

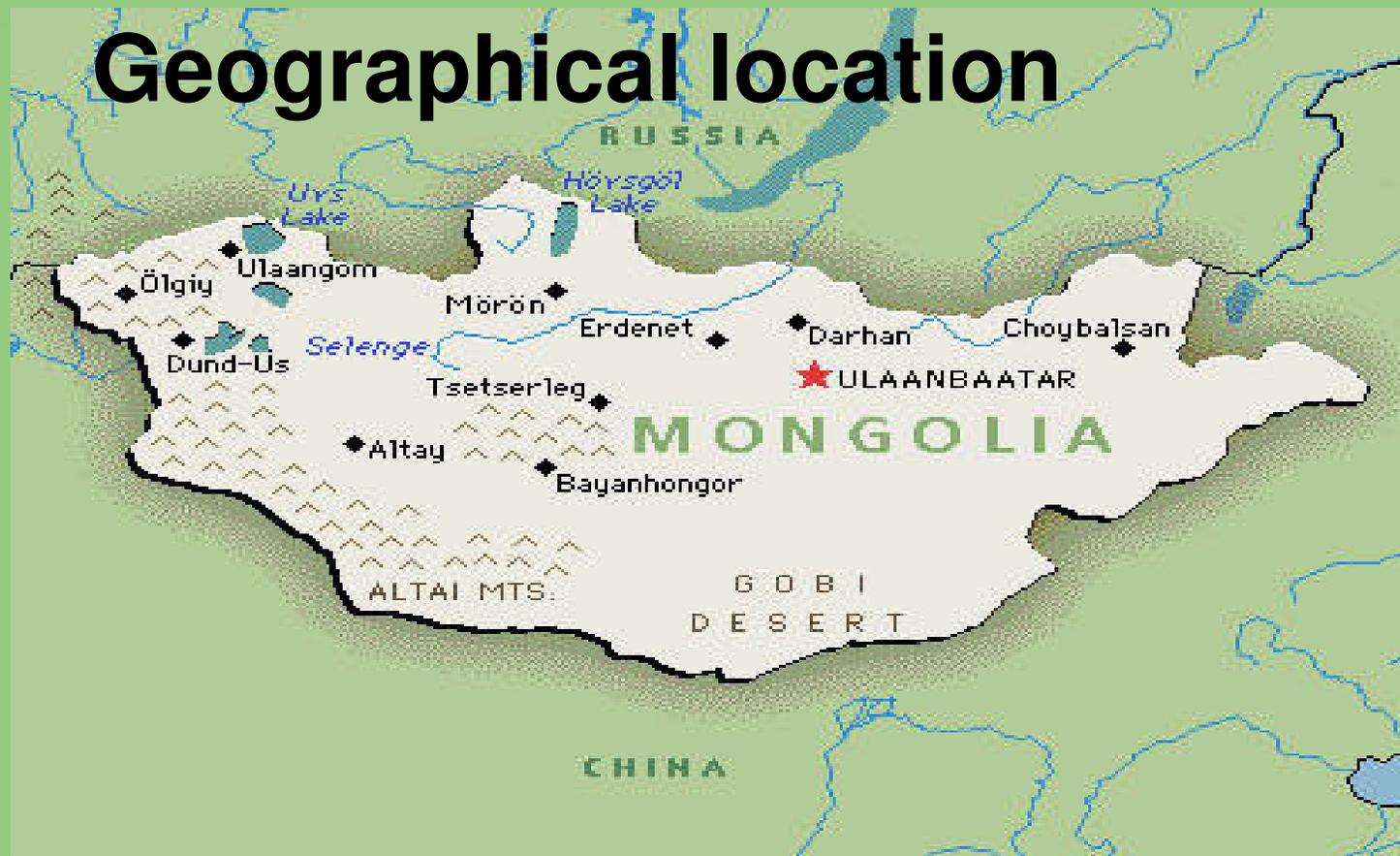
Agricultural policy of Mongolia enhancing productivity of agricultural sector

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www.mofa.gov.mn

Geographical location



Locations: between China and Russia;

Territory: 1.566 thous sq. km

Land boundaries: 8,158 km, with Russia 3,485 km with China 4,673 km

Average altitude: 1,580 m above sea-level

Temperatures in the winter -15 C and -40 C, in the summer +10 C and +35 C,

Precipitation in the plains and mountains 380 mm, in the desert and Gobi areas 125 mm

State structure: administratively divided into 21 aimags (provinces)

Capital city: Ulaanbaatar

Population: 2.7 million

Density: 1.6 persons per sq. km

Sex ratio at births: 105 males per 100 females

Life expectancy: male 61 years, female 66 years



Ethnic group: Mongols (Khalkha) 86%, Kazaks 6%, Others 8%;

Religions: Tibetan Buddhism 96%, Muslim, Christian and Shamanism 4%

Languages: Mongolian

National currency: Tugrik (MNT)

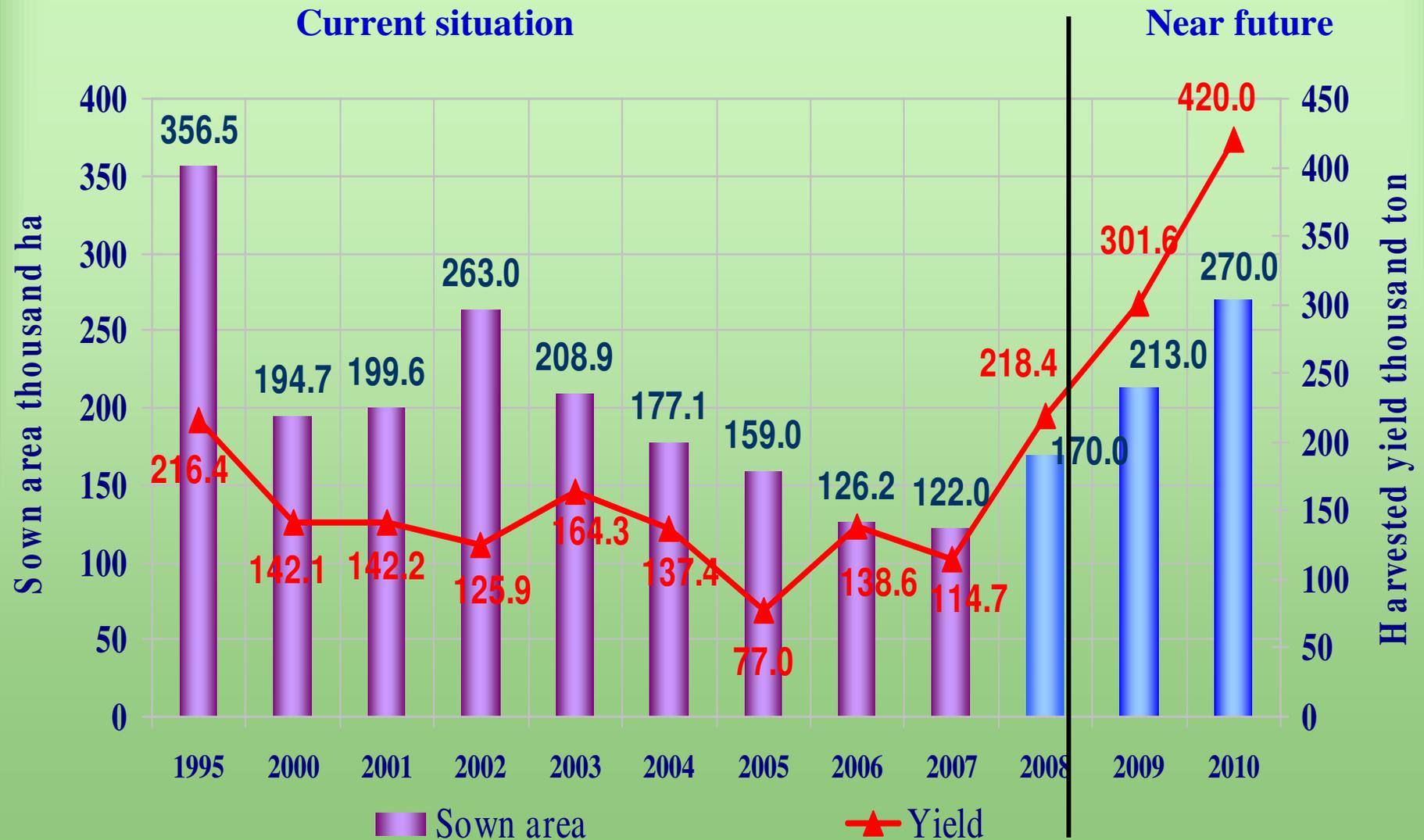
Highlights of the current situation of the Food and Agriculture Sector

- **The Sector accounts for more than 20 per cent of the Gross Domestic Product (GDP) of Mongolia**
- **The sector contributes 14 per cent of the foreign currency revenues of Mongolia.**

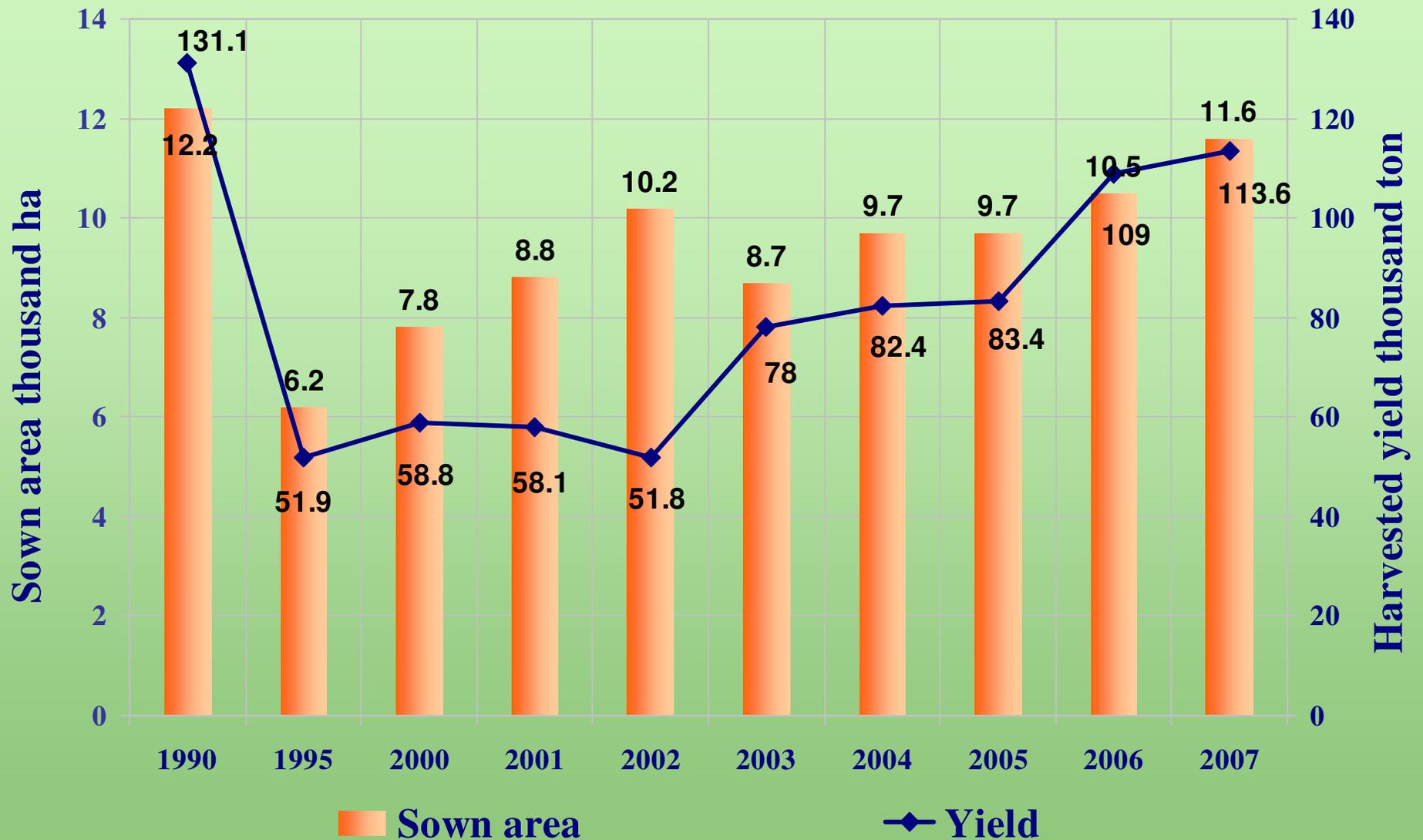
Current situation in the Sector

- **Livestock sub-sector:**
 - **Accounts for more than 80% of Agriculture production.**
 - **Over 180,000 herder households work in the sub-sector.**
 - **Mongolia has 42.2 million heads of livestock as per the end of 2008 with 10% increase compared to previous year.**

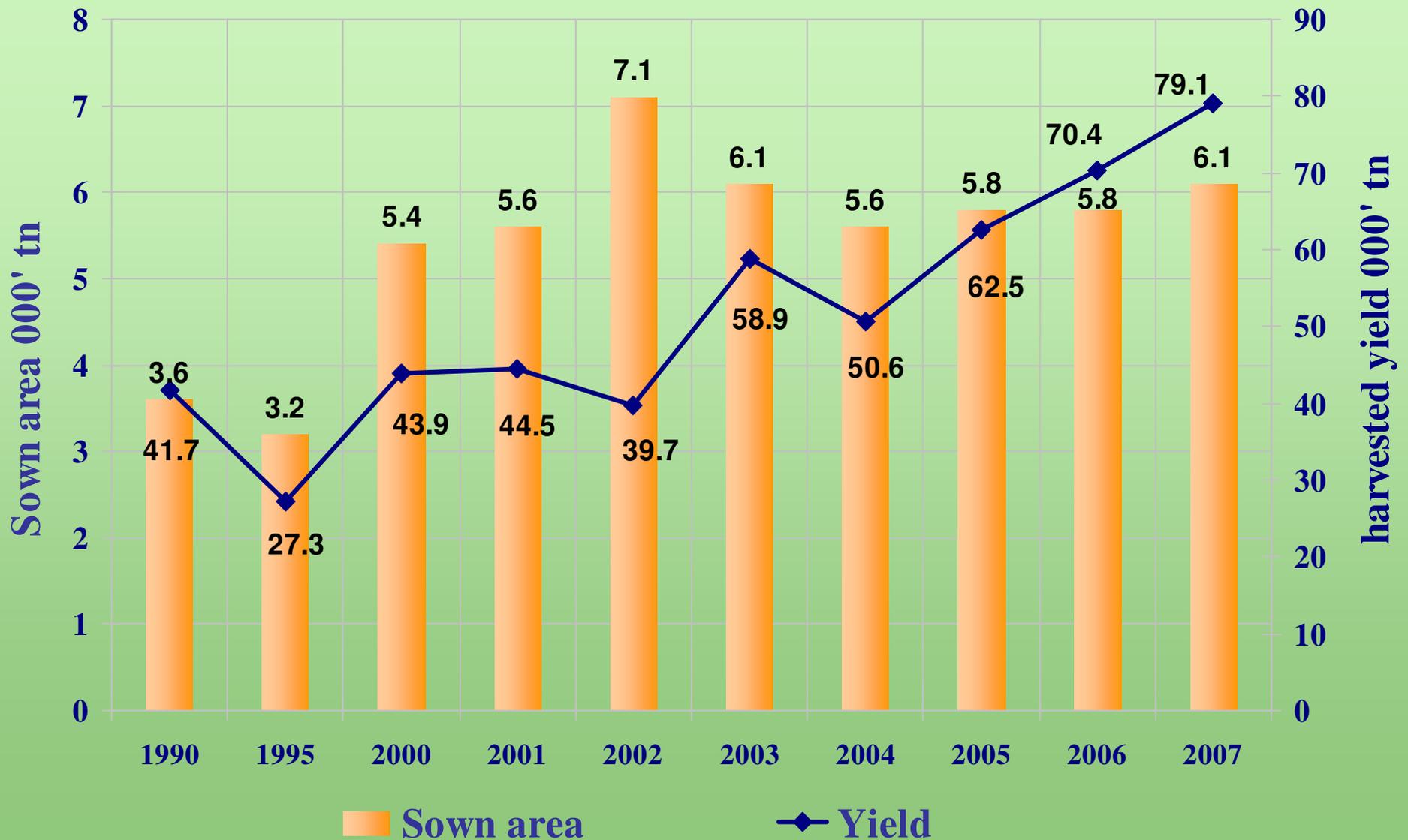
Sown area and harvested yield



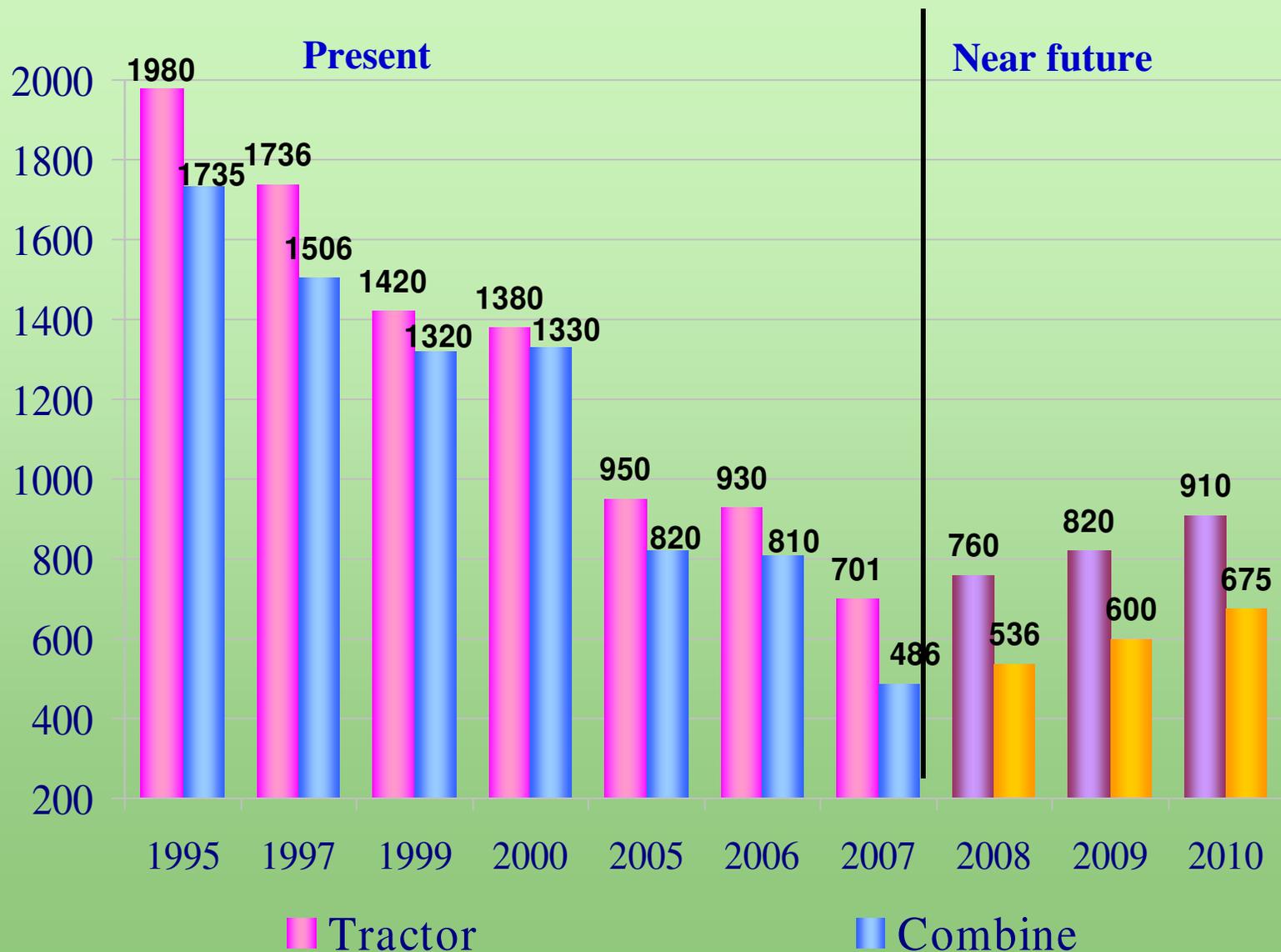
Potato sown areas and harvested yield



Vegetable sown area and harvested yield

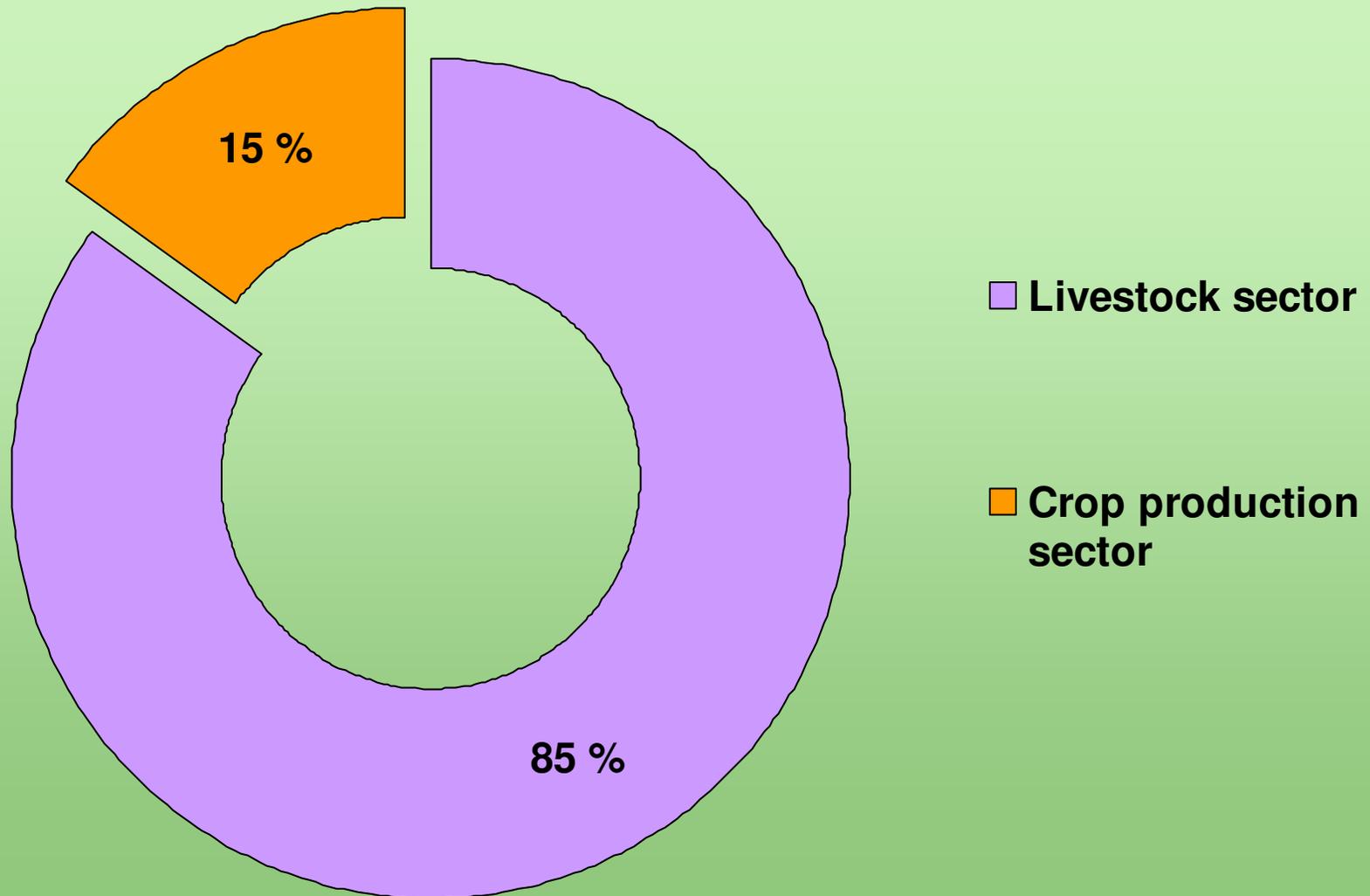


Number of tractors and combine harvesters

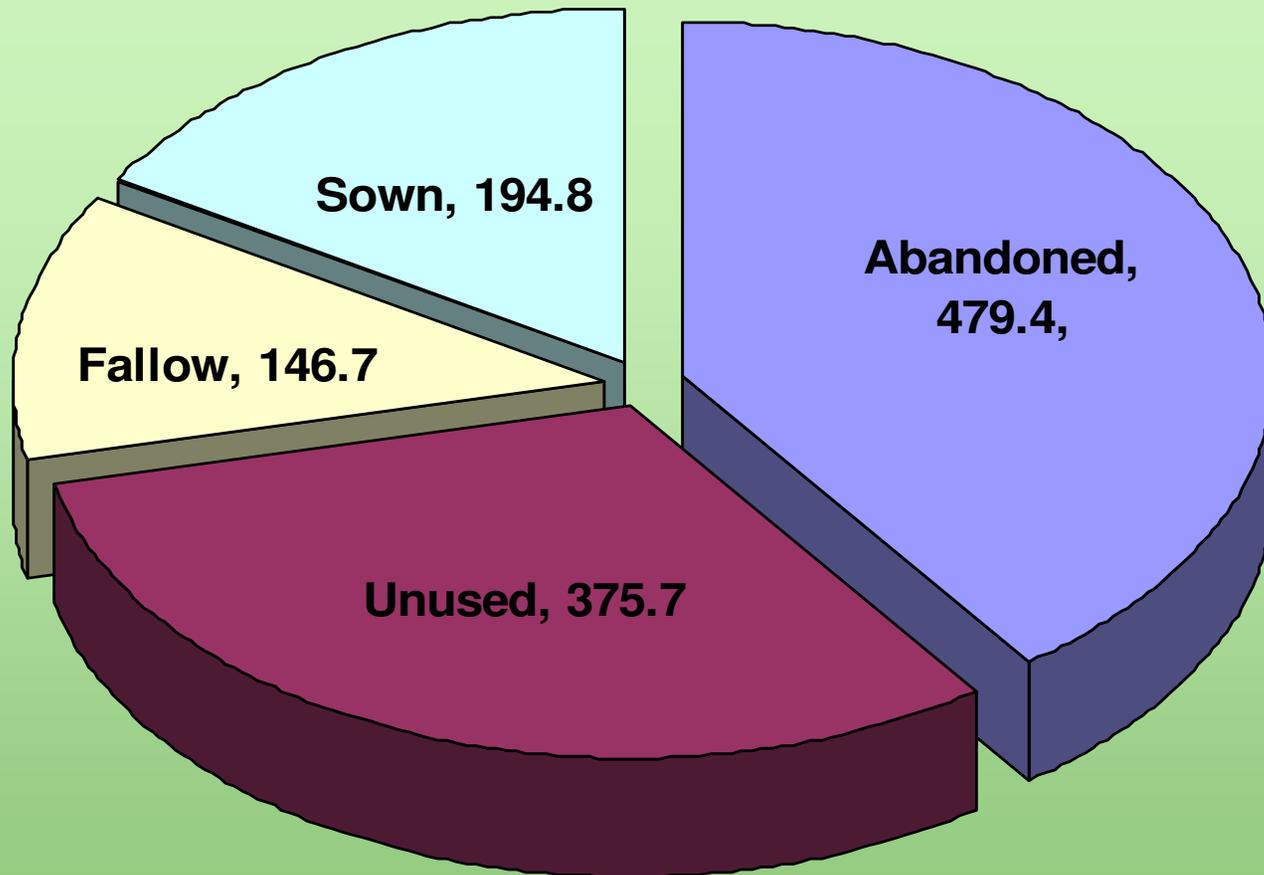


Labor force in Agricultural Sector

/Total 390,000 person/



Cultivated crop land use /in thousand ha/



“Third Crop Rehabilitation Campaign”

National Programme



Programme Goal

- **Create favorable economic condition**
- **Increase agricultural production**
- **Ensure food safety**
- **Eliminate import dependence**
- **Increase self reliance**
- **Intensify development of crop production**

To reach total arable land of 600,000 hectares

Re-cultivate abandoned crop land :

- in 2008: 50,000 ha**
- in 2009: 88,000 ha**
- in 2010: 100,000 ha**



Supply of Agricultural Machinery

- **725 tractors, 550 combine harvesters are to be imported**
- **70-80% of agricultural machinery require renovation**



To reach irrigation on 54.2 thousand ha

- **Renovate irrigation system on 10 thousand ha**
- **Build new irrigation system on 22.0 thousand ha**
- **Make water reservoir with capacity of 15 mio sq. m**



Seed Supply

- **Drought resistant, high quality varieties of wheat seeds for Mongolia's harsh climatic conditions will be imported, as follows:**
 - **2008 - 6000 tons;**
 - **2009 - 5000 tons;**
 - **2010 - 4000 tons;**
- **Technical assistance is required for strengthening the capacity of the Seed Multiplication Centers;**



Expected Results

Increase in Self Sufficiency

(e.g. currently Mongolia produces only about 30 % of its domestic consumption of wheat)

| Year | Wheat | Potato | Vegetable |
|-------------|--------------|---------------|------------------|
| 2008 | 49.0 % | 93.5 % | 58.3 % |
| 2009 | 67.0 % | 113.2 % | 80.4 % |
| 2010 | 100.0 % | 131.0 % | 101.8 % |



Conclusion

Mongolia has vast potentials for the improvement of Agro-Production. The following problems and constraints hinder the improvement of both sub-sectors, Cropping and livestock

- **Poor infrastructure- Road, bridge, irrigation systems**
- **Lack of safety and quality control**
- **Storage and transportation facilities**
- **Inappropriate loan portfolio**
- **Low level of education**
- **Lack of improved seeds, fertilizers and pesticides**



Thank you very much for attention!

