



COUNTRY PROFILE

FOR INFORMATION

MONGOLIA

Country Information

- Historical Background¹
 - Mongolia gained independence with Soviet backing in 1921, with a communist regime gaining political power in 1924 and ruling until 1990. Mongolia underwent a peaceful democratic transition in 1990, adopting a democratic constitution in 1992, and is characterized as a democratic parliamentary governmental system. Following the transition towards democratic rule Mongolia also underwent rapid privatization of its economy, leading to a country which has one of the world's fastest growing economies. However, while Mongolia's economic success has been impressive, it faces similar challenges as many ex-communist states, such as corruption, unequal wealth and development of regulatory controls, foreign investment issues, and reliance on a single economic sector for growth.
- Geography: Total: 1,564,116 square km (1,553,556 land, 10,560 water)
 - Climate type: Desert, continental (Large daily and seasonal temperature ranges)
 - Terrain type: Vast semi-desert and desert plains, grassy steppe, mountains in west and southwest, Gobi Desert in south-central
 - Resources: Oil, coal, copper, molybdenum, tungsten, phosphates, tin, nickel, zinc, fluorspar, gold, silver, iron.
 - Strategic importance: Located between the borders of Russia and China.
- Government: Parliamentary Democracy
 - Executive Branch: President Tsakhia Elbegdorj, Prime Minister Chimed Saikhanbileg, Deputy Prime Minister Ukhnaa Khurelsukh.
 - Legislative Branch: 76 seats: 48 elected in multi-seat constituencies by majority vote, 28 elected in multi-seat constituencies by proportional representation (serve 4 year terms).
 1. Political Parties and leaders;
 - Civil Will-Green Party (CWGP): Sanjaasuren Oyun
 - Democratic Party (DP): Zandaakhuu Enkhbold
 - Justice Coalition (2 parties)

¹ <https://www.cia.gov/library/publications/the-world-factbook/geos/mg.html>

1. Mongolian People's Revolutionary Party (MPRP): Nambar Enkhbayar
 2. Mongolian National Democratic Party (MNDP): Mendsaikhan Enkhsaikhan
 - Mongolian People's Party (MPP): Miyegombo Enkhbold
- Judicial Branch;
 1. Highest Court: Supreme Court (1 chief justice and 16 judges organized into civil, criminal, and administrative chambers), Constitutional Court of the Tssets (1 chairman and 8 members)
 2. Lower Court: Aimeg (provincial) and capital city appellate courts; soum, inter-soum, and district courts; Administrative Cases Courts
 - Population: 2,953,190
 - Labour force: 1.037 million (2011)
 1. 8.8% Unemployment rate (2014)
 - Population below poverty line: 29.8% (2011)
 - Economy
 - The mining sector is the main economy in Mongolia due to the country's rich mineral deposits, with the traditional economies of agriculture and livestock the secondary economy of the country. Mongolia relied heavily on the economic assistance afforded by its relationship with the Soviet Union, and following the USSR's collapse focused on market reforms and allowing for foreign investment. Mongolia currently relies heavily on foreign investment and international aid for the continual development of its economy.
 - Police Force
 - The National Police Agency of Mongolia is called the "Arvan Tavonii Tsagdaa", and was created in 1965 with its headquarters in Ulaanbaatar.² The mandate of the Mongolian Police Force is to;
 1. Implement state policy on crime fighting and maintaining public order
 2. Provide police services throughout Mongolia and manage services at a local level
 3. Develop policy on firearms
 4. Develop policy on human resource, training and methods
 5. Protect the rights and legal interests of police officers
 6. Adhere to the Mongolian Constitution
 7. Report on emerging crime trends and how to address them in the most efficient manner
 8. Develop relations domestically and internationally to fulfill the mandate
 - Military
 - Mongolian Armed Forces are made up of two branches: Mongolian Army and the Mongolian Air and Air Defense. The armed forces take up 1.2% of the country's

² <http://www.interpol.int/Member-countries/Asia-South-Pacific/Mongolia>

GDP. Voluntary and compulsory military service from 18-25 with a conscript obligation of 12 months in land, air, or police services.

- Active personnel: 10,850. Reserve personnel: 137,000.
 - Land Force: 420 Tanks, 640 Armored Fighting Vehicles, 300 Towed-Artillery, 130 Multiple-Launch Rocket Systems.
 - Air Force: 10 Transport Aircraft, 7 Helicopters.
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Security and Social Issues

It should be noted that Mongolia is considered safe by western standards, with very few incidents of violence. The main issues of the country are included below.

1. Criminal Activity³

- Between 2013 and 2014 crime has increased by 7.7% throughout all of Mongolia, and 11.2% in Ulaanbaatar. In 2014 major crimes that took place are as follows;
 - Intended (actual) Murders: 211 (3.4% increase from 2013)
 - Grave Crimes (Very serious, not murder): (21.9% increase from 2013)
 - Intentional Infliction of Severe Bodily Injury: 8,132 cases (7.5% increase from 2013)
 - Rape: 344 cases (12.8% increase from 2013)
 - Incidences of rape declined nationwide, however increased within Ulaanbaatar.
 - Vehicle Thefts: (84.4% increase from 2013)
 - Pickpocketing: (37.6% increase from 2013)
 - Robberies: 686 cases (10.6% increase from 2013)
 - Economic Crimes: (82.1% increase from 2013)
- Crimes against foreigners have increased. Areas of potential crime in Ulaanbaatar include;
 - The Narantuul covered market
 - The State Department store
 - The Mercury food market shopping center
 - The Seoul Street restaurant/bar district
 - The Big Ring Road
 - Sporting events
- Sexual harassment has no specific criminal provisions under Mongolian law, however, serious offenses such as battery can be covered under other existing laws.
- It is recommended that individuals use marked taxi cabs due to reports of assault and robbery while using private or unregistered taxis.⁴

³ “Mongolia 2015 Crime and Safety Report,” U.S. Department of State Diplomatic Security OSAC (March 9th, 2015), pg. 1.

⁴ “Mongolia 2015 Crime and Safety Report,” 3.

2. Nationalism

- There are multiple ultra-nationalist groups that operate in Mongolia, and in some cases they have joined large parties to increase their influence. For example, during the 2013 presidential election the MPRP signed a cooperation agreement with several ultranationalist groups, which in the past have targeted LGBT, Chinese, and Korean residents with threats, violence and extortion.⁵ Recently many of the ultra-nationalist groups in Mongolia have begun to adopt environmental stances in an effort to combat foreign controlled businesses operating in the country.

3. Resource Nationalism

- In 2010 the Mongolian government banned the issuance of new mining licenses to foreign companies. The move frightened foreign investment, and led to the government announcing plans to bring amendments to Mongolian resource sector law to restore investor confidence. Amendments include opening up more land to exploration, from 8% to 20% of the country, as well as providing companies with extended licenses for mining, from 9 years to 12 years.⁶ There has been speculation that the Mongolian government will raise taxes on the sale of minerals in an effort to return the industry to a mainly domestically controlled market, however this has not occurred. While resource nationalism exists and is used as a political tool during campaign and election season, the reliance on the mining sector and the economic benefits it provides means that strict resource nationalism has not taken place. Still, it remains an issue for the resource sector and should continue to be monitored.

4. Poverty⁷

- Mongolia has a population of close to 30% under the international poverty line. Poverty levels were reduced over the past few years due to the economic growth of the country, however, with declining economic performance projections there is a fear that poverty rates will rise if the government does not implement plans to diversify the economy. Rural areas have higher poverty rates than urban ones (35.5% in rural compared to 23.2% in urban).
- There is a rising informal work sector, as well as migration towards urban areas and the development of informal settlements. With the growth of informal sectors comes rising wealth disparity between groups in Mongolia and issues surrounding providing basic services to informal communities.
- Mongolia is facing increasing levels of inflation that may have negative effects on the security situation of the country.

5. Banking Sector

⁵ “Country Reports on Human Rights Practices for 2013,” 7.

⁶ Andy Miller, “Mining & Metals: Resource nationalism update,” Ernst & Young (July 2014), pg. 3.

⁷ Tirza Theunissen, “Poverty, Inequality, and the Negative Effects Of Mongolia’s Economic Downturn,” Asia Foundation (June 25th, 2014). Available at: <http://asiafoundation.org/in-asia/2014/06/25/poverty-inequality-and-the-negative-effects-of-mongolias-economic-downturn/>

- There is a negative outlook on the ability of the Mongolian banking sector by foreign observers, who are fearful of a resurgent banking downturn following the banking sector's performance during the 2008-2009 financial crisis. Some of the core issues that foreign investors and companies should look out for are high loan concentrations, weak risk-monitoring systems, and the developing nature of the regulatory framework of the country. Mining and government are the main areas of bank loans, with very little diversification in the loan portfolios of the banking sector. The banking system also has limited capital resources, meaning that there is a weak buffer to absorb losses or a downward scenario of the economy.⁸

6. Resource Issues

- Energy Dependence
 - Mongolian infrastructure relies heavily on energy imports from Russia, with around 90% of its oil and gas imports coming from its northern neighbor. Considering that Mongolia is landlocked, it relies on imports of oil and gas from either Russia or China.
 - Mongolia produces 14,050 bbl/day of crude oil.
 - Mongolia consumes 25,110 bbl/day of refined petroleum products, of which it imports 17,360 bbl/day. Mongolia does not export any refined petroleum. (Information is based off of data from 2010-2013, however given the economic consumption and increase in industrial needs it is safe to assume that Mongolia still relies heavily on imported refined petroleum products.)
 - According to a 2011 report, 99% of Mongolia's electricity comes from fossil fuels, with less than 1% coming from renewable sources. Mongolia does not have any power generation from hydro-electric or nuclear generators. It should be noted that Mongolia has the potential to develop a renewable energy sector, yet lacks the financial resources to do so at this time.⁹
 - While there is an abundance of coal in Mongolia to be used for power generation, the energy sector has faced issues in the past concerning maintenance and capabilities of the power grid. The Mongolian energy sector relies heavily on foreign assistance to continue to produce adequate amounts of power for current needs, however, with the development of the mining industry and the power requirements it creates there is an expectation that demands for power will increase. It is uncertain if the energy sector can meet the growing demands of the economy, and there are few plans to increase energy generation in the future.¹⁰
- Agricultural and livestock issues

⁸ "Mongolia: Banking System Outlook," Moody's Investors Service (April 11th, 2013), pg. 1. Available at: <http://www.iflr.com/pdfs/Moodys.pdf>

⁹ "World Fact Book: Mongolia"

¹⁰ "Mongolia 2015 Crime and Safety Report," 5.

- More and 1/3rd of the country's population relies on livestock as its primary source of living.¹¹ Following the economic reform programs of the 1990's Mongolia's economy shifted away from agriculture to resource extraction. Reliance on the mineral industry has decreased the food production of the country, transforming traditional pasture and agricultural land to mining areas.
- Due to the climate of Mongolia there is little arable land available for cultivation. Furthermore, desertification is encroaching on lands that could be used for food production, especially in areas that are close to the Gobi desert. The use of rivers and lakes by mining companies has had negative effects on Mongolian herding, with traditional waterways drying up, becoming inaccessible, or polluted by mining activities.
- Water;
 - There is little natural water resources in Mongolia, yet even though the country does not have abundant fresh water reserves it has been able to sustain its population. The country has 12,429 m³/year of renewable water resources per capita. The country also has an average of 241 mm/year of precipitation.¹²
 - The mining industry has had a significant impact on the water quality of rivers and lakes due to the intensive use of these resources in the mining process.¹³
 - Since 2003 there has been an increase of 30% in dried up streams, lakes and springs.
 - There is a lack of recent information concerning water issues in Mongolia, however considering that the government has been slow to respond to water pollution issues and sanitation, it stands to reason that the issues are persisting today.
- Property Restitution;
 - Semi-nomadic herders in southern Gobi province have complained that private and government enterprises provide inadequate compensation for land use, and that mining companies have cut off access to traditional pasture lands for their herds. Herders were found to have inadequate information on how to obtain government property certificates for winter camps, and were placed at a disadvantage when seeking for compensation from mining companies.¹⁴

7. Environmental Issues

- Environmental Degradation

¹¹ "Mongolia: Access to Water and Sanitation," United Nations Development Programme, pg. 1. Available at: <http://www.undp.org/content/dam/undp/library/Poverty%20Reduction/MDG%20Strategies/mongolia.pdf>

¹² "Mongolia: UN.-Water Country Brief," UN Water (2013), Available at: http://www.unwater.org/fileadmin/user_upload/unwater_new/docs/Publications/MNG_pagebypage.pdf

¹³ "Mongolia: UN.-Water Country Brief,"

¹⁴ "Country Reports on Human Rights Practices for 2013," 9-10

- Following the economic reforms of the 1990's there has been concerns that the rapid economic growth of Mongolia has had negative effects on the natural environment of the country. Increased focus on mining and industrial production without adequate environmental protection legislation has led to issues surrounding water scarcity, deforestation, and desertification.
- There are ineffective measures to rehabilitate land after mining, with the enforcement of rehabilitation being the responsibility of local authorities. Many local authorities do not have the means to force mining companies to rehabilitate their properties after the mining cycle, and large depleted mining areas remain unsuitable for further development after the mining company has left.¹⁵
 - According to the Minerals Law of Mongolia companies are responsible for rehabilitating land after use, yet there is considerable areas that have not been rehabilitated. For Example: Airag Soum of Dornogobi Province: 46.7 hectares of land, Uyanga Soum of Uvurkhangai Province: 562.6 hectares of land, Bayan-Ovoo Soum of Bayankhongor Province: 500 hectares of land.
 - Companies are also obliged to pay a deposit into an environmental protection fund set up for the government to be used in cases where environmental remediation is needed. If the fund is insufficient, the company is required to remediate at their own cost. Implementation of this obligated is insufficient and lacks an effective enforcement mechanism.¹⁶
- A major issue concerning environmental degradation and mining is the increased traffic on Mongolian roadways by mining vehicles. The environmental impact from dirt roads on surrounding areas has led to water pollution and contamination of adjacent lands.
- The air quality in Ulaanbaatar is seen as very poor, and it is recommended that those spending extended periods of time in the city wear protective masks to held filter the air.¹⁷
- Environmental Activist Organizations/Nationalist Groups
 - Fire Nation: Environmental group that has become radical over the past few years in response to the growing mining industry. The group is mainly comprised of local herders and agriculturalists who see their native pasture lands being destroyed or made inaccessible by mining companies. In 2013 the group entered the Mongolian parliament armed with rifles in an act of protest.

¹⁵ "12th Report on Human Rights and Freedoms in Mongolia," National Human Rights Commission of Mongolia (2013), pg. 8-9. Available from: <http://www.asiapacificforum.net/members/full-members/mongolia/downloads/annual-reports/2013>

¹⁶ "12th report on Human Rights and Freedoms in Mongolia," 9-10.

¹⁷ "Mongolia 2015 Crime and Safety Report," 4-5.

- Tsagaan Khass (White Swastika):¹⁸ Neo-Nazi group in Mongolia that has recently begun environmentalist campaigns to threaten foreign companies and workers. The group has begun targeting large mining companies with demonstrations and requiring companies to furnish environmental reports of their sites. There have been reports of the group visiting mining sites at random and using intimidation tactics on workers to try and gain information or closure of the site. It is important to note that the group only recently became interested in environmental issues, and before was heavily active in the persecution of LGBT groups as well as foreigners living in Mongolia.

8. Rights Issues

- Mining
 - Subleasing mining areas of other companies and the transfer of mining licenses without government approval is illegal in Mongolia. Enforcement concerning the practice is weak, and has led to a lack of accountability concerning damages caused on mining sites, lack of monitoring of mining practices, tax, and avoidance of responsibility to carry out environmental rehabilitation.¹⁹
- Detainees and Police Conduct²⁰
 - There are laws in place against the mistreatment of detainees, however there are reports of police abuse against detainees, including the use of unnecessary force, torture, deprivation of visitation rights, and beatings. These actions are mainly used to force the prisoner to confess, and there have been threats from the security forces to use these methods against members of the detainee's family or friends.
 - There exist very few mechanisms to deal with allegations of police abuse, and it's difficult for groups to bring up a complaint against an action.
 - For example, in 2012 the State Prosecutor General's Special Investigative Unit (SIU), which is responsible for investigating complaints of testimony coercion against prosecutors, judges, and police, received 51 complaints against officials accused of torture. The SIU dismissed 46 complaints because they did not meet the relevant code's definition of torture. Also, there are barriers on who can be held accountable for abuse. For example, only police detectives and investigators can be tried under article 251 of the Criminal code, which prohibits forced testimony and is the main article for prosecuting abuse and torture.²¹

¹⁸ <http://www.reuters.com/article/2013/07/02/us-mongolia-rightwing-idUSBRE96108N20130702>

¹⁹ "12th Report on Human Rights and Freedoms in Mongolia," 9.

²⁰ "Country Reports on Human Rights Practices for 2013," United States Department of State: Bureau of Human Rights and Labor (2013), pg. 2-4.

²¹ Country Reports on Human Rights Practices for 2013," 2.

- There is also issues on gathering evidence of torture and abuse with many officers covering misconduct to protect their peers.²²
- Detention Centers
 - While there have been efforts to improve the conditions of detention centers recently, there are still reports that they are harsh and inadequate for the reality of the detention needs of the nation.²³
- Corruption
 - Considering the rapid economic development of Mongolia corruption is seen as widespread through the government as well as the business sector. While the government had an anti-corruption program document from 2002-2010, the government has been slow in adopting a new anti-corruption document, most notably the “National Programme for Combating Corruption and Strengthening Accountability and Integrity”.²⁴
 - There is very little official data available concerning corruption rates within government and prevention tools. There is also a lack of information concerning corruption in the private business sector.
 - There is speculation that while the judiciary is supposedly independent, it suffers from similar issues of corruption as the public and private spheres.²⁵
- Government Transparency
 - There is very little protection for those that disclose government or private illegal actions.²⁶
 - The Law on Information Transparency and Right to Information obliges public institutions to report information on activities, however there exist multiple exceptions to the law that make complete disclosure impossible. The State Secrets Law makes it difficult to acquire government information and inhibits government transparency.²⁷
- Media Interference
 - There have been instances of government interference within the media, as well as internet restrictions.²⁸
 - Laws against defamation have been used to impede potential criticism of political leaders, making it difficult for the media to report on officials without extensive evidence.²⁹

²² “Country Reports on Human Rights Practices for 2013,” 6-7.

²³ “Country Reports on Human Rights Practices for 2013,” 4-6.

²⁴ “Anti-Corruption Reforms in Mongolia: Assessment and recommendations: Report,” Organisation for Economic Co-Operation and Development Anti-Corruption Network for Eastern Europe and Central Asia (April 18th, 2014), 4-7. Available at: <http://www.oecd.org/corruption/acn/MONGOLIA-MonitoringReport-EN.pdf>

²⁵ “Country Reports on Human Rights Practices for 2013,” 7-9.

²⁶ “Mongolia 2013 Human Rights Report,” 17-18.

²⁷ Ibid.

²⁸ “Mongolia 2013 Human Rights Report,” 10-13.

²⁹ “Mongolia 2013 Human Rights Report,” 10.

- While Mongolian law prohibits the censorship of public information, there has been considerable political influence within the media. Many media outlets have affiliations with political parties or are owned by media outlets that have affiliations with political parties, allowing them to dictate the content of media reports. There is also a fear that reporters are able to be bribed by private citizens or government officials, coercing them to report inaccurately or mislead their viewers.³⁰
- The Communications Regulatory Commission (CRC), which grants television and radio broadcast licenses, is appointed by the government without public consultation. Licenses are often granted to those that have political connections, and has led to unequal reporting of parties.
- There are reports that media outlets have entered into agreements with private companies and the government, and have agreements which prohibit negative reporting on that actors actions.
- Religious Discrimination
 - Religious discrimination is not a major issue within Mongolia, however, there have been instances of growing religious tension in the country. While the national constitution and state laws provide protections for religious freedoms, central and local governments have imposed numerous restrictions that affect minority religious groups. There have been reports of bureaucratic harassment, registration processing, and denied visas for members of certain group.
 - There are instances of social discrimination based on religious affiliation, especially Christianity, which citizens view as a “foreign” religion that could potentially erode the country’s cultural heritage.³¹
- Travel Visas and Immigration Holds.
 - Foreign residents must obtain an exit visa before leaving Mongolia, and the Mongolian government can prevent visitors from leaving the country for a variety of reasons, including civil disputes, criminal investigations, or immigration violations. Withholding an exit visa does not require an arrest warrant or official determination that charges are warranted; a complaint by an aggrieved party is sufficient. This has been used to pressure foreign nationals to settle economic disputes.³²
- Human Trafficking³³
 - Mongolia is a source and destination country for men, women, and children who are subjected to forced labour, as well as a source country for women and children subjected to sex trafficking. At the same time

³⁰ Ibid.

³¹ “Mongolia 2013 International Religious Freedom Report,” U.S. Department of State: Bureau of Democracy, Human Rights and Labor (2013), 1. Available from: <http://www.state.gov/documents/organization/222363.pdf>

³² “Mongolia 2013 Human Rights Report,” 14.

³³ “Trafficking in Persons Report 2014,” United States of America Department of State (2014), pg. 277-279. Available from: <http://www.state.gov/j/tip/rls/tiprpt/2014/index.htm>

Mongolian men, women, and children are also subjected to domestic and foreign forced labour in areas such as Turkey, Kazakhstan, the United Arab Emirates, and the Czech Republic.

- Mongolian men, women, and children have been subject to prostitution trading in areas such as China, Hong Kong, India, Indonesia, South Korea, Malaysia, the Philippines, Macau, and Singapore. Mongolian women and girls have been subjected to forced prostitution in areas of Mongolia.
- There have been crackdowns on trafficking in the country, however they have not been fully implemented or developed. For instance, Mongolia has not fully implemented the 2012 anti-trafficking law or adopted serious efforts to investigate and prosecute labour trafficking cases. Although article 113 of the Mongolian criminal code prohibits trafficking, it has not been completely or effectively implemented.
- Discrimination
 - While the Mongolian government has tried to deal with issues of discrimination in the country they continue to exist, especially in rural areas and less progressive urban areas.³⁴
 - While Mongolian law states that no person shall be discriminated against on the basis of ethnic origin, language, race, age, sex, social origin, or status and that men and women shall be equal politically, economically, socially, culturally, and within the family, it does not provide protection against discrimination based on sexual orientation or gender identity.³⁵

9. Other Issues

- Transportation and weather conditions,³⁶
 - Infrastructure to handle increased vehicle traffic in Mongolian urban and rural areas has developed slowly, and is unable to adequately handle the requirements of the increased traffic.
 - Motor laws are often disregarded by drivers, who will take aggressive action in congested urban areas. In 2014 there were 654 traffic-related fatalities in Mongolia, an increase of 14 percent from 2013.
 - In an accident it is common for foreign drivers to be held liable for the action, even if the evidence suggests they were not at fault.
 - It is recommended that foreign travellers only deal with reputable drivers, and that should they travel outside of Ulaanbaatar they bring a satellite mobile phone due to poor cellular phone-coverage.
 - The Mongolian winter is harsh and there is a reliance by many residents on the energy grid to provide heat. Failure of the power grid during a severe winter would be catastrophic for the Mongolian population.³⁷

³⁴ “Mongolia 2013 Human Rights Report,” pg. 21-24.

³⁵ “Mongolia 2013 Human Rights Report,” pg. 21.

³⁶ “Mongolia 2015 Crime and Safety Report,” 2-3.

³⁷ “Mongolia 2015 Crime and Safety Report,” 5.

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