

United Nations Conference on Trade and Development

International Workshop on

**Fostering the Integration of Agricultural Value Chains of Commodity-Dependent Landlocked Developing Countries into
Regional and Global Value Chains**

24-25 November 2021, Palais des Nations, Geneva, and online

Transport sector in Mongolia

By

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.



UNCTAD Workshop on Fostering Trade in Land-Locked Commodity-Dependent Developing Countries: Trade and Transport Facilitation

Mr. Batbold Sandagdorj
State Secretary of the
Ministry of Road and Transport
Development of Mongolia

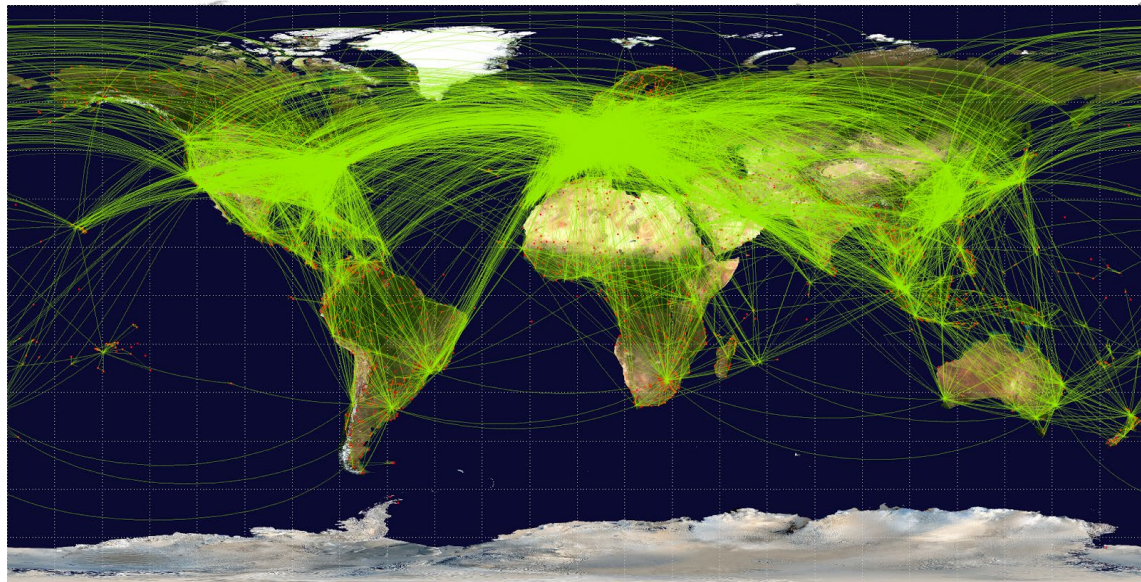
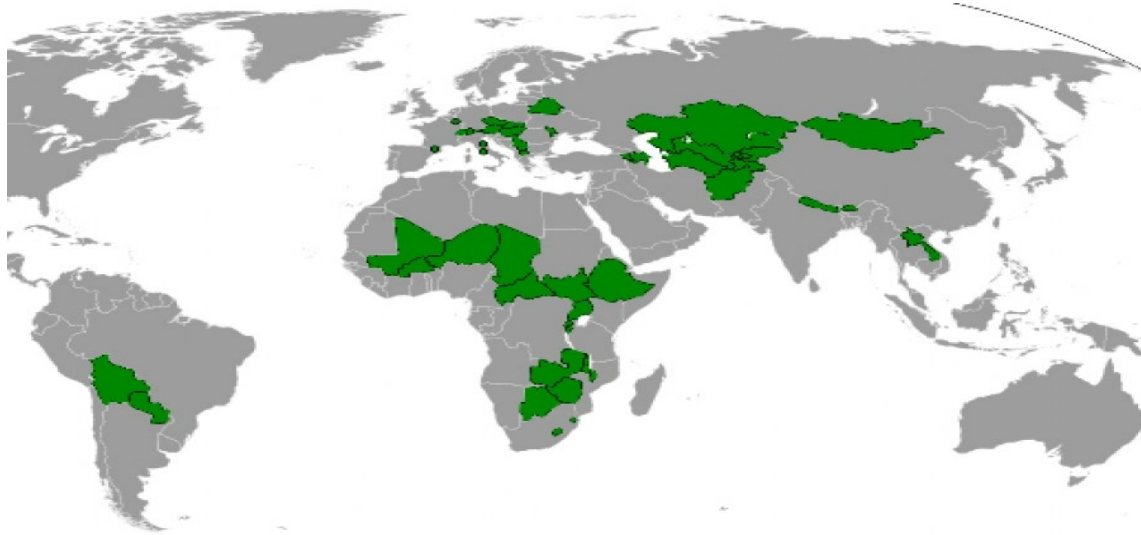
**Geneva
25 November, 2021**

Role of Transport Sector



Transport sector directly affects the product cost or services and the efficiency of all sectors at micro and economic level, in a large-scale, it affects the production, safety, living standards and ecological balance.

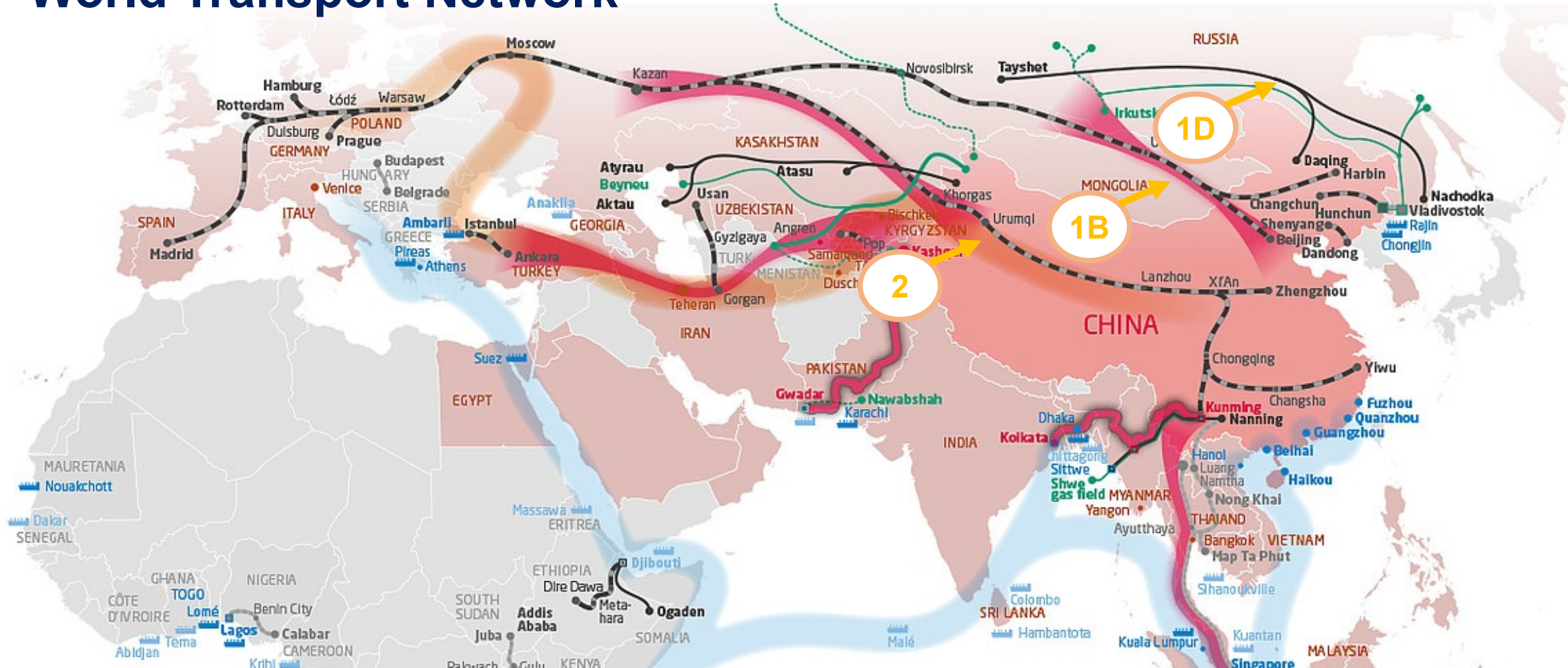
Landlocked Developing Countries and Mongolia



Mongolia focuses on:

- development of other types of transport;
- expansion of transport and logistics networks;
- accessing to the sea through the neighboring countries.

World Transport Network



5 existing corridors:

- pass through over 65 countries of the world
- connect 4.4 billion people
- 40% of the world trade turnover

OSJD 1B corridor is the shortest route that connects Asia and Europe:
513 km shorter than OSJD 2 corridor and 748 km shorter than 1D corridor

Mongolian Railway Corridors



- Existing railways
- Ereentsav-Choibalsan 238 km
- Railways under construction
- Choibalsan-Bichigt 426.7 km

- ❖ Transport route: 300 km shorter
- ❖ Transport cost: USD4-6 cheaper

Mongolian Road Network

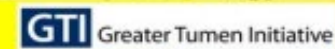
1. Asian Highway Network: AH3, AH4, AH32, AH35



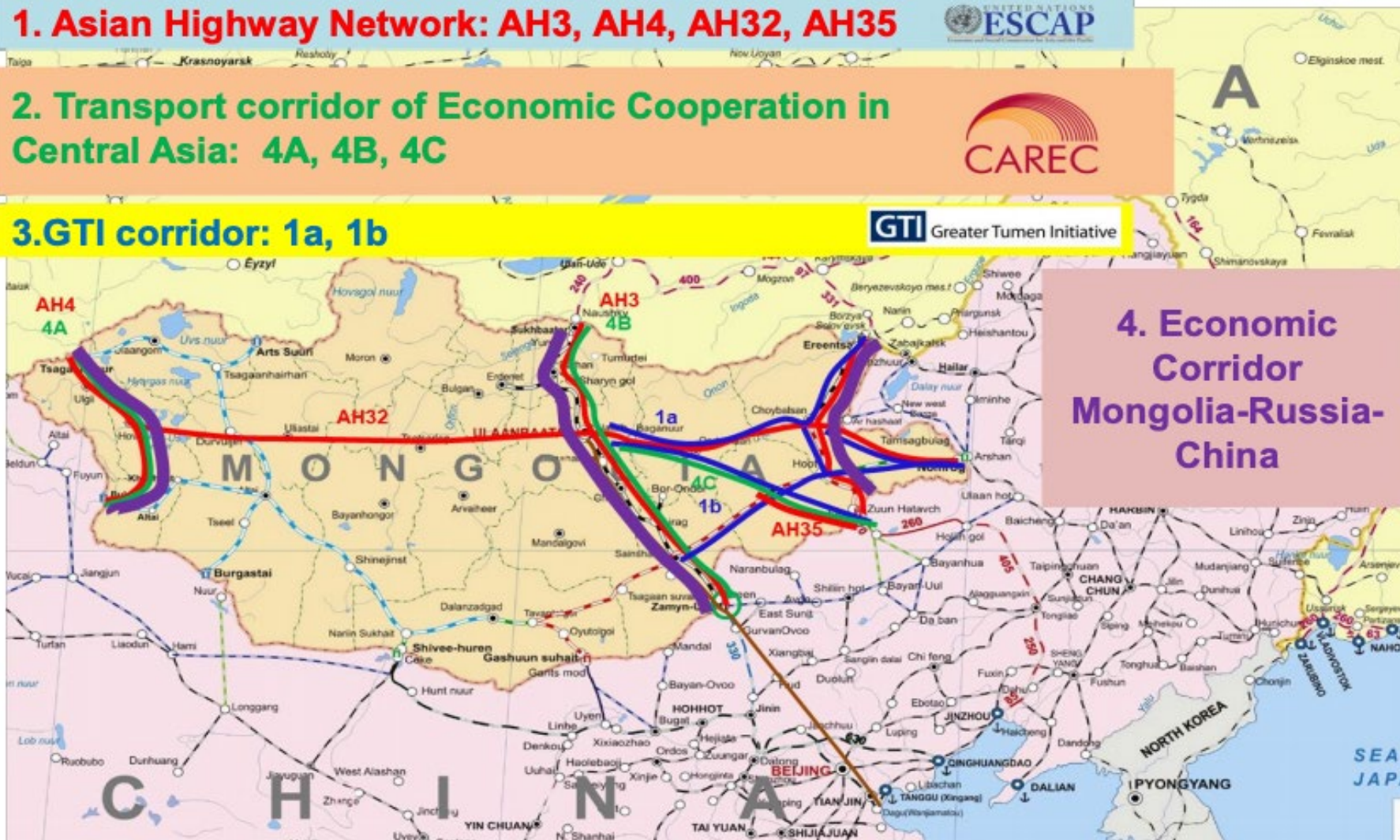
2. Transport corridor of Economic Cooperation in Central Asia: 4A, 4B, 4C



3. GTI corridor: 1a, 1b



4. Economic Corridor
Mongolia-Russia-
China

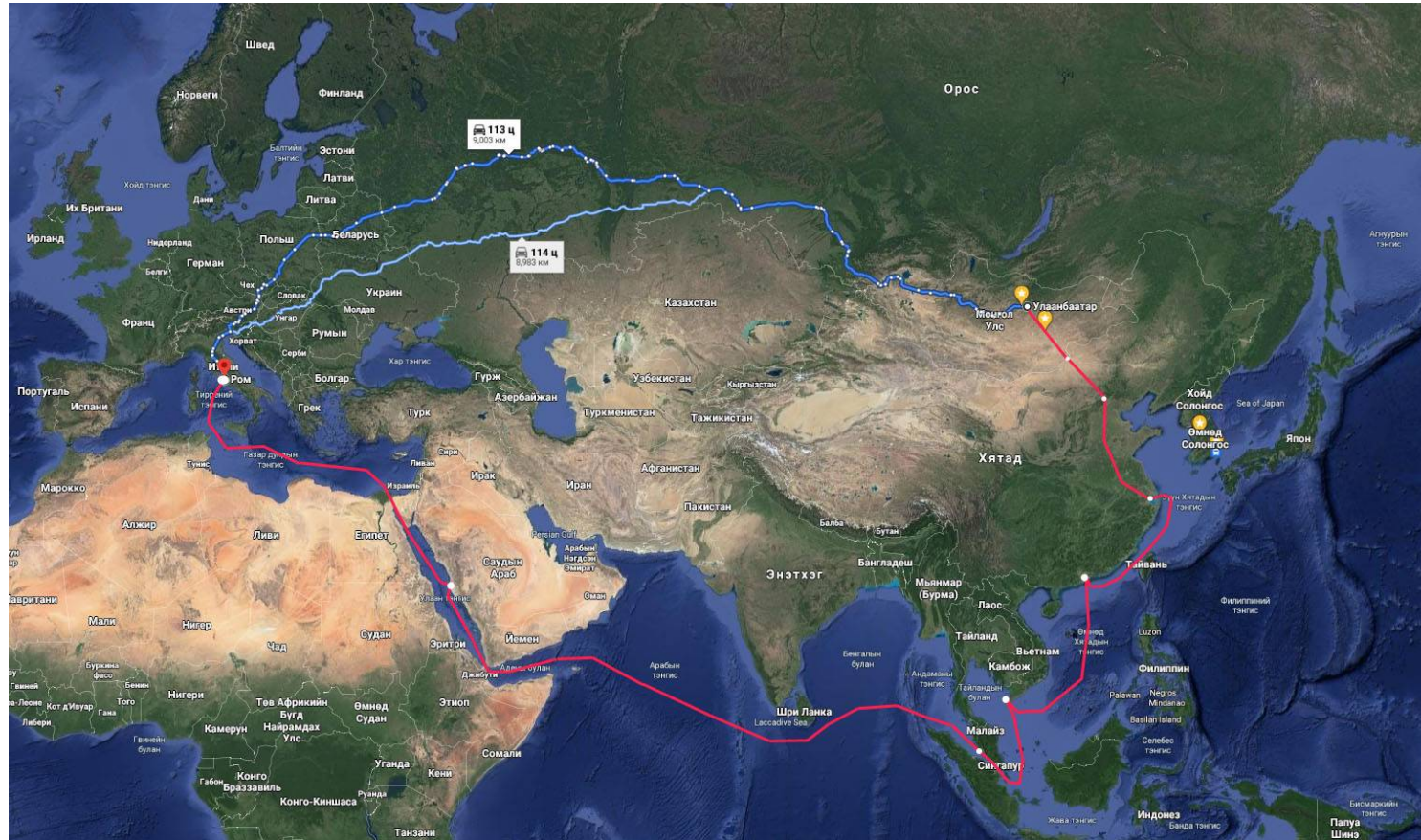


The map illustrates the flight network from Frankfurt, Germany, to various global destinations. The following table summarizes the destinations and the type of flight service provided:

Destination	Flight Type
LONDON	Direct
BERLIN	Direct
MOSCOW	Direct
STANBUL	Direct
DELHI	Direct
BANGKOK	Direct
SINGAPORE	Direct
IRKUTSK	Direct
ULANBAAT, P	Direct
ULGI	Direct
URUMI	Direct
UST-KAMENOGORSK	Direct
HAILAR	Direct
LEIJING	Direct
HOHHOT	Direct
TIANJIN	Direct
SHANGHAI	Direct
HONG KONG	Direct
SANYA	Direct
SEOUL/CHJU	Direct
TOKYO / OSAKA	Direct

- Air Services Agreements with 39 countries to operate flights about 100 cities in those countries.

Transport Cost Comparison



Maritime transport

Transport cost: USD 7000

Time: 90 days

Road transport

Transport cost: USD 8356

Time: 20 days

Railway transport

Transport cost: USD 4000

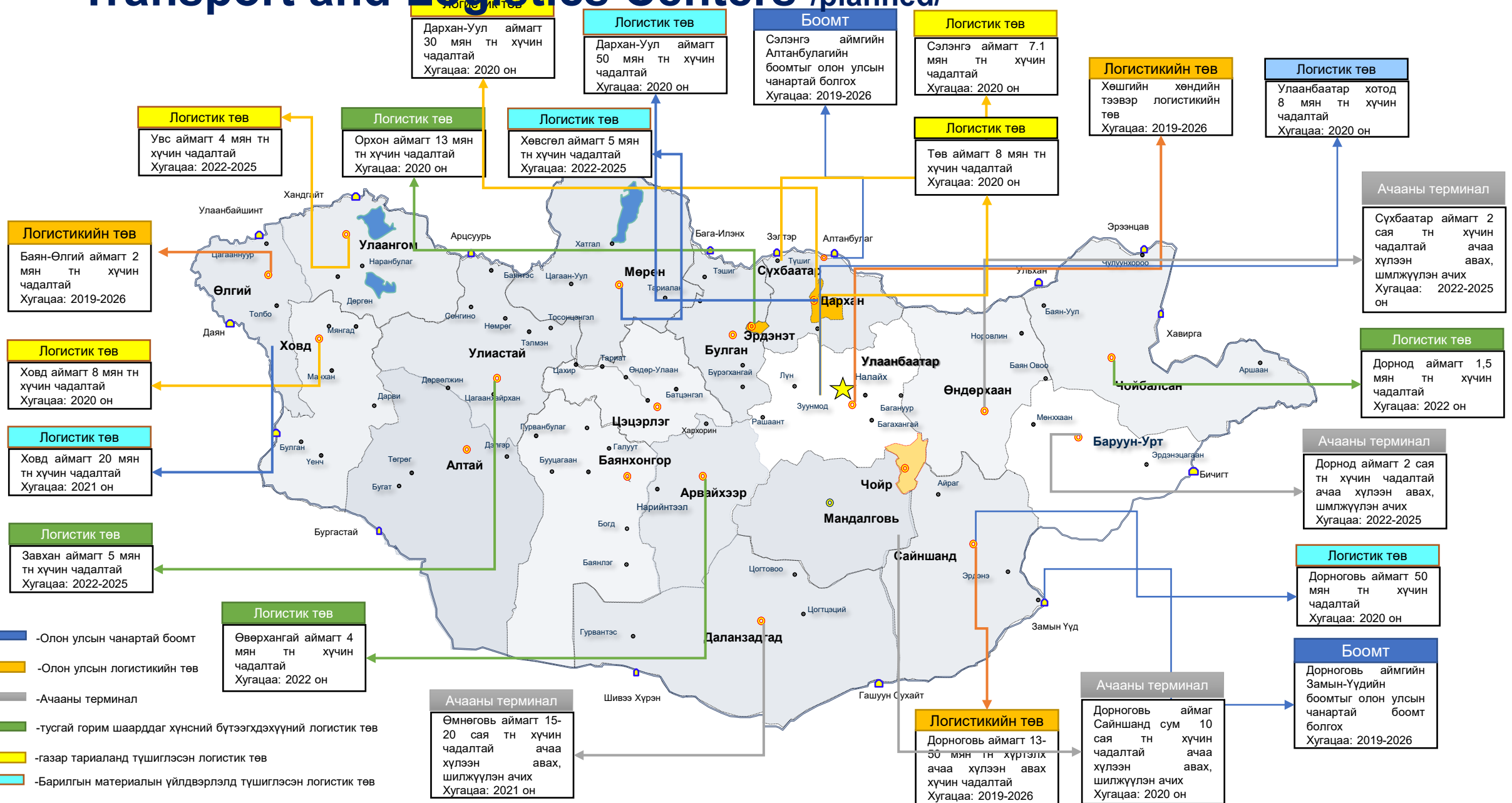
Time: approx. 40 days

- Road transport cost is USD 1356 higher than maritime transport, but it saves 70 days
- Road transportation is preferable for small-load freight transport
- Transport cost and time efficiency is higher in railway transportation for large-load freight transport /more than 50 containers with 40 FEU each/

Regional Cooperation Initiatives



Transport and Logistics Centers /planned/



THANK YOU.