



MONGOLIAN TRANSPORT POLICY ON OPERATIONAL CONNECTIVITY FOR INTEGRATED INTERMODAL TRANSPORT AND LOGISTICS IN THE REGION

**Forum on Sustainable transport connectivity between Europe and
Asia in the framework of the 62 session of UNECE and Working
party on Intermodal transport and Logistics**

30 OCTOBER 2019, GENEVA, SWITZERLAND

- **General information**
- **Legal framework and Intergovernmental Agreements**
- **Operational practice along international corridors**
- **Facilitation measures for international railway transport**
- **Vision and challenges**



Mongolia is one of largest landlocked countries in the world, with a territory extending over 1.5 million square kilometers. It is bordered by Peoples Republic of China on three sides, to the East, South and West and by Russian Federation to the North. The country is rich in a variety of mineral resources and has substantial livestock herds, ranking first in per capita ownership in the world. Mongolia is a sparsely populated country, with a population of around 3.2 million, with population density of 2 persons per square kilometers. However, more than 60 percent of the population live in urban area.

The construction of new roads and the maintenance of existing ones are being given high priority of the Mongolian Government. As part of the Government of Mongolia's 2016-2020 action plan road and transport sector's objective is to expand and develop transport and logistics network that supports economic improvement, meet social needs and requirements and provides safe and comfortable service.

Global Competitiveness Index 4.0, -infrastructure 2018



Covering 140 countries.

TRANSPORT SECTOR IN MONGOLIA

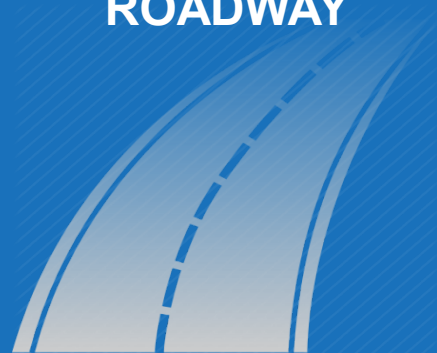
63%
of total cargo

AUTOTRANSPORT



112
thousand km
14.9
thousand km
(international and state)

ROADWAY



1.9
thousand km

RAILWAY



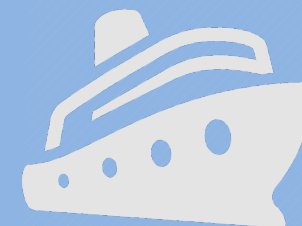
46.5
thousand km

AIRWAY

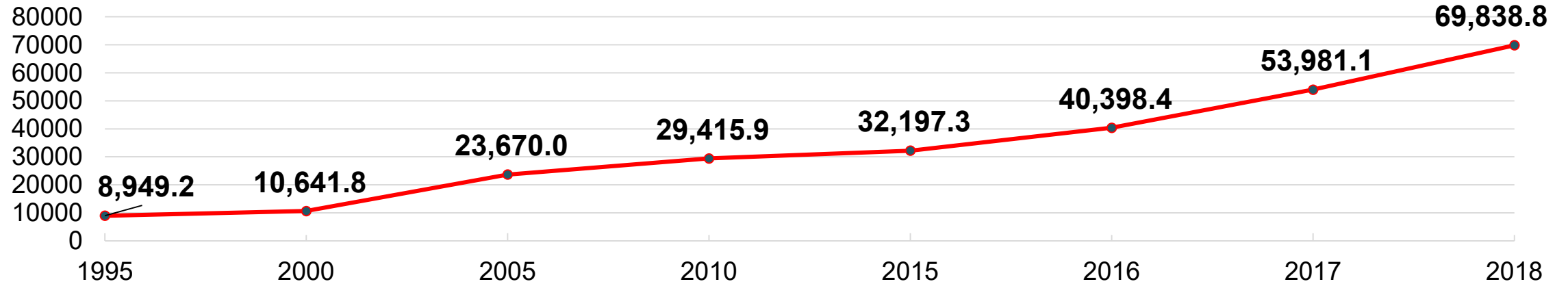


132
km

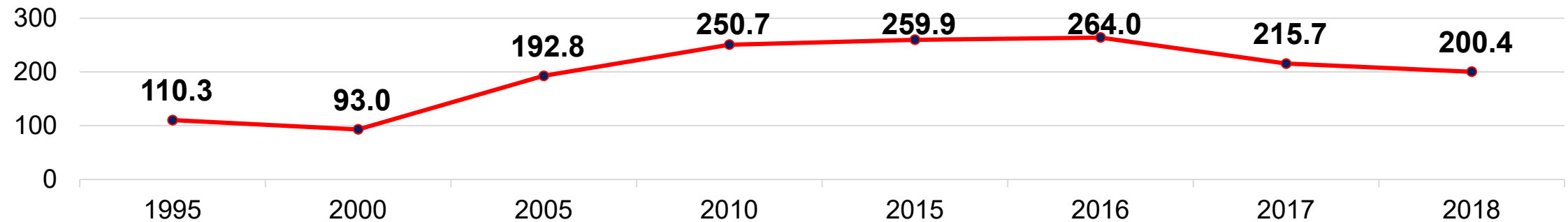
WATERWAY



Total freight /year, thousand ton/



Total number of passengers /year, million people/



Mongolian Government main policy documents:

- **Mongolia Sustainable Development Vision-2030**, 19th Resolution of the State Great Hural, Mongolia, 2016;
- **State Policy on Railways Transport**, 32nd Resolution of the State Great Hural, Mongolia 2010;
- **State Policy on Civil Aviation up to 2020**, 18th Resolution of the State Great Hural, Mongolia, 2013;
- **Action plan of Government of Mongolia for 2016-2020**, 45th Resolution of the State Great Hural, Mongolia, 2016;
- **Economic Recovery Program**, 71st Resolution of the State Great Hural, 2016;
- **Program on Development Road**, Government Resolution №142, 2017;
- **Program of the Three pillars Development Policy**, Government Resolution №42, 2018



INTERGOVERNMENTAL AGREEMENTS



- 1. INTERGOVERNMENTAL AGREEMENT ON ROAD TRANSPORTATION ALONG THE ASIA HIGHWAY NETWORK BETWEEN GOVERNMENT OF MONGOLIA, RUSSIAN FEDERATION AND PEOPLES REPUBLIC OF CHINA;**
- 2. INTERGOVERNMENTAL AGREEMENT BETWEEN GOVERNMENTS OF MONGOLIA AND RUSSIAN FEDERATION ON TERMS FOR RAIL FREIGHT TRANSIT TRANSPORTATION**
- 3. INTERGOVERNMENTAL AGREEMENT ON THE ACCESS TO AND FROM THE SEA AND TRANSIT TRANSPORTATION THROUGH CHINESE TERRITORY BY MONGOLIA, 2014 – INSTEAD OF 1991;**
- 4. INTERGOVERNMENTAL AGREEMENT BETWEEN GOVERNMENTS OF MONGOLIA AND PEOPLES REPUBLIC OF CHINA ON DEVELOPING COOPERATION IN RAILWAY TRANSIT TRANSPORTATION;**
- 5. INTERGOVERNMENTAL AGREEMENT ON THE ACCESS TO AND FROM THE SEA AND TRANSIT TRANSPORTATION THROUGH RUSSIAN FEDERATION TERRITORY BY MONGOLIA 1992;**
- 6. INTERGOVERNMENTAL AGREEMENT ON DRY PORTS;**



INTERGOVERNMENTAL AGREEMENTS



- **CONVENTION ON THE CONTRACT FOR THE INTERNATIONAL CARRIAGE OF GOODS BY ROAD (1956.05.19)**
- **CONVENTION ON ROAD TRAFFIC (1968.11.08)**
- **THE CONVENTION ON INTERNATIONAL TRANSPORT OF GOODS UNDER COVER OF TIR CARNETS (TIR CONVENTION)**
- **INTERGOVERNMENTAL AGREEMENTS ON ROAD TRANSPORTATION WITH KAZAKHSTAN, LATVIA, RUSSIAN FEDERATION, PEOPLES REPUBLIC OF CHINA, BELORUSSIA, TURKEY, DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA**

INTERNATIONAL ROAD CORRIDORS

1. Asian Highway Network: AH3, AH4, AH32, AH35



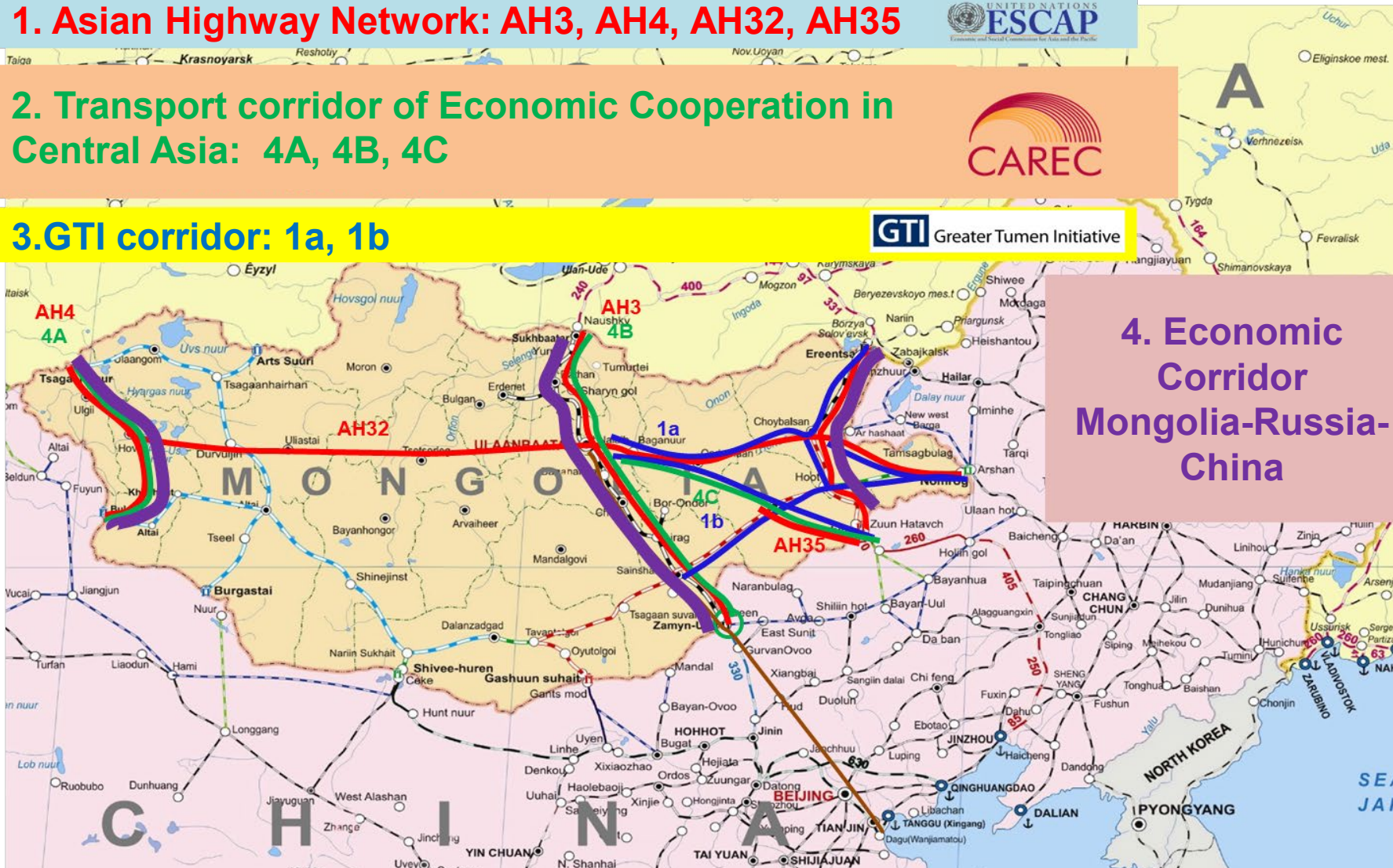
2. Transport corridor of Economic Cooperation in Central Asia: 4A, 4B, 4C



3. GTI corridor: 1a, 1b



4. Economic Corridor Mongolia-Russia-China



West corridor - Total length is 741 km. Construction work is ongoing and will be complete in 2020.

Central corridor - Total length is 990 km.

Reconstruction work for the 345 km road of direction Ulaanbaatar-Altanbulag started in 2019 by ADB and EBRD soft loan.

Roads from Capital city to Centre of provinces was included in the Mongolian Government action plan 2016-2020. Total length is 5100 km.

Construction work is will be complete in 2020.

East corridor - Total length is 695 km.

TRANSPORTATION ROUTE OF INTERGOVERNMENTAL AGREEMENT ON ROAD TRANSPORTATION ALONG THE ASIA HIGHWAY NETWORK BETWEEN GOVERNMENT OF MONGOLIA, RUSSIAN FEDERATION AND PEOPLES REPUBLIC OF CHINA



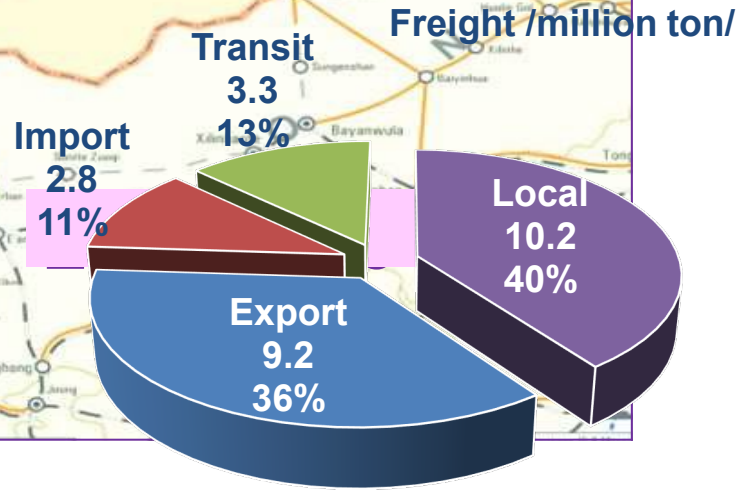
MONGOLIAN RAILWAY CORRIDOR



MONGOLIAN RAILWAY CORRIDOR



Total length	1110 km
Line type	Single-track
Track gauge	1520 mm
Carrying capacity	25 mill. ton per year,
Throughput capacity	14 couple trains per day
Rolling stocks	6577 wagons 182 locomotives
Maximum speed	90 km/hour for passenger train 80km/hour for freight train



RAILWAY CORRIDORS

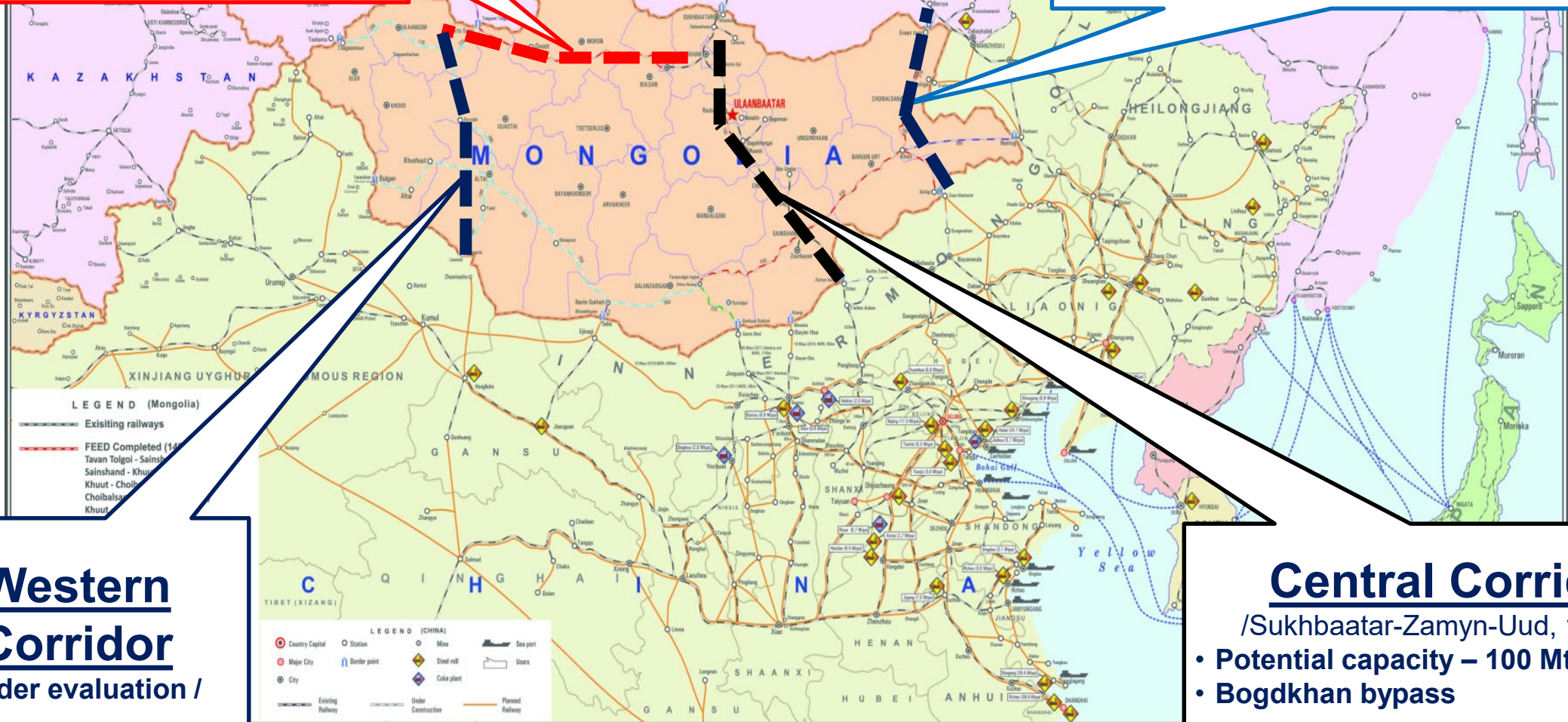
Northern Corridor

/Erdenet-Artssuuri, 770 km/

- Erdenet- Ovoot (545 km)
- Ovoot- Artssuuri (225 km)

Eastern Corridor

/Choibalsan-Khuut-Bichigt, 426 km/



Western Corridor

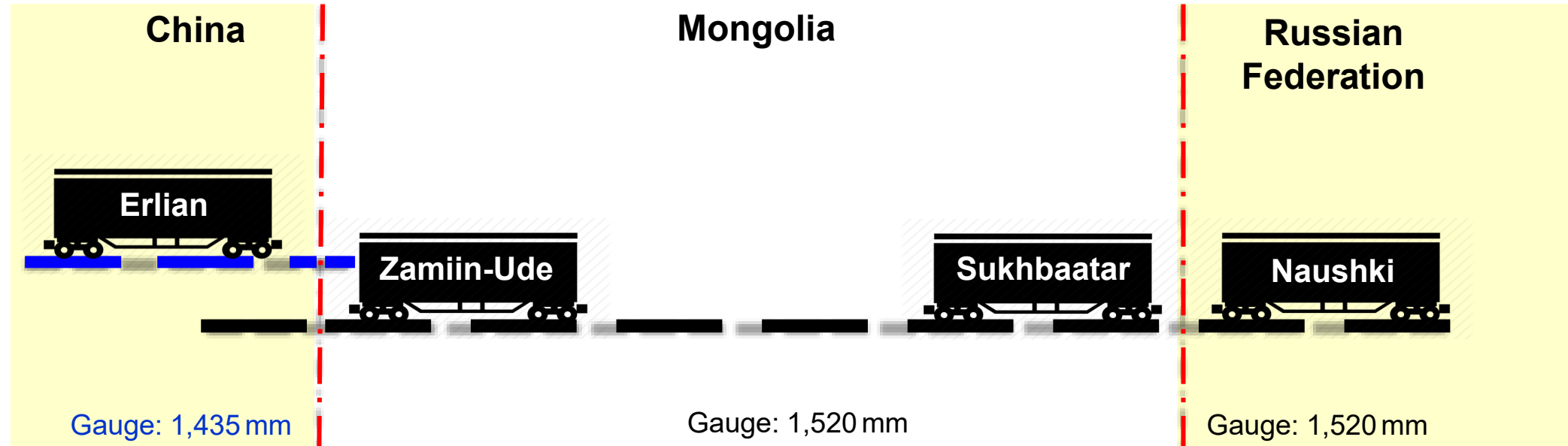
/Under evaluation /

Central Corridor

/Sukhbaatar-Zamyn-Uud, 1110 km/

- Potential capacity – 100 Mt,
- Bogdkhan bypass

Railway crossing points through Trans-Mongolian corridor №1B



- ✓ Different track gauge
- ✓ Transshipment is done on receiving side railway station

- ✓ Same track gauge,
- ✓ No transshipment

Reducing the travel time: freight transportation 850-950 km per day.

Russia  to China: 28 hours, became 27% faster

China  to Russia: 31 hours, became 26% faster



Railway transit tariff rate

15.5%



Container
transportation
tariff reduced

65.5 %



Transshipment
tariffs for
containers



Differentiation rate
system in tariff: based
on volume of
transportation
introduced in 2017

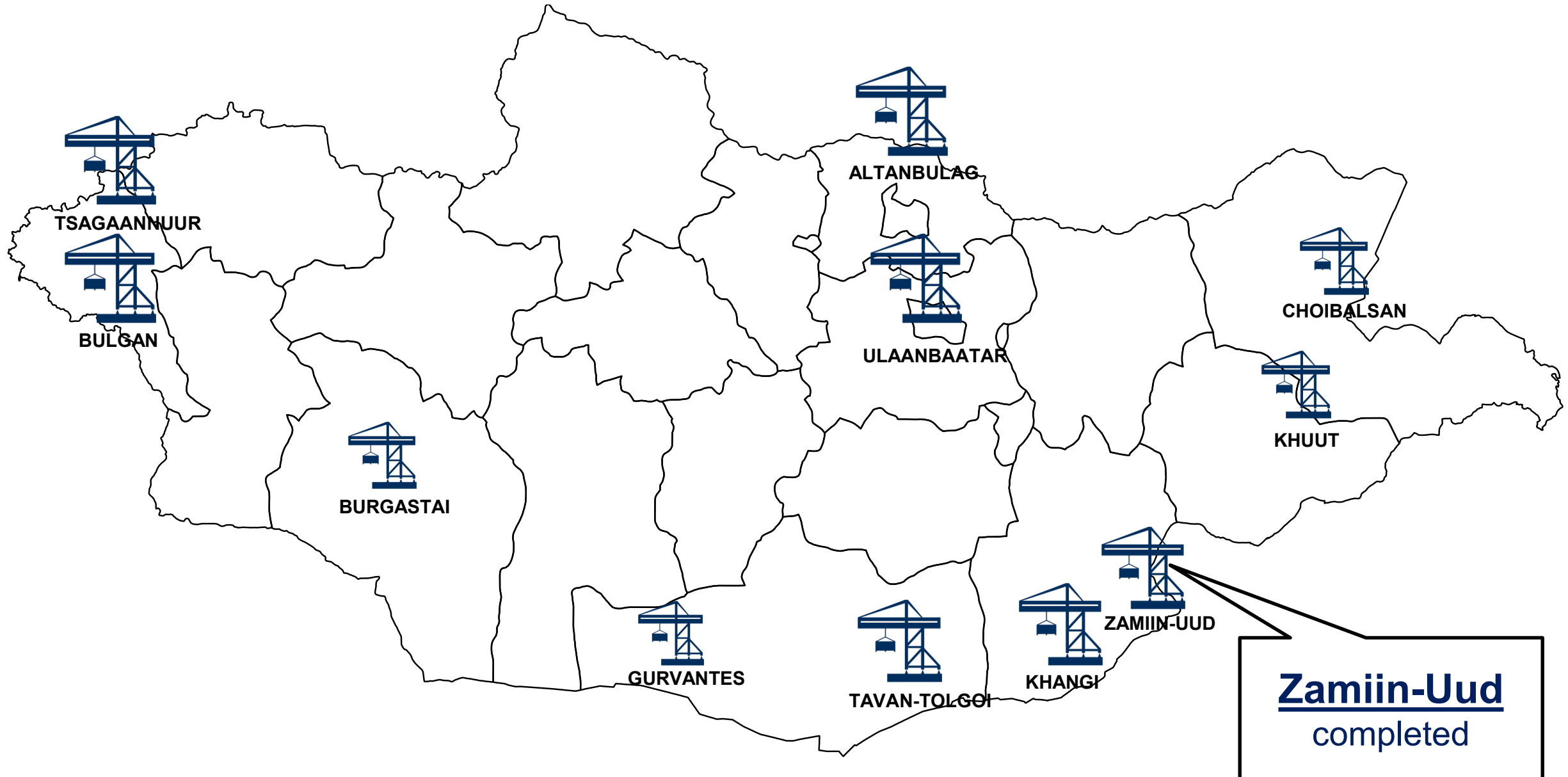
E-sign was fully implemented in 2019 between
Ulaanbaatar Railways and Russian Railways.

FACILITATION MEASURES AT RAILWAY BORDER CROSSINGS

Simplification: Development of sufficient and efficient capacities for transshipment: Zamiin-Uud Regional logistic park



REGIONAL LOGISTICS CENTERS



Needs to implement with technical assistance

Investment projects



— **Eastern railway corridor - Total length is 695 km. Western railway corridor was included for State policy on railway transportation.**

The Government of Mongolia planning to connect the western railway corridors to the international railway network.

Pre-feasibility studies of the western railway corridor are planned for 2019-2020. Looking for finance

— **Eastern highway corridor - Total length is 695 km.**

The Mongolian government planning to include on the ESCAP road network as the eastern highway corridor.

No	Name of projects	Implementation period	Finances, USD
1	To develop integrated data systems for roads and transport	2018 - 2020	600.000
2	Feasibility study of Railway Centralized Traffic Control Center	2018 – 2019	500.000
3	To prepare of Regional Road Development and Maintenance Project - II Phase.	2020	400.000
1	Detail drawing of multimodal logistic center in Hushigt valley (near new airport)	Since 2020	1,5 million
2	Support the introduce of logistics international standards in Mongolia	Since 2020	1.0 million
3	The systematical analysis on the Mongolian road sector	Since 2020	1.0 million
4	Detail drawing of “Bogdkhan” railway	Since 2020	1.5 million
5	Road safety introduction	Since 2020	1.0 million

CHALLENGES

1. Lack of available wagons for reloading both on Zamiin-Ude and Erlian stations.
2. Lack of cooperation between internal and external stakeholders: Electronic information exchange between railways and control authorities.
3. Long time taken for freight trains to cross the border at the Erlian/Zamiin-Ude.
4. Lengthy transshipment operations, limited reloading/receiving capacities.
5. The transit transportation is low due to poor quality of roads.
6. Capacity building improvement.



**THANK YOU FOR YOUR
ATTENTION**