

IMPROVED CONDITIONS FOR ECONOMIC DIVERSIFICATION (ICED)

BACKGROUND

The mining sector is the growth engine of the Mongolian economy. Copper, coal and other mineral resources constitute the majority of exports and investments primarily flow into mining projects. The government has recognized the risks associated with a strong dependence on resource extraction and has embarked on a path of economic diversification.

Exports and investments can be significant drivers of economic diversification, as they are closely linked to expanding markets, promoting competition, and facilitating the transfer of technology and innovation. However, investment and export promotion offerings for businesses outside the raw materials sector have been insufficient thus far.

At the macro level, the ICED project offers technical support to the Ministry of Economic Development (MED) and its subordinate structures, focusing on priority issues related to investment and economic development policies.

At the meso level, actors in investment and export promotion are empowered to establish and advance support programs for the sustainable business development of investors and Micro, Small and Medium Enterprises (MSMEs).

On the micro level, the project strengthens the skills of owners and employees of MSMEs to improve the export capabilities of their businesses.

OBJECTIVE

MSMEs as well as foreign and domestic investors outside the mining sector have improved access to services that promote investments and support exports.

Commissioned by	The German Federal Ministry for Economic Cooperation and Development (BMZ)
Project area	Ulaanbaatar
Lead executing agency	Ministry of Economic Development (MED)
Duration	2024-2026





CAPACITY DEVELOPMENT

The project supports the MED through organizational consulting and training initiatives, in implementing its strategies for a diversified economy.

Significant importance is placed on measures to strengthen inter-ministerial coordination mechanism for more efficient processes.

SERVICES TO SUPPORT EXPORT READINESS OF MSMEs

Together with local implementation partners, the project is developing support measures for MSMEs with export potential.

These include advice on product customisation for export markets and training to improve the business skills of MSMEs so that they can tap into new export markets.

EXPANDING PUBLIC INVESTMENT PROMOTION INSTRUMENTS

The project supports the new Investment and Trade Agency (ITA) established by MED in offering demand-based services to investors, with a specific focus on investors outside the resource sector.

It aims to provide investors with better advice and information throughout the entire investment cycle – from the discovery phase to the business operations phase.

The project supports public-private partnership dialogue formats and integrating expertise, networks, and resources into the design of investment promotion, with a specific focus on including relevant women's associations in the planning of public-private dialogues.

Published by: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Contact: Ms. Nurjamal Bokoeva
"Improved Conditions for Economic Diversification" (ICED) project
United Nations Street, Building #38, 3rd Floor
4th Khoroo, Chingeltei District,
Ulaanbaatar 210646, Mongolia

T: +976 7011 7704
E: nurjamal.bokoeva@giz.de
I: www.giz.de/mongolia

Date: January 2024
Layout/Photos: GIZ Mongolia
GIZ in Mongolia is responsible for the content of this publication.

In cooperation with Ministry of Economy and Development

On behalf of: German Federal Ministry for Economic Cooperation and Development (BMZ)