



MINISTRY OF FOREIGN AFFAIRS  
MONGOLIA

# FUNDAMENTAL TRANSIT POLICY ISSUES IN MONGOLIA

EURO-ASIAN REGIONAL MIDTERM REVIEW  
OF THE VIENNA PROGRAMME OF ACTION  
Bangkok, Thailand, February 11-12, 2018

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MONGOLIA

- STATUS OF IMPLEMENTATION OF PRIORITY 1
- CHALLENGES FACING
- WAY FORWARD, SUGGESTIONS



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MONGOLIA

STRENGTHENING  
LEGAL BASIS OF  
MULTILATERAL,  
REGIONAL AND  
BILATERAL  
COOPERATION ON  
TRANSIT TRANSPORT



- INTERGOVERNMENTAL AGREEMENT ON DRY PORTS, acceded in 2016
- INTERGOVERNMENTAL AGREEMENT ON ROAD TRANSPORTATION ALONG THE ASIA HIGHWAY NETWORK BETWEEN GOVERNMENTS OF MONGOLIA, THE RUSSIAN FEDERATION AND THE PEOPLE'S REPUBLIC OF CHINA, signed in 2016
- INTERGOVERNMENTAL AGREEMENT ON THE ACCESS TO AND FROM THE SEA AND TRANSIT TRANSPORTATION THROUGH CHINESE TERRITORY BY MONGOLIA, renewed in 2014
- INTERGOVERNMENTAL AGREEMENT BETWEEN GOVERNMENTS OF MONGOLIA AND THE PEOPLE'S REPUBLIC OF CHINA ON DEVELOPING RAILWAY TRANSIT TRANSPORTATION, signed in 2014
- INTERGOVERNMENTAL AGREEMENT BETWEEN GOVERNMENTS OF MONGOLIA AND THE RUSSIAN FEDERATION ON TERMS FOR RAIL FREIGHT TRANSIT TRANSPORTATION, signed in 2018



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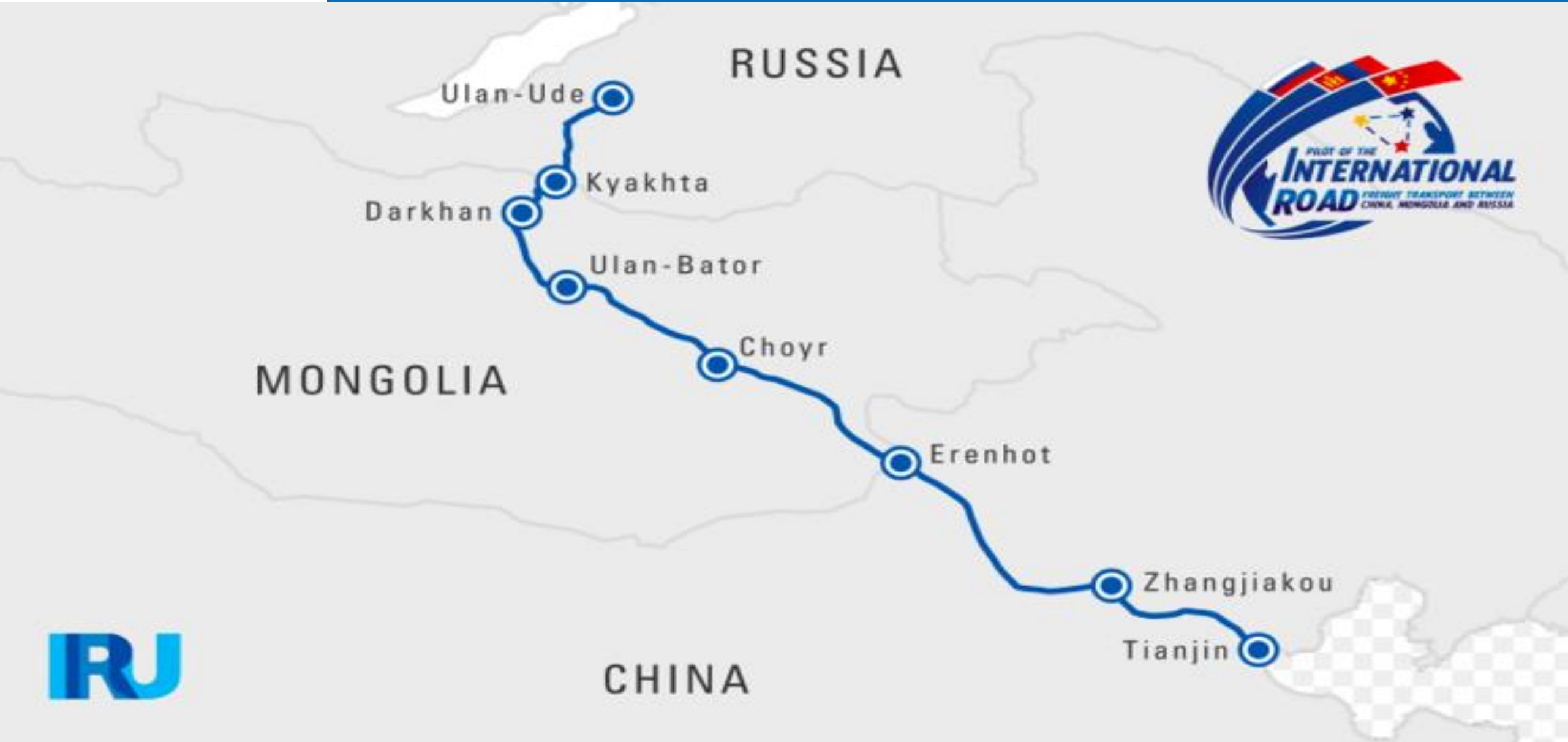


- MONGOLIA –RUSSIA-CHINA ECONOMIC CORRIDOR PROGRAM, signed in 2016
- TRILATERAL INTER-AGENCY MEMORANDUM OF UNDERSTANDING ON ESTABLISHING A TRILAETRAL MECHANISM COORDINATING “MONGOLIA –RUSSIA-CHINA ECONOMIC CORRIDOR PROGRAM” IMPLEMENTATION, signed in 2018
- INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING ON ALIGNING MONGOLIA’S “DEVELOPMENT ROAD” PROGRAM WITH CHINA’S “BELT AND ROAD INITIATIVE”, signed in 2017
- WITH LATVIA, INTERGOVERNMENTAL AGREEMENT ON INTERNATIONAL ROAD TRANSPORTAION, signed in 2014
- WITH HUNGARY, INTERGOVERNMENTAL AGREEMENT ON FREIGHT AND PASSENGER TRANSPORTAION BY ROAD , signed in 2018

№	Projects and Activities in Infrastructure sector
1	Modernization, study of feasibility of parallel line and electrification of main railway corridor (UlaanUud-Naushki-Sukhbaatar-Ulaanbaatar-ZamynUud-Erlian-Ulaantsav-Janchkhoo-Beijing-Tianjin)
2	Study of feasibility of northern railway corridor (Kuragino-Kyzyl-Tsagaantolgoi-Artssuuri-Ovoot-Erdenet-Salkhit-ZamynUud-Erlian-Ulaantsav-Janchkhoo-Beejing-Tianjing) and if this is feasible, start to develop this route
3	Study of feasibility of western railway corridor (Kuragino-Kyzyl-Tsagaantolgoi-Artssuuri-Khovd-Takeshken-Hami-Urumqi region) and if this is feasible, start to develop this route
4	Study of feasibility of eastern railway corridor (Borge-Sloviyevsk-Ereentsav-Choibalsan-Khuut-Bichigt-Xilinhaote-Chaoyang-Jin Zhou/Panjin) and if this is feasible, start to develop this route
5	Study of feasibility of “Great Tumen Initiative “corridor (Choibalsan-Sumber-Arshan-Ulanhaote-Changchun-Yanzi-Hunchun-Zarubino) and if this is feasible, start to develop this route
6	Study of corridor (Choibalsan-Sumber-Manzhouli-Harbin-Mudanzhian-Suifenhua-Vladivostok-Nakhodka) and if this is feasible, start to develop this route
7	Study of perspective of high-speed railway line of Moscow-Ulaanbaatar-Beijing
8	Start the discussion about the creation of logistical entity of three-party
9	Actively use of Asian Highway AH-3 for the transit transport, study of perspective of construction of highway along this corridor
10	Actively use of Asian Highway AH-4 for the transit transport, study of perspective of construction of road along this corridor
11	Study of eastern road corridor (Borge-Soloiyevsk-Ereenstav-Choibalsan-BaruunUrt-Bichigt-Jungadab-Xi-Ujumqin-Ulanhaote/Xilinhaote-Chaoyang-Jin Zhou/Panjin/Tianjin) ) and if this is feasible, start to develop this route
12	Negotiate, sign, and support the cross-border logistics agreement between countries using the Asian highways
13	Speed up the development of telecommunications infrastructure, construction of Ulan-Ude - Khiagt / Altanbulag-Darkhan-Ulaanbaatar-Sainshand - Zamyn-Uud / Erlian - Ulaantsav - Beijing-Tianjing corridor to ensure management and security of these transport corridors



# MONGOLIA –RUSSIA-CHINA ECONOMIC CORRIDOR CENTRAL ROUTE





# ROAD TRANSIT CORRIDOR





## Joint Center for Investment Planning and Projection based in Ulaanbaatar



Investment  
Research center (MFA)





# COOPERATION WITH TRANSIT COUNTRIES IN SIMPLIFICATION AND HARMONIZATION OF BORDER CROSSING

## RUSSIA to CHINA



### 1. Railway border crossing:

- Mongolia introduced parallel technology system that reduced train receiving procedure time at Zamiin-Uud station by 173 minutes (248 minutes).

### 2. Faster processing of container trains:

- Excluded the locomotive changing procedure for whole travel;
- Technical maintenance time at technical station reduced from 60-70 minutes to 30-40 minutes.

## CHINA to RUSSIA



**Reduced the travel time: freight transportation 850-950 km per day.**

**Russia to China: 28 hours, became 27% faster**

**China to Russia: 31 hours, became 26% faster**



### Phase I:

In 2016, Mongolian and Russian railway authorities signed contract on exchanging electronic documents by IFTMIN: 14103 documents received, 12591 documents sent.

Beginning stage of paperless procedure for railway transportation: Consignment notes and Transfer lists are exchanged fully Electronic version since May 2017 /IFTMIN, IFTSUM/.

### Phase II:

In 2018, started implementing E-sign between Ulaanbaatar Railways and Russian Railways, with regard to international and domestic transport documents.

# FACILITATION MEASURES AT RAILWAY BORDER CROSSINGS

Development of sufficient and efficient capacities for transshipment:  
Zamiin-Uud Regional logistics center



## LEGAL AND POLICY REFORM

- Road Law ( Renewed in 2017)
- Waterway Transport Law (Renewed in 2017)
- State Policy on Civil Aviation (amended)
- State Policy on Railway Transport (amended)
- Transport law (planning to renew)
- Railway Transport Law (planning to renew)
- Civil Aviation Law (planning to renew)
- State Policy on Road Transport (planning to map out)

# CHALLENGES

## INTERNAL:

1. Insufficient coordination among the government agencies as well as with private sector with regard to implementation of the VPoA
2. Lack of adequate financial resources to implement infrastructure facilities that connect with those of transit countries. Example: considerable missing railway links remain in Mongolian territory that hamper actual benefits the preferential agreements reached with transit countries in transit transportation.
3. Lack of institutional capacity in formulating bankable mega infrastructure projects.

## EXTERNAL:

1. Insufficient attention given by the transit countries, especially at local government level, to implementation of the VPoA
2. Insufficient cooperation with transit countries' ministries of transportation and agencies responsible for border, customs controls.

## INTERNAL:

1. Establish a National Working Group, led by Deputy Prime Minister, on the coordination of VPoA implementation
2. Actively look for financial resources from various financial institutions and companies, and explore various ways of financing to construct necessary infrastructure facilities
3. Implement capacity building programs in cooperation with development partners

## EXTERNAL:

1. Actively work to deepen cooperation with transit countries' relevant ministries and agencies.
2. Call upon transit countries to make more efforts to implement the VPoA. Global and regional review reports on the implementation of the VPoA should put more emphasis on the implementation progress of the transit countries.
3. The outcome document of the Comprehensive High-level Midterm Review should call upon not only the landlocked developing countries, but also transit countries and development partners to prepare and publish their reports on the implementation of the VPoA

**THANK YOU FOR  
YOUR ATTENTION**