoofed animals, hunting trophies, plant and animal fodder and feed supplements, fodder and supplements for cats and dogs made from the raw materials produced in Khovd Province, used equipment for the slaughter and butchering of cattle.

All previous permissions for the import of abovementioned products are abolished. Foot-and-mouth disease is an infectious disease that affects animals and rarely humans. The virus causes a high fever for two or three days, followed by blisters inside the mouth and on the feet.

Grain to be sowed on over 300 thousand hectares

Ulaanbaatar, March 23 (MONTSAME) The Ministry of Food and Agriculture Monday reported that grain will be sowed on 328.6 thousand hectares, where wheat will occupy 300 thousand hectares.

Potatoes will be sowed on 13.9 thousand hectares, vegetables--on 8.3 thousand hectares, fruits--on 1,000 hectares, and fodder plants--on 33.0 thousand. The country intends to harvest 500.2 thousand tons of grain, of which 465.7 thousand tons of wheat, also 167.7 thousand tons of potatoes, 104.7 thousand tons of vegetables, 40.0 thousand tons of fodder plants, 26.4 thousand tons of oil plants, and 2.5 thousand tons of fruits.

Within the goal, the grain, oil and fodder plants sowing will involve 1,190 thousand entities and people of 14 provinces, while the sowing of potatoes, vegetables and fruits will be attended by 370 entities and 35 thousand families.

This year's spring sowing requires 48 thousand tons of seeds of wheat, so the Fund for Farming Support and the National Emergency Management Agency will allot necessary seeds.



By a decision of the Ministry, technological consultations for the spring sowing will run March 27-April 15 with a participation of all aimags. Moreover, land farmers will be provided with seed grain, fuel and pesticides with 30-50 percent discounts.

Food and Agriculture Policy for 2016-2025 to be issued

Ulaanbaatar, March 24 (MONTSAME) At its regular meeting on March 13, the cabinet of Ministers discussed a concept of the state policy on Food and Agriculture, and obligated the Minister of Justice B.Dorligjav and the Minister of Food and Agriculture R.Burmaa to issue the document with suggestions of the cabinet.

The food and agriculture sector produces 12.2 percent of the country's GDP, hosts 30 percent of workplaces. A new version of the state policy on this sector has been developed in relation to the conclusion of the previous policy for 2003-2015.

The state policy will be implemented in two phases, based on many types of factors such as geographic characteristics of Mongolia, eco system, domestic and global market, development perspectives of infrastructure and technologies, coordination between the sectors and others.

BuryatMyasProm expresses its interest to buy meat

March 25 (gogo.mn) N.Ariunbold, Secretary of State at Ministry of Food and Agriculture received K.L.Nikolaevna, Vice President of BuryatMyasProm LLC from the Republic of Buryat.

K.L.Nikolaevna reported that BuryatMyasProm LLC has been established in 1937 and has the capacity to produce 36 million canned products, 5000 tons of sausage and 2000 tons of semi-manufactured meat products annually, but due to the deficit of the raw materials /meat/ the company is not operating at full capacity and expressed an interest of buying meat from Mongolia.

N.Ariunbold, Secretary of State confirmed the issue will be supported with the policy and requested the other party to submit written request.

Mongolia to cooperate with Lithuania in Agriculture

Ulaanbaatar, March 26 (MONTSAME) Vice Minister of Food and Agriculture B.Batzorig Thursday received a delegation headed by Mr Arunas Martinkevichius, director-general of the Lithuania's "SBA" concern.

Comprised Mr Konstantin Kozonis, a director of the concern's business development division; and Mr Ionas Bobrovichius, a delegate of the Peugeot branch in Lithuania, the Lithuanian delegation is visiting Mongolia for the first time with aims to get familiarized with policies, programmes and projects of the Mongolia's government, the related



Ministry and specialized organizations, to study an opportunity of making investments and to exchange views and experiences.

The Vice Minister briefed about the state policy on agriculture, ongoing projects and programmes, and then emphasized the Lithuanian concern is possible to make investments to the agricultural sector and collaborate in it.

Transportation

Logistic centers to be established

Ulaanbaatar, March 24 (MONTSAME) Logistic centers for the "Bogd Khaan" railway and the "Ulaanbaatar" mixed transportation will be established.

At its meeting on Monday, the cabinet ordered N.Tomorkhuu, the Minister of Road and Transportation, to work out feasibility studies and designs of the logistic centers with a technical assistance of the Asian Development Bank (ADB), and gave him and the Finance Minister J.Erdenebat an obligation to discuss the financial matter with the ADB.

The preliminary feasibility study and design of the "Bogd Khaan" railway have already been drawn up. This railway will be run from the "Rashaant" railway station in Tov aimag's Batsumber soum to the "Maanit" station, circling a new international airport being constructed in Khoshig valley in Tov province. By the plan, this railway will transport transit freight only to let the railway that crosses the capital city transport international and domestic passengers. This will remove obstacles in the vertical axis, will not let trains with dangerous freight, such as poisonous/explosive substances, cross the city, and reduce a massive pollution of air and soil caused by coal transport.

After connecting the new railway with the international airport in "Khoshig" valley, conditions will be created to construct a unified terminal railway for the UB mixed hub and the AN-3 highway. It is projected that the terminal railway will increase the freight flow. A new highway to the new international airport will be run under concession contract, therefore, the expense can be recovered by road toll.

Agreement to be concluded on Erdenet-Ovoot railroad project

Ulaanbaatar, March 24 (MONTSAME) A project on Erdenet Ovoot railroad construction, reflected in the state property concessions list, was amended at the cabinet meeting on Monday.

The amendment offers direct conclusion of agreement with a possible investor and project executor, without conducting a selection bid. The conclusion of the agreement was assigned to the Minister of Industry D.Erdenebat and to the chairman of the Authority for Investments S.Javkhlanbaatar.

The project was included in parliament resolution on "Measures for Overcoming Economic Difficulties", offering the commercialization of Ovoot coal deposit. Preliminary



cost of the project is estimated to be at 1.3 billion US dollars. The 547-kilometer railroad connecting the coal deposit to Erdenet city is expected to be commissioned in three years to come. The anticipated cost recovery is about 20 years. The railroad will have a capability of transporting 22.2 million tons per annum.

Aviation

Welcome to www.nisleg.info to Get Informed with All Domestic and International Flights Being Carried out on Territory of Mongolia

March 26 (infomongolia.com) The Ministry of Roads and Transportation of Mongolia announces a set of new services to be acquainted with departure/arriving timetable of all domestic and international flights being carried out on the territory of Mongolia.

However, every air carrier provides with such service, but this one features all domestic and international flights like 'all-in-one' and visitors can view the timetable for a certain day via www.nisleg.info web page.

Also, applications are available on both iOS and Android versions as well as the service can be received via SMS by sending destination's name such as Berlin, Moscow, Beijing, Tokyo, Bayan-Ulgii, Umnugovi or Dornod to 151000 or just send the flight number if you know like OM223 or MO61.

Besides, a bureau number 1800-1980 for domestic and international flights is active and all comprehensive schedules are also provided on www.InfoMongolia.com.

Tourism

International Forum of North East Asian Tourism to take place in UB

Ulaanbaatar, March 23 (MONTSAME) The Minister of Environment, Green Development and Tourism D.Oyunkhorol MP Friday received Koyu Tanaka, the secretary of the Japan-based Permanent Council of the International Forum of Northeast Asian Tourism (IFNAT); and Shinsaku Suzuki, a member of the Council.

At the meeting, the sides exchanged views on organizing the 11th IFNAT in Ulaanbaatar on August 20-21.



To be held under a theme “Tourism for meetings, fairs and exhibitions”, the international forum is expected to bring together some 200 delegates of Mongolia, China, Japan, Russia and South Korea.

Since its first participation in the IFNAT in 2008, Mongolia has been actively attending every year. The previous IFNAT took place in Kitakyushu city, Japan.

Main objectives of the IFNAT are to discuss urgent problems faced to the regional tourism sector, to co-formulate solutions for overcoming difficulties, to strengthen the ties with regional countries in the tourism sector, and to share experiences and information.

Ulaanbaatar

About Investment Policy on Development of City's Public Transportation

Ulaanbaatar, March 24 (MONTSAME) The cabinet meeting on Monday decided to submit to parliament a bill on ratifying a financing general agreement established between the government of Mongolia and the Asian Development Bank (ADB) for an investment program on developing the capital city's public transport.

This program will be implemented for 7-10 years in three phases with an aim to resolve a financial source for introducing a bus service with special routes. A statistics shows that some 600 thousand passengers go everyday by 2,200 public transport vehicles in Ulaanbaatar, some 60% of the city's population go by less than two percent of the total vehicles of the city. Furthermore, the city is facing some problems such as traffic jams on central roads due to irrational organization of auto road network and growing number of private cars. The policy document reflects goals including an expansion of roads going from west to east and from north to south.

Company News

SouthGobi Rejects Mongolia Tax Evasion Ruling after Appeal Fails

March 25 (Bloomberg) -- Canada's SouthGobi Resources Ltd. said it will continue its legal defense after losing its appeal to overturn a ruling that it evaded taxes in Mongolia.



The company rejects the verdict and will “defend itself through all available legal means” including the possibility of a second appeal, the Vancouver-based coal miner said in a statement Wednesday, following a one-day trial in Mongolia’s capital.

The Ulaanbaatar court upheld a fine on the company of 35 billion tugrik (\$18 million), which SouthGobi warned in February could result in its insolvency. Its market value has shrunk 95 percent over the past four years amid plunging coal prices and legal battles with Mongolia.

SouthGobi’s shares in Hong Kong fell 2.2 percent to HK\$6.15 as of 09:46 a.m.

The verdict follows a presidential pardon granted to three former SouthGobi executives last month after they were handed five-year prison terms on the same charge of tax evasion.

The case has drawn scrutiny for its chilling effect on foreign investment in the resources-rich nation. Its treatment as a criminal breach of the law has also been criticized.

“We believe that there is a grave breach of legal due process in the SouthGobi case, where the penalty process should have been resolved through a tax-dispute mechanism outlined in tax laws and regulations of Mongolia,” Dale Choi, founder of Independent Mongolian Metals & Mining Research, said in a note to clients.

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Kharmagtai riches estimated

Ulaanbaatar, March 23 (MONTSAME) Australia-based Xanadu Mines reported March 19 a maiden Joint Ore Reserves Committee-compliant resource of 230-million tons at the Kharmagtai copper/gold deposit, located 120 km north from Oyu Tolgoi and 100 km from Tsagaansuvarga.

Grading 0.34% copper and 0.33 g/t gold, the project is estimated to host about 1.5 billion pounds of copper and 2.2 million ounces of gold. Xanadu noted that the resource also contains a high-grade core estimated at some 56-million tonnes, grading 0.47% copper and 0.59 g/t gold, for 580-million pounds of copper and 1.1-million ounces of gold.

"Xanadu is very proud to be delivering a maiden mineral resource estimate within a year of its acquisition. The Kharmagtai copper/gold project is progressing towards economically viable sized porphyry tonnage with relatively high gold to copper ratios and discoveries of such gold-rich porphyry copper deposits are rare," said Xanadu CEO Andrew Stewart.

He also noted that the company would continue with its efforts to grow the mineral resource at Kharmagtai to find additional resource within the Intrusive Complex, and to test other targets within the district, which have the same geological response and geometry as the existing resource.

The Kharmagtai project is a joint venture between Xanadu and Mongol Metals, under which Xanadu has a right to earn an 85% interest by funding acquisition and exploration costs.



Aud results on EMC and UB Railways being analyzed

Ulaanbaatar, March 23 (MONTSAME) A meeting of the main auditory bodies of Mongolia and the Russian Federation is being held March 21-25 at the Mongolian National Audit Office and the Ministry of Foreign Affairs.

Discussed by the meeting are the results of audits on Erdenet Mining Corporation's activities, issuance of 2015 auditory plans for "Ulaanbaatar Railways" joint venture and the outcomes of Government administration over the borderland environment preservation.

The meeting will verify and ink the joint auditory report by the Mongolian National Audit Office and the Accounts Chamber of Russia on the net profit clearance of EMC, the plan and program of the intended audits on the UB Railways' net profit clearance, and the use of capital and financial reserves, also to be conducted by the main audit offices of Mongolia and Russia.

The signing ceremony will take place Tuesday at "Mutriin Tushee" hall of the Ministry of Foreign Affairs.

Mongolian Mining Corporation Announces 2014 Annual Results

March 24 (gogo.mn) Mongolian Mining Corporation ("MMC", or together with its subsidiaries the "Group"; SEHK:975), today announced its annual results for the year ended 31 December 2014.

MMC maintained its leading position as the only major washed coal exporter from Mongolia in 2014, and its exports were representing almost one third of the country's total coal export volume.

During the year under review, the Group sold a total of 5.4 million tonnes of coal products, out of which 3.4 million tonnes was washed hard coking coal ("HCC").

In the reporting period, the Group's pricing followed the negative trend apparent to all coking coal products in the global market. The average selling price for its HCC was USD 83.5 per tonne.

As a result, the Group's total revenue amounted to USD328.3 million for the year ended 31 December 2014 compared to USD437.3 million reported for 2013.

The loss attributable to the equity shareholders of the Company for the year ended 31 December 2014 was USD

282.8 million, including a non-cash impairment loss of USD190.0 million recorded on acquired mining rights under intangible assets.

The impairment is an accounting related adjustment and a non-cash item, and will not have any impact on the cash flow of the Group.



Dr. Battengel Gotov, CEO of MMC, said: "The global coking coal market is continuing to face significant downward pressure on coking coal prices due to persisting oversupply situation.

The management expects that this trend will continue in 2015 as well.

Therefore, the management has focused its efforts on preserving liquidity and balance sheet management. The steps taken by the Group in 2014 include the divestment of certain non-core assets, refinancing by renegotiating terms and extending the maturity for existing loan facilities, and attracting additional funding to strengthen capital base".

The Group will continue to focus on key initiatives to improve its competitive position and establish itself as a leading coking coal producer in the region. The following strategies shall be pursued by the management in order to reach its objectives: (i) exploring opportunities for expanding and diversifying its business operations through potential strategic cooperation and joint ventures arrangements; (ii) supporting initiatives to improve transportation infrastructure and capability, in particular railway development, to gain access to the Chinese railway network to reach customers in China and beyond; and (iii) continuing its strong commitment to safety, the environment and socially responsible operations in Mongolia.

Mr. Odjargal Jambaljamts, Chairman of MMC, said: "The coking coal markets experienced another year of continuing price decline amid oversupply situation faced by the global industry.

We shall adhere to building the long-term sustainable model rather than addressing the short-term issues only.

The Company's successful completion of the Rights Issue in 2014, which raised approximately HKD1,556 million demonstrated the shareholders' committed long-term support to MMC and strengthened its capital base in the current state of the market".

About Mongolian Mining Corporation (MMC) Mongolian Mining Corporation (MMC, SEHK: 975) is the largest producer and exporter of high-quality HCC in Mongolia. It owns and operates an open-pit coking coal mine at the Ukhua Khudag deposit located within the Tavan Tolgoi coal formation, as well as the Baruun Naran coking coal deposit, both located in South Gobi, Mongolia. MMC was listed on the SEHK in October 2010.