

# EU TRADE RELATED ASSISTANCE FOR MONGOLIA (TRAM)

## NEWSLETTER



Монголын Худалдааг Дэмжих Төсөл

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### TRADE POLICY

The Project Steering Committee approved EU TRAM's Progress Report 2019 and Work Plan 2020 on 27 January 2020. The participants emphasised the need to continue working on aligning Mongolian standards to European standards, increasing the use of GSP+ benefits as well as approving the Concept paper on trade policy and the Safeguards regulation. In February 2020 the Department of Trade and Economic Cooperation of the Ministry of Foreign Affairs established the Working Group for assessing the draft Regulation on safeguards that was drafted by EU TRAM in December 2019. The draft is currently undergoing the seventh revision of the Working Group.

EU TRAM contracted the Mongolian Institute for Synology Development to draft a Research study on opportunities to push forward the implementation of the Economic Corridor Programme.



The document shows the progress registered so far in implementing the 32 projects and proposes the measures needed to successfully achieve the goal of Mongolian regional economic integration.

### TRADE FACILITATION

On 23 March 2020 the National Trade Facilitation Committee adopted the Implementation Report for 2019 and the Action Plan for 2020. The main activities for 2020 are related to the implementation of the WTO Trade Facilitation Agreement obligations in the areas of customs, inspections and standards, with the view of increasing the use of GSP+ benefits.

### EXPORT DEVELOPMENT

To support better access of Mongolian export products to international markets, in particular the European Union, EU TRAM has enabled two of the four supported cluster groups to present their products at international trade fairs. It is expected that the interest and demand generated during the fairs will lead to increased exports of Mongolian products to the EU market.

The cluster for sea buckthorn participated in the **International Green Week in Berlin, Germany** (17-26 January 2020). At this trade fair, the largest in the world for the agriculture and food sector, EU TRAM supported the 'Made in Mongolia' stand of the Mongolian National Chamber of Commerce and Industry (MNCCI). A representative of Uvs Foods Company presented the company's sea buckthorn-based products, such as oils, essences, juices and jams, as well as the products of other cluster members. Representatives of other clusters presented products made of yak and baby camel hair or leather as well as cosmetic products. The stand attracted many visitors and was located next to the stand of the Ministry of Agriculture, Food and Light Industry (MoFALI) with its impressive ger. This action of EU TRAM enabled Mongolian companies to better understand the needs of consumers in the EU. Many consumers from various EU countries appreciated the wide scope and quality of Mongolian export products, which include fertilizer made from sheep wool, vodka, health foods, etc.



Similarly, EU TRAM supported the participation of member companies of the yak and baby camel hair cluster in **Apparel Sourcing**, the largest textile trade fair in Europe, which was held in Paris, France (10-13 February 2020). At the Mongolian pavilion, representatives of five companies presented their own products, while EU TRAM's Key Expert introduced the products of five other companies. During a press conference and a presentation, as well as through videos, posters and flyers, the participants were able to point out specific advantages of yak and baby camel hair products as being made from the rarest and most environment-friendly Mongolian fibres. At the fair's fashion show, several Mongolian styles were presented and attracted the interest of the international audience. While the emerging coronavirus pandemic prevented many Chinese exhibitors from using their stands, this did not impede the benefit of the trade fair for the Mongolian cluster members. The stand attracted many potential buyers from all over Europe, who initiated business relationships with the Mongolian companies.



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IMPLEMENTED BY THE FOLLOWING CONSORTIUM:



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### PROFILES



**D. NASANJARGAL**

*“Sea buckthorn is an indigenous plant grown in Mongolia. It is rich in vitamins, antioxidants, oily acids and minerals, which are essential to boost health and energy. Mongolians call this berry ‘King Fruit’ as a token of respect and appreciation. The initiative and cooperation of each cluster group member are essential for the successful branding of Mongolian sea buckthorn and its access to international markets”*

#### Basic information

Title: Chairman, Mongolian National Fruit and Berries Association; Board Member, Mongolian Sea Buckthorn Cluster Group  
Nationality: Mongolian  
Years of experience: 40+

Mr. Nasanjargal graduated from the Mongolian University of Agriculture in 1975 and became Director of a private wheat farm in 1992 during the transition period. He served as Minister of Agriculture from 2000 to 2004 and as Director of Biokombinat state company from 2005 to 2010. Mr. Nasanjargal is Chairman of the Mongolian National Fruit and Berries Association since 2007, and in 2019 he was elected to the Board of the Sea Buckthorn Cluster, which operates as a working unit within the Fruit and Berries Association. This NGO aims to develop the fruit and berries sector of Mongolia, especially sea buckthorn as its most prominent asset, by exploring the latter's specific advantages through studies, developing production standards, qualifying farmers and processors through training, consultation and manuals, and informing consumers and business partners. The Association initiated the Government-supported Sea Buckthorn (2010-2016) and Fruit and Berries (2018-2022) programmes, which led to strong increases in cultivated land and harvests compared to 1990. Mr. Nasanjargal and about 20 sea buckthorn cluster members closely cooperate with EU TRAM, which provides valuable support to strengthen the cluster management and activities.

### UPCOMING EVENTS

- / **April:** Online matchmaking between herder cooperatives and processors and manufacturers for direct selling of livestock raw materials
- / **April-May:** Consultations of the Working Group on the draft Safeguards regulation
- / **April-May:** Establishment of the Working Group on the draft Concept paper on trade policy
- / **April-May:** Establishment of the Working Group on Statistics for foreign trade
- / **May:** Demonstrations of more effective raw material collection with yak and camel herders in four Aimags (Arkhangai, Bayankhongor, Huvsgul and Omnogobi)
- / **May:** Online training for Customs Administration on trade facilitation topics

### OTHER ACTIVITIES

**Activity 1:** Cosmetics cluster group meeting and training on product development (17 Jan, 21 Jan)

**Activity 2:** Training for companies of all clusters on registration in the EU REX system (27 Jan)

**Activity 3:** Yak and baby camel hair cluster group meeting and trade fair preparation (24 Jan, 2 Feb)

**Activity 4:** Mid-term Evaluation of EU TRAM by external international expert, incl. visit to yak herders in Huvsgul Aimag as a target group of the project (20 Jan-14 Feb)

**Activity 5:** Consultations with Customs Administration, MoFALI, MASM, GASI and Consumer Protection Agency on possible activities to be implemented during the quarantine conditions (Feb-Mar)

**Activity 6:** Work with Customs Administration on the draft Glossary for trade facilitation (Feb-Mar)

**Activity 7:** Work with MFA on the draft Glossary for trade policy and follow-up on the draft Concept paper on trade policy (Feb-Mar)

**Activity 8:** Cosmetics cluster meetings to prepare for Cosmoprod trade fair in Bologna (7 Feb, 19 Mar)

**Activity 9:** Meeting with representative of Ministry of Finance on options for export promotion schemes for Mongolian products (25 Mar)