

Speech by V.Oyu, Director of the Foreign Trade and Economic Cooperation Department of the Ministry of Foreign Affairs, at the 7th session of the Committee on Trade and Investment, of the Economic and Social Commission for Asia and the Pacific (ESCAP)

January 27-29, 2021

Distinguished guests and delegates,

Ladies and gentlemen,

Greetings to all who are participating in the 7th session of the Committee on Trade and Investment, of the Economic and Social Commission for Asia and the Pacific (ESCAP).

The rapid spread of the COVID-19 virus around the world is negatively affecting trade, economy and investment cooperation of countries in the region. Mongolia's domestic economy and foreign trade, like other countries, have been affected by the coronavirus epidemic, with total foreign trade turnover reaching \$ 12.8 billion in 2020, down 7 percent from the same period last year, or about \$ 900 million. Foreign investment reached \$ 1.7 billion in the third quarter of 2020, down \$ 297 million from the same period in 2019 (\$ 2 billion).

Despite the devastating impact of global and regional trade and investment, we are confident that in 2021, we will overcome this challenge.

Ladies and gentlemen,

The Government of Mongolia is working to develop foreign trade laws and policies that support foreign trade, small enterprises and business entities, simplify relevant trade rules and regulations, reduce red tape, increase transparency, and create a "Single window" system. In this regard, Mongolia joined the Asia-Pacific Trade Agreement in September 2020 to deepen its integration into the Asia-Pacific region and will start implementing it on January 1, 2021. Mongolia's accession to the agreement will help further deepen regional economic integration, connect to global and regional supply chains, expand to foreign markets and attract investment.

Moreover, in connection with Mongolia's accession to the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific, we are currently working on completing internal procedures and getting it approved by the Government and Parliament. We also urge ESCAP members to accede to this agreement, as this agreement is essential in promoting cross-border paperless trade and facilitating trade by the mutual recognition and exchange of electronic trade-related data and documents.

As trade in Asia and the Pacific continues to grow, with the countries of the region pushing for robust trade agreements, including the Regional Comprehensive Economic Partnership (RCEP), as well as the region's continued integration in global supply-chain continues to drive their economies in the recent decade, not all countries and economies have been equal beneficiaries of the growth. For the only land-lacked nation in North-East Asia as Mongolia, enhancing connectivity and market access continues to be a top priority. Thus we shall continue its work with the UN ESCAP and other partners to better utilize trade, investment, technology and innovation to deliver the Sustainable Development Goals.

Finally, at today's meeting, I hope the delegates will discuss the current economic situation in the region caused by the KOVID-19 pandemic, its impact on society and the economy, and identify new solutions, ways and opportunities to overcome it. We believe that it will make a valuable contribution to attracting foreign investors and creating a favorable legal environment for foreign investors.

Good luck with today's event.