

Brief remarks by Amb. J. Enkhsaikhan at the press meeting launching the study on
“Strategic Directions on Industrial Policy in Mongolia”

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Vienna

Mr. Director-General,
Director Mr. Ludovica Alcorta,
Ladies and gentlemen,

Thank you Mr. Director-General and Mr. Alcorta for your important, thought provoking and inspiring remarks. I am honored to represent my Government at this event – official presentation by the UNIDO of its valuable insights on promoting further industrialization of Mongolia.

Today Mongolia is pursuing an ambitious goal of accelerated development of its economy, exploration of huge mineral deposits, attracting foreign investment as well as progressive and environmentally friendly technology. The favorable international market conditions for our minerals, abundance of mineral reserves as well as impressive livestock population provide significant opportunities for rapid economic growth. However this could be achieved only if we pursue a wise industrialization policy that would attract investment and technology, as well as make the most use of the country’s comparative advantage and available workforce.

As the Minister has pointed out in his message, this is indeed a timely study. Mongolia is at present at a crucial stage of its economic development. It is working to diversify and intensify its economy by applying the principles of market economy and making use of its comparative advantage.

The comparative advantages of Mongolia, as is seen from the study, include its rich minerals (including newly discovered copper/gold mine with 45 mln. tons of copper and 1.800 tons of gold, 6.2 bil tons of coal, including 1.5 bil. tons of high quality coking coal), over 30 mln. heads of livestock and a strategic location between the largest and fourth largest markets with 1.3 billion and 150 mln. consumers respectively.

Therefore, mineral exploitation, natural fibers and meat processing sectors are the key and promising sectors of the country’s industry. The policy recommendations regarding further development of Mongolia’s industrial sector, reflected in the study, will surely be useful in achieving not only the basic economic targets and the Millennium Development Goals but also in turning Mongolia into a middle-income and well to do country by the end of the decade.

We, Mongolians, are optimists, informed optimists to be exact. I believe that bearing in mind other peoples’ experience we would be able to avoid the traps of the “resource curse” to which you, Mr. Director-General, have wisely been referring in your statements. We also believe

that “smart” industrialization and thus value-adding will allow us to successfully compete on world markets with the main products of our agriculture – meat, natural fibers and leather, and that soon Mongolia would be able to market meat at prices 4 to 5 times higher than it is doing now, for example. This would also contribute to some extent to increasing global food production and food security – important goals of the international community, as set forth by the FAO summit meetings.

Last, but not least, I would like to take this opportunity to remind you, Mr. Director-General, to visit Mongolia so as to further promote our bilateral cooperation as well as discuss the ways and means to implement the important recommendations reflected in this study.

Thank you.