



MONETARY POLICY STATEMENT

Revoking the pension loan measures

No: 2025/04

Date: July 07, 2025

The Monetary Policy Committee (MPC) of the Bank of Mongolia held its unscheduled meeting on July 7th, 2025. The MPC revoked its earlier policy decisions made on March 3 and June 13, 2025, regarding the loans secured by pension or benefit income, restoring them to their original terms.

To ensure social security for pension-receiving borrowers, mitigate excessive debt burden and reduce financial risks and vulnerabilities of borrowers, and maintain financial sector stability in line with the tight monetary policy to curb inflation, the MPC implemented phased regulatory measures on pension loans during its regular meetings in the first and second quarters of 2025.

However, this decision was made after taking into account complaints from borrowers about limited access to loans and their financial hardship, as well as formal requests from the Government of Mongolia, the Standing Committee of Parliament, and Parliament Members to the Bank of Mongolia.

On the other hand, it is essential for pension-receiving borrowers to limit their debt burden to an appropriate level and protect from social and economic risks associated with excessive borrowing. Going forward, the relevant ministry should address social issues related to loans secured by pension, benefit, and welfare income, and the resulting deterioration in the livelihoods of pensioners.

Extracts of the meeting minutes will be released on the Bank of Mongolia's official website in two weeks.

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