



The Current Situation for Foreign Trade Between Mongolia and China, Future Trend

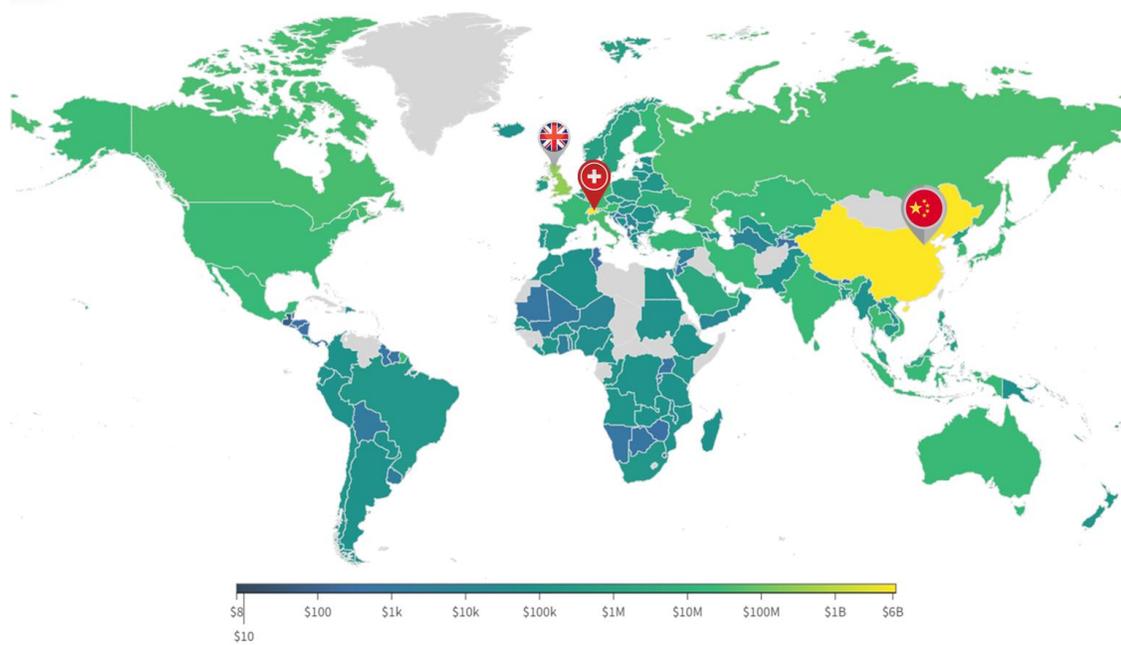
Enkhtaivan Erdenebileg

Foreign trade of Mongolia

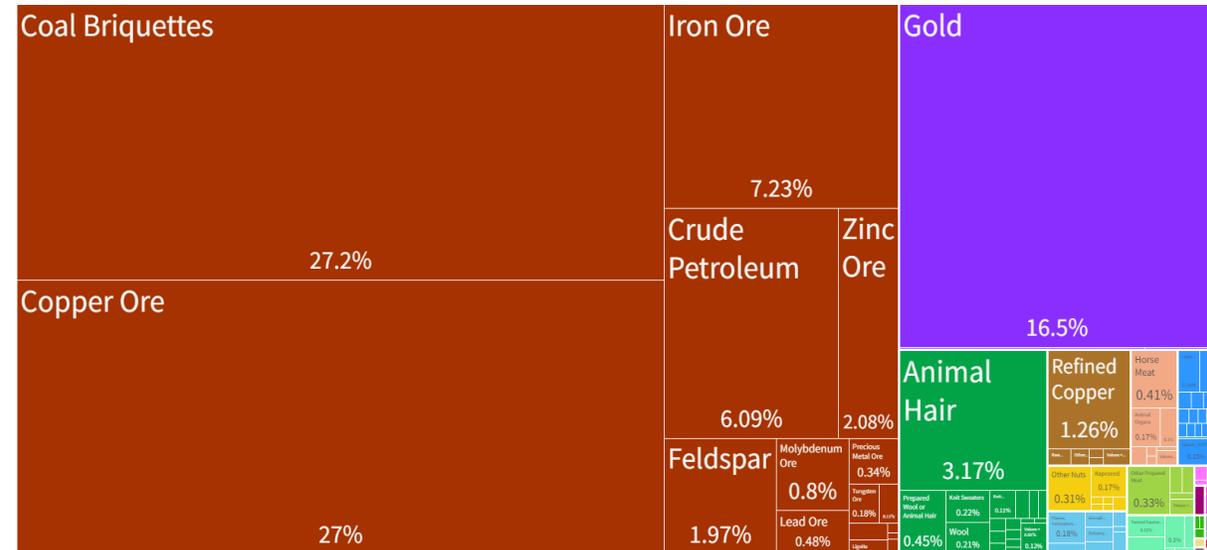
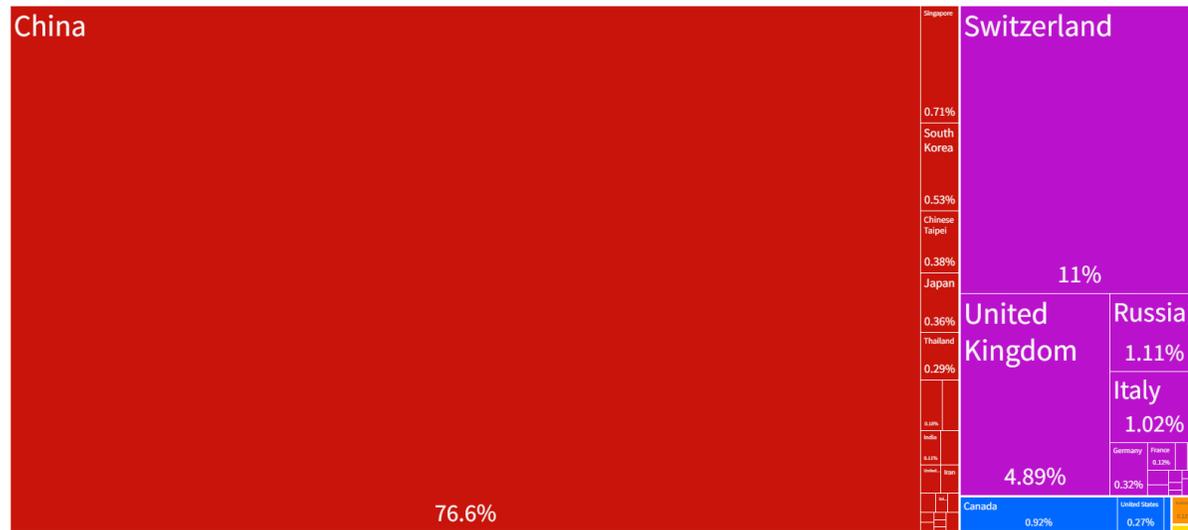
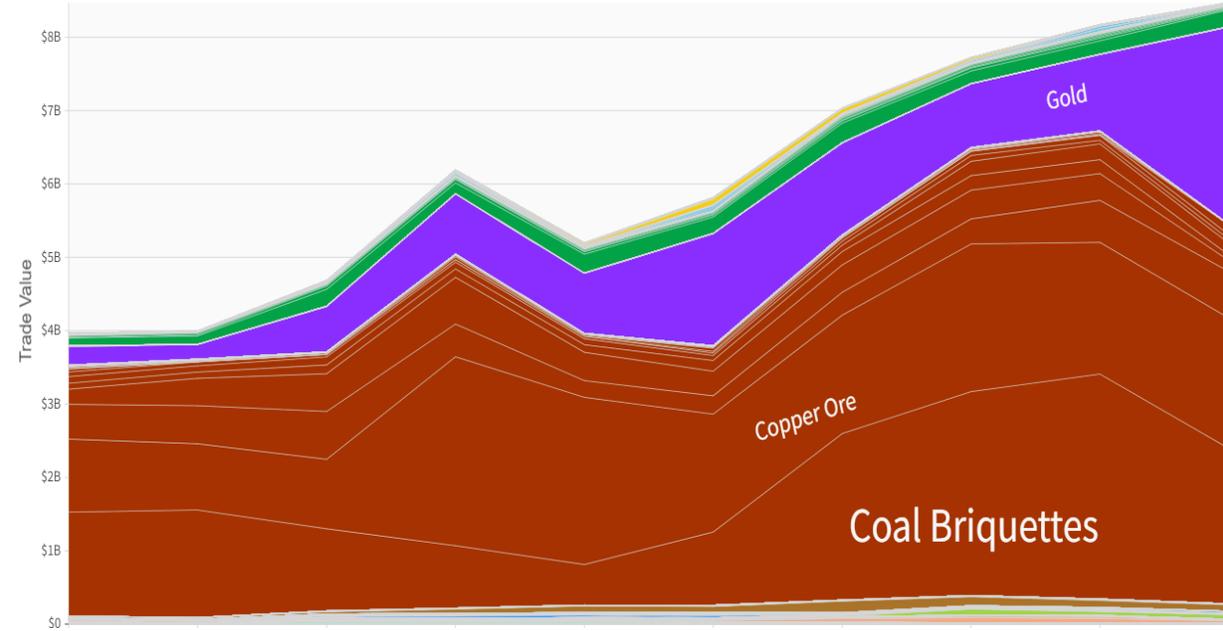
- In last decade, Mongolia traded with about 160 countries from all over the world,
- Total trade turnover reached USD 16.1 billion (2021),
 - USD 9.2 billion - exports
 - USD 6.8 billion – imports
- Key partner countries: China, Russia, United Kingdom, Switzerland, Japan, South Korea, USA, Singapore-94%

Exports : 2011-2021

Destinations:

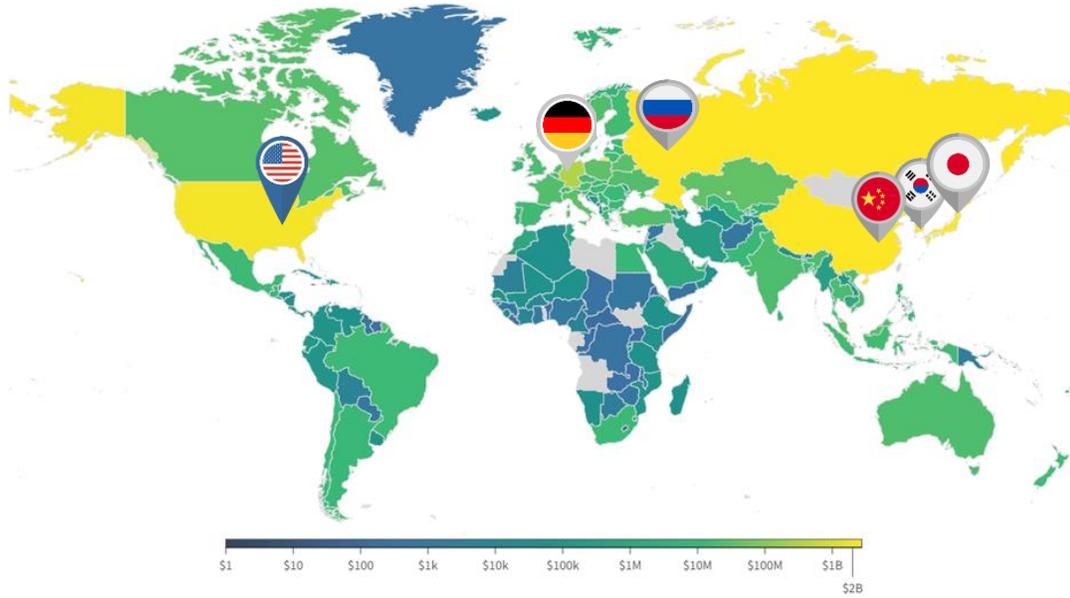


Structure:

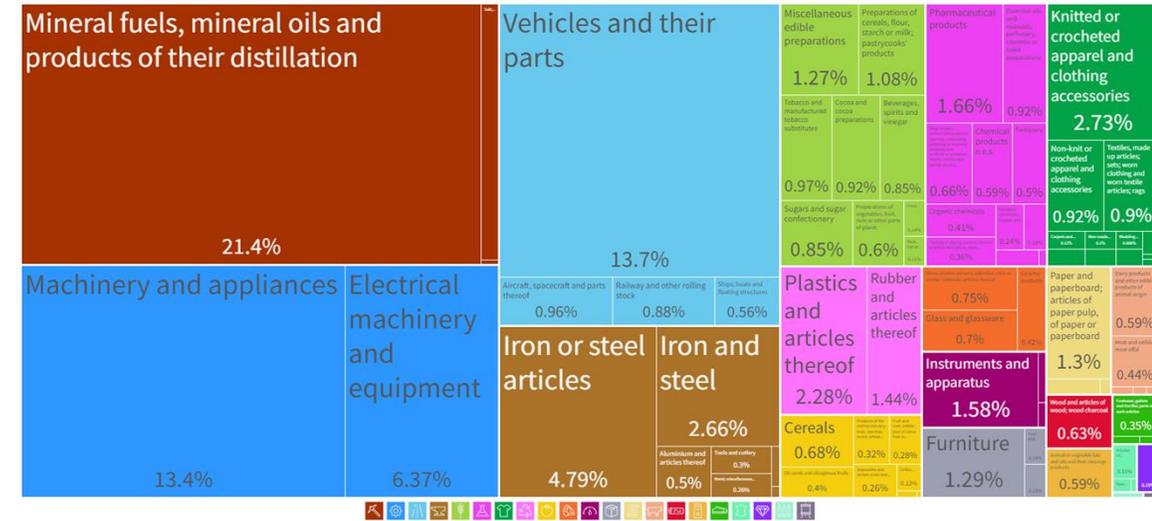
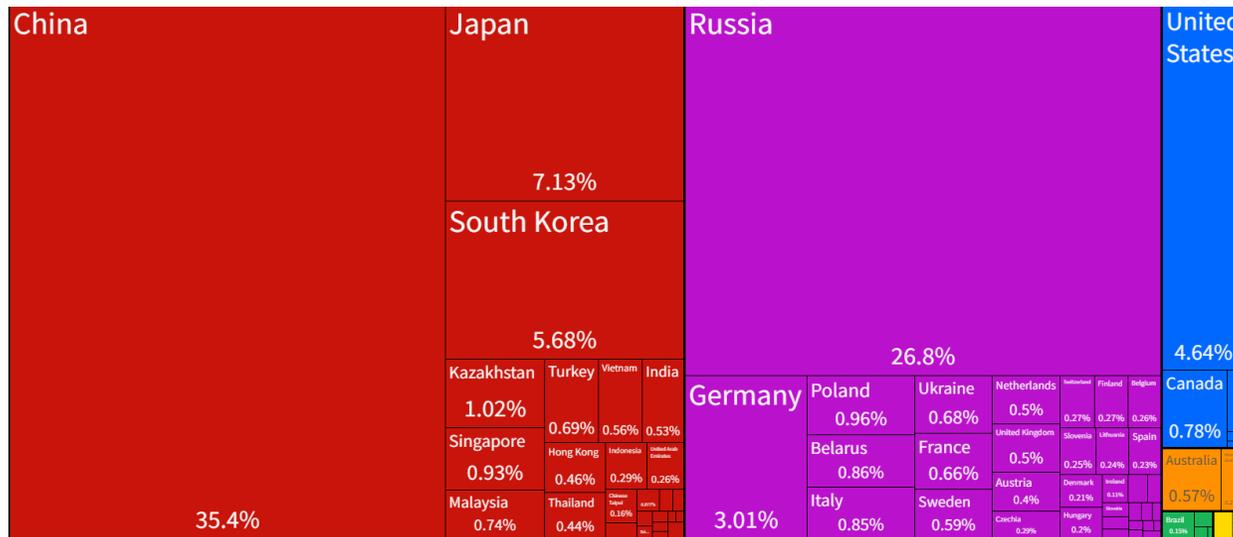
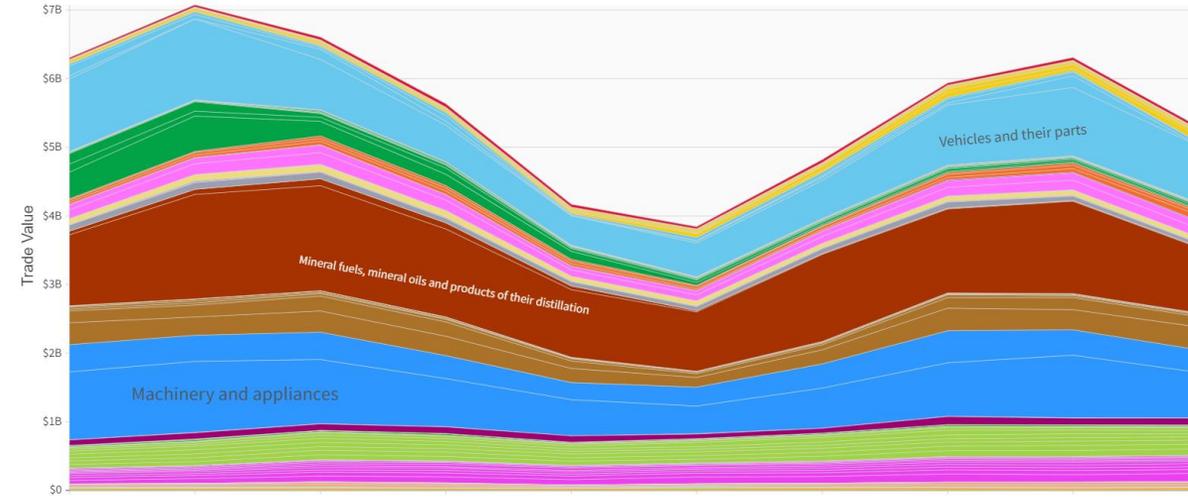


Imports : 2011-2021

Origins:



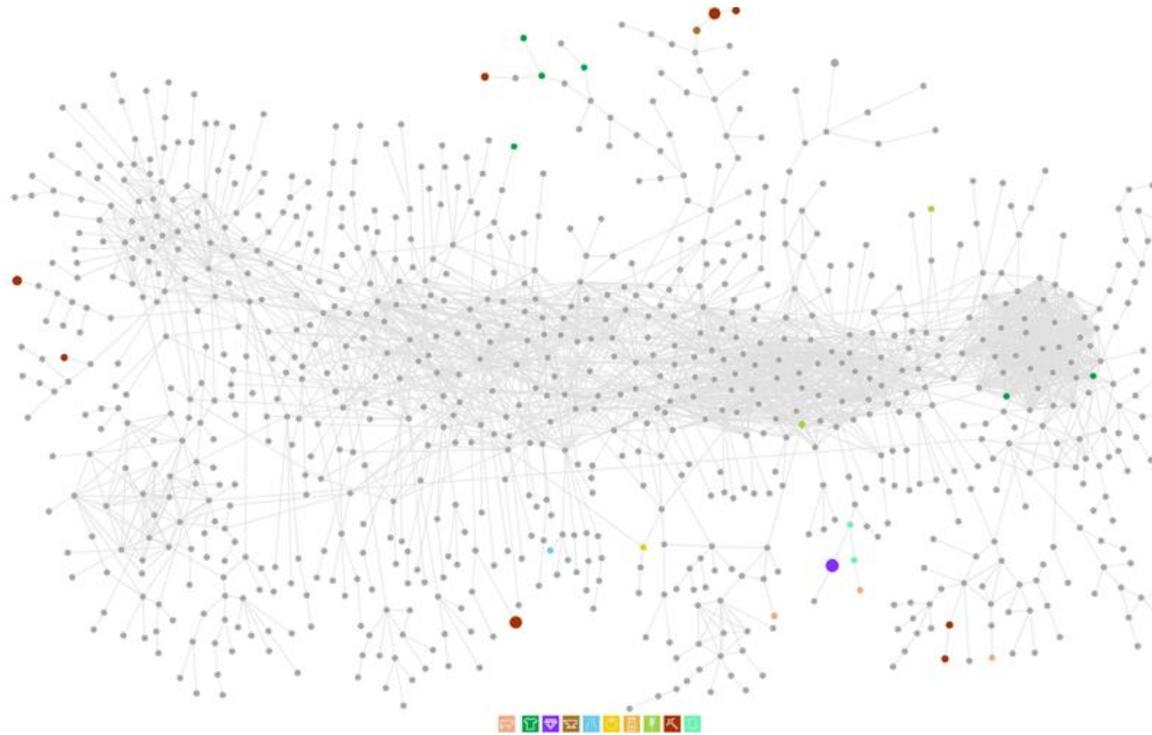
Structure:



Foreign Trade Between Mongolia and China

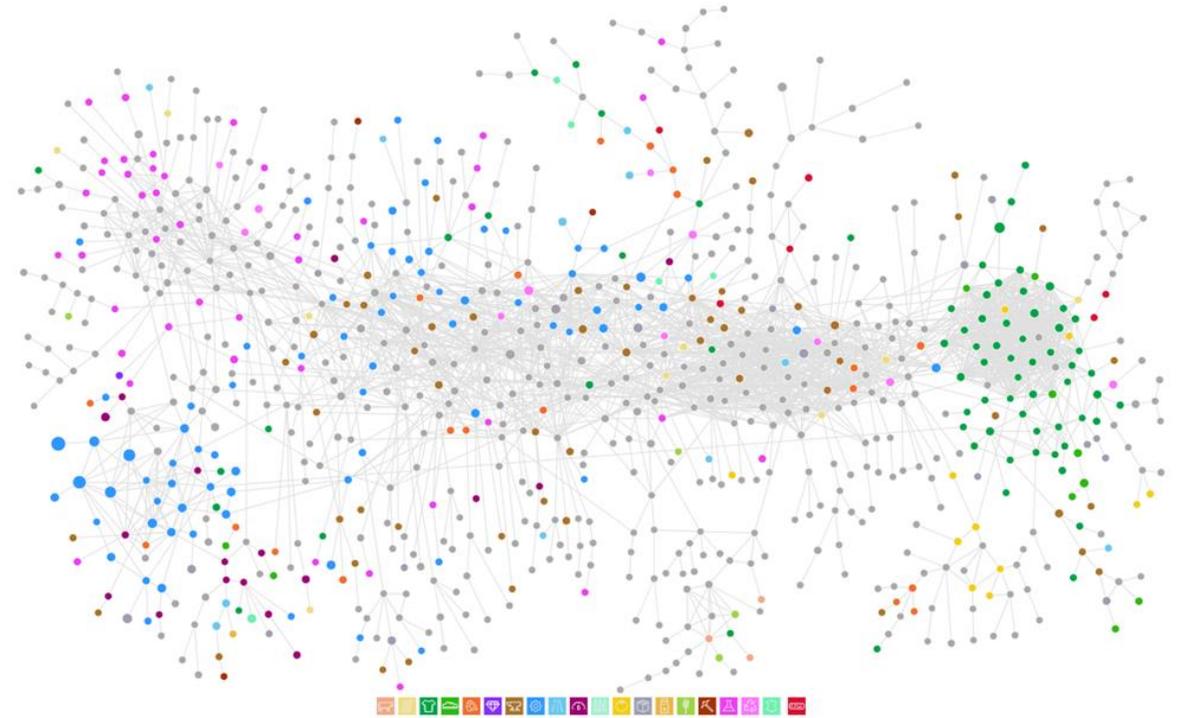
Product Space-Mongolia

RCA>1



Product Space-China

RCA>1



HS Code	Product name
2	Meat and edible meat offal
5	Animal originated products; not elsewhere specified or included
25	Salt; Sulphur; earths, stone; plastering materials, lime and cement
26	Ores, slag and ash
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes
41	Raw hides and skins (other than fur skins) and leather
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric
57	Carpets and other textile floor coverings
61	Apparel and clothing accessories; knitted or crocheted
71	Natural, cultured pearls; precious, semi-precious stones; precious metals, metals clad with precious metal, and articles thereof; imitation jewellery ; coin
74	Copper and articles there of

Product Code	Product Label	Mongolia's exports to China	China's imports from world	Share of Mongolia's export
		Value in 2021, USD thousand	Value in 2021, USD thousand	
'26	Ores, slag and ash	3818767	254589928	1.50%
'27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ...	2142430	357721621	0.60%
'51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	205477	2949159	6.97%
'08	Edible fruit and nuts; peel of citrus fruit or melons	157307	14611882	1.08%
'74	Copper and articles thereof	106986	58866572	0.18%
'25	Salt; Sulphur; earths and stone; plastering materials, lime and cement	60459	8776772	0.69%
'16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	40789	354772	11.50%
'02	Meat and edible meat offal	16320	29139099	0.06%
'12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal ...	6250	54295200	0.01%
'76	Aluminium and articles thereof	5878	11269641	0.05%
'41	Raw hides and skins (other than furskins) and leather	3748	3447321	0.11%
'78	Lead and articles thereof	3203	105970	3.02%
'21	Miscellaneous edible preparations	2344	4360193	0.05%
'71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad ...	1555	70965526	0.00%

Export to and Import from China by Sector

EXPORT		Sector	%	IMPORT		Sector	%
		Agriculture	1.9			Agriculture	11.6
		Chemicals	0.0			Chemicals	6.6
		Electronics	0.1			Electronics	7.8
		Etc.	8.5			Etc.	4.0
		Garment	6.7			Garment	1.9
		Machine	0.5			Machine	13.2
		Marine	0.0			Marine	0.1
		Mine	80.4			Mine	25.4
		Plastic/ Rubber	0.0			Plastic/ Rubber	3.9
		Steel	1.3			Steel	8.7
		Timber	0.0			Timber	3.6
		Trans	0.5			Trans	13.4
		Total	100.0			Total	100.0

Export to and Import from China by BEC Classification

EXPORT	Classification	%	IMPORT	Classification	%
	Etc.	0.1		Etc.	25.6
	Intermediate Goods	97.7		Intermediate Goods	34.8
	Consumption Goods	1.6		Consumption Goods	19.3
	Capital Goods	0.7		Capital Goods	20.4
	Total	100.0		Total	100.0

Export to and Import from China by Tech level

EXPORT		Tech level	%	IMPORT	
		Tech level	%	Tech level	%
		Primary Products	80.0	Primary Products	3.3
		Resource Based Manufactures	1.7	Resource Based Manufactures	36.1
		Low technology Manufactures	1.4	Low technology Manufactures	12.0
		Medium technology Manufactures	0.8	Medium technology Manufactures	33.6
		High - technology manufactures	0.5	High - technology manufactures	10.1
		Other	15.7	Other	4.9
		Total	100.0	Total	100.0

Export and Import of the Intermediate goods to and from China (BEC Classification)

EXPORT	Sector	%	IMPORT	Sector	%
	Agriculture	1.1		Agriculture	4.1
	Chemicals	0.0		Chemicals	9.6
	Electronics	0.1		Electronics	8.7
	Etc.	8.7		Etc.	4.9
	Garment	6.1		Garment	2.0
	Machine	0.3		Machine	11.0
	Marine	0.0		Marine	0.0
	Mine	82.2		Mine	17.3
	Plastic/ Rubber	0.0		Plastic/ Rubber	10.5
	Steel	1.3		Steel	23.1
	Timber	0.0		Timber	6.6
	Trans	0.2		Trans	2.2
Total	100.0	Total	100.0		

Export and Import of the Consumption Goods to and from China (BEC Classification)

EXPORT		Sector	%	IMPORT		Sector	%
	Agriculture	45.9			Agriculture	52.6	
	Chemicals	0.2			Chemicals	16.9	
	Electronics	0.9			Electronics	6.3	
	Etc.	0.9			Etc.	4.8	
	Garment	49.5			Garment	6.4	
	Machine	0.0			Machine	3.1	
	Marine	0.2			Marine	0.4	
	Mine	0.0			Mine	0.0	
	Plastic/ Rubber	0.0			Plastic/ Rubber	1.4	
	Steel	1.4			Steel	0.8	
	Timber	0.8			Timber	5.4	
	Trans	0.2			Trans	2.1	
	Total	100.0			Total	100.0	

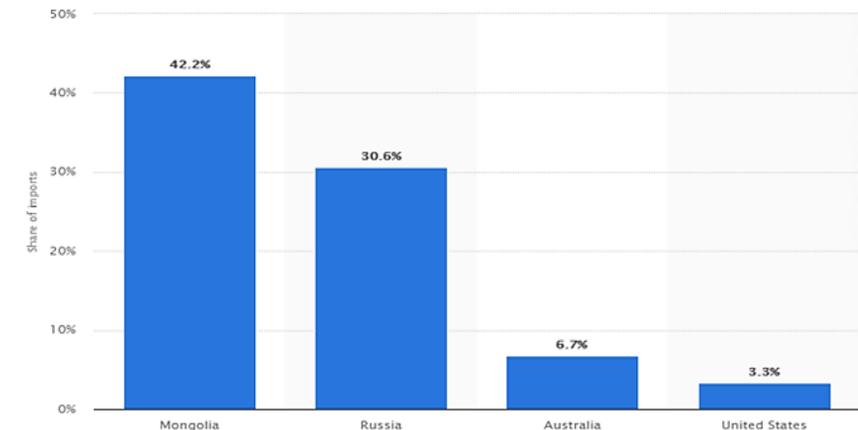
Mongolia's foreign trade and China's provinces

Provinces	Export		Import	
Guangdong Province	\$ 444,381,687,897	1	\$ 373,355,125,888	1
Beijing	\$ 55,109,544,878	7	\$ 293,395,360,169	2
Shanghai Province	\$ 175,701,811,976	4	\$ 287,629,938,254	3
Jiangsu husband	\$ 346,709,300,509	2	\$ 223,062,015,687	4
Shandong man	\$ 153,131,196,676	5	\$ 133,278,952,610	5
Zhejiang Province	\$ 314,200,421,024	3	\$ 106,794,954,222	6
Fujian husband	\$ 107,757,744,053	6	\$ 70,707,157,413	7
Tianjin	\$ 40,633,930,116	12	\$ 61,796,860,927	8
Liaoning husband	\$ 41,808,034,824	11	\$ 55,192,856,454	9
Sichuan husband	\$ 49,217,495,717	8	\$ 40,287,779,442	10
Chongqing	\$ 47,595,726,126	9	\$ 30,061,649,325	11
Guangxi Zhuang Autonomous Region	\$ 28,784,597,776	18	\$ 29,119,850,539	12
Henan Province	\$ 47,474,915,576	10	\$ 27,985,006,129	13
Anhui Province	\$ 38,637,789,166	13	\$ 27,567,409,100	14
Hebei Province	\$ 32,196,974,482	15	\$ 23,358,892,567	15
Shaanxi Province	\$ 21,966,720,061	19	\$ 22,779,132,512	16
Heilongjiang Province	\$ 4,729,969,258	25	\$ 21,993,928,071	17
Hubei Province	\$ 31,571,781,799	17	\$ 20,690,746,100	18
Hunan husband	\$ 34,820,869,566	14	\$ 17,438,692,807	19
Yunnan Province	\$ 12,349,453,809	21	\$ 17,167,227,657	20
Jilin husband	\$ 4,776,369,582	24	\$ 14,064,763,817	21
Zianxi husband	\$ 31,858,124,029	16	\$ 14,057,555,797	22
Inner Mongolia Autonomous Region	\$ 5,492,711,370	23	\$ 9,316,068,261	23
Shanxi husband	\$ 10,687,939,702	22	\$ 8,718,273,241	24
Hainan Province	\$ 4,465,070,977	26	\$ 8,345,089,054	25
Xinjiang Uyghur Autonomous Region	\$ 17,617,185,927	20	\$ 5,419,576,943	26
Gansu Province	\$ 1,536,682,141	29	\$ 3,240,035,018	27
Guizhou Province	\$ 2,774,966,392	27	\$ 1,773,165,344	28
Ningxia Hui Autonomous Province	\$ 1,814,463,225	28	\$ 947,996,686	29
Qinghai Province	\$ 281,861,906	31	\$ 247,202,021	30
Tibet Autonomous Region	\$ 524,631,664	30	\$ 143,134,570	31

Inner Mongolia Autonomous Region

- 60% of Mongolia's total export
- 67.8% of export to China from Mongolia.

Inner Mongolia Autonomous Region's import by origin



Transportation

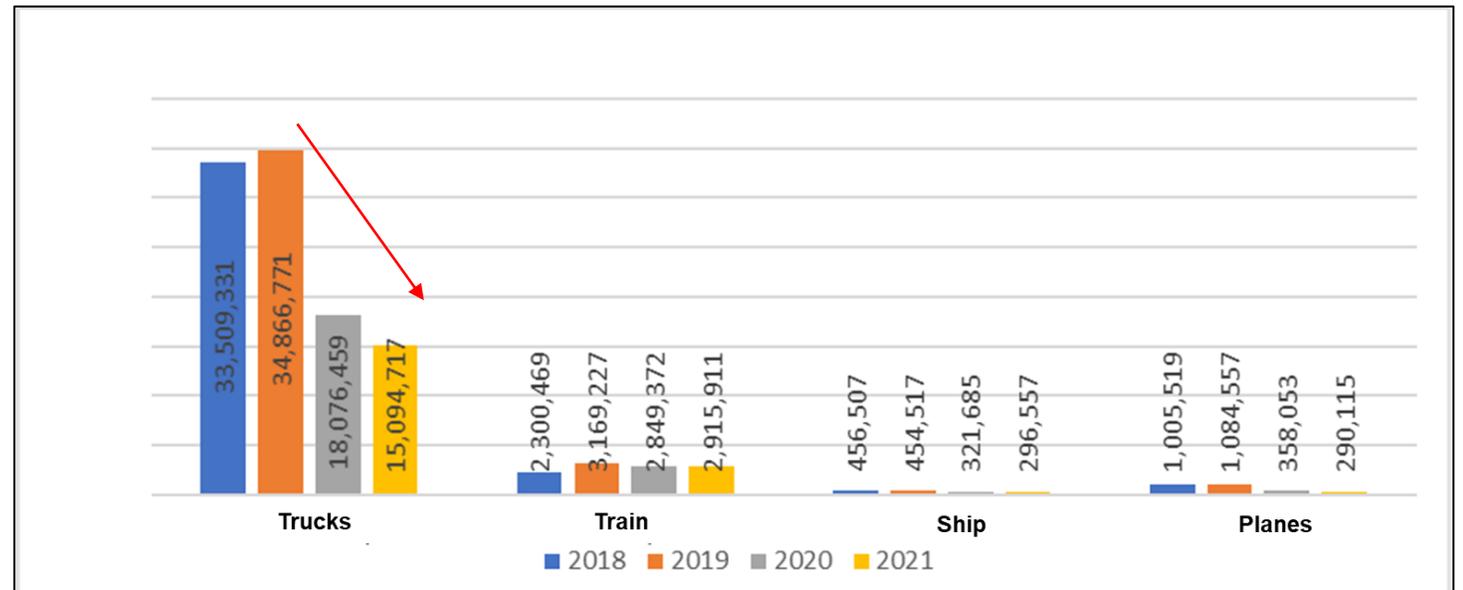
Mongolia's exports:

- **26.3 percent by railway,**
- **70.6 percent by road,**
- 3.2 percent is by air.

Mongolia's Imports:

- 55.4 percent by railway,
- 35.8 percent by road,
- 6.1 percent by air,
- 2.7 percent by other transportation.

China's Foreign Trade Turnover, by transportation type, 2018-2021



China's import

China's import by SITC classification

GROUPING	2019	2020	2021	%
		728,941,651	677,073,750	977,061,837
1. PRIMARY PRODUCTS	80,734,958	98,194,011	122,798,497	12.6%
Food and live animals	7,660,251	6,213,693	7,625,468	0.8%
Drinks and tobacco	285,058,554	294,483,437	428,246,544	43.8%
Raw materials other than fuel	346,106,656	267,535,174	403,810,397	41.3%
Minerals, fuels and lubricants	9,381,232	10,647,436	14,580,931	1.5%
Animal and vegetable oils, fats and waxes	1,343,498,702	1,378,537,920	1,710,467,568	
2. MANUFACTURING PRODUCTS	218,770,329	213,331,906	264,048,747	15.4%
Chemicals and related products	140,035,307	168,277,594	210,020,302	12.3%
Manufactured products containing basic material characteristics	786,506,794	828,588,335	1,005,894,555	58.8%
Cars and vehicles	144,207,887	146,014,910	170,090,957	9.9%
Various manufactured products	53,978,384	22,325,174	60,413,006	3.5%
Unclassified goods and transactions in other parts of SITC	2,077,097,114	2,055,611,829	2,687,529,404	-

Imports of some food products

	Units	2019	2020	2021	2021/2020	2020/2019	2021/2019
Meat (including organs)	10 thousand tons	617.8	990.9	937.8	-5.4%	60.4%	51.8%
Fresh or dried fruits and nuts	10 thousand tons	708.8	653.9	730.9	11.8%	-7.7%	3.1%
Cereals	10 thousand tons	11144.6	13926.6	16453.9	18.1%	25.0%	47.6%
Soybeans	10 thousand tons	8851.3	10031.5	9651.8	-3.8%	13.3%	9.0%
Vegetable oil	10 thousand tons	953.3	1079	1039.2	-3.7%	13.2%	9.0%

Imports of some Minerals, crude oil, oil products and gas

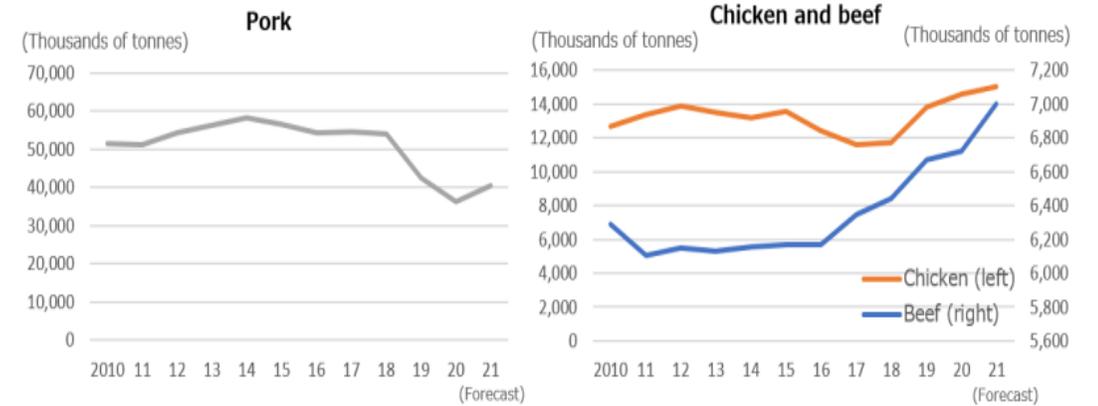
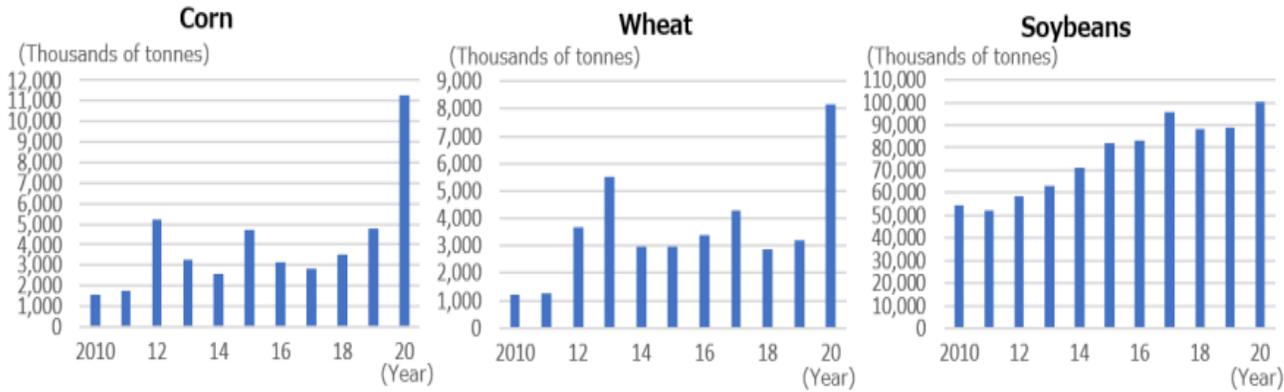
	Units	2019	2020	2021	2021/2020	2020/2019	2021/2019
Iron ore and concentrate	10 thousand tons	617.8	990.9	937.8	-5.4%	60.4%	51.8%
Copper ore and concentrate	10 thousand tons	708.8	653.9	730.9	11.8%	-7.7%	3.1%
Coal and lignite	10 thousand tons	11144.6	13926.6	16453.9	18.1%	25.0%	47.6%
Crude oil	10 thousand tons	8851.3	10031.5	9651.8	-3.8%	13.3%	9.0%
Refined petroleum products	10 thousand tons	953.3	1079	1039.2	-3.7%	13.2%	9.0%
Natural gas	10 thousand tons	617.8	990.9	937.8	-5.4%	60.4%	51.8%

Imports of Products required for industry

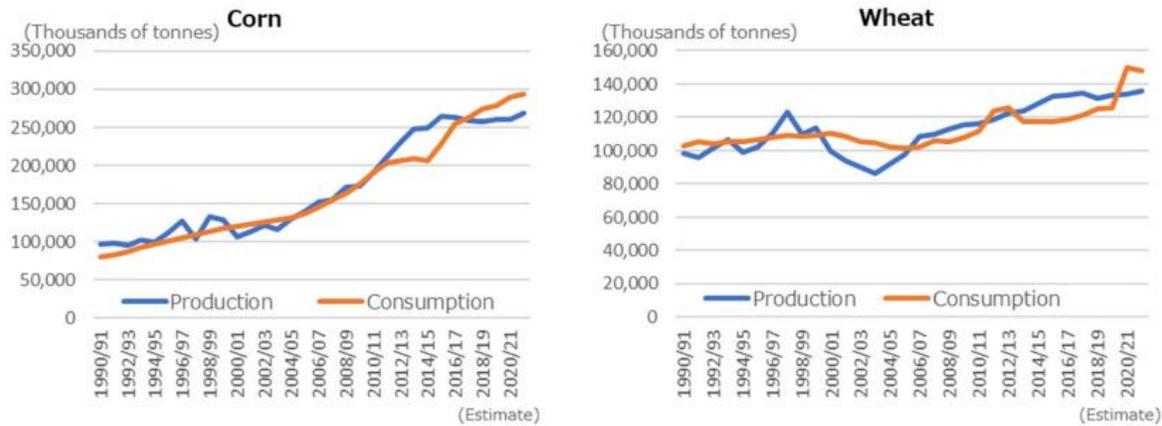
Төрөл зүйл	Хэмжих нэгж	2019 он	2020 он	2021 он	Сүүлийн 1 жил	2020 он/2019 он	Сүүлийн 2 жилийн
Pharmaceutical products	tons	708.8	653.9	730.9	11.8%	-7.7%	3.1%
Fertilization	10 thousand tons	11144.6	13926.6	16453.9	18.1%	25.0%	47.6%
Cosmetics and care products	tons	8851.3	10031.5	9651.8	-3.8%	13.3%	9.0%
Primary form plastic	10 thousand tons	953.3	1079	1039.2	-3.7%	13.2%	9.0%
Natural rubber and synthetic rubber (including latex)	10 thousand tons	617.8	990.9	937.8	-5.4%	60.4%	51.8%
Wood and wooden products	10,000 CBM	708.8	653.9	730.9	11.8%	-7.7%	3.1%
Paper pulp	10 thousand tons	11144.6	13926.6	16453.9	18.1%	25.0%	47.6%
Steel products	10 thousand tons	8851.3	10031.5	9651.8	-3.8%	13.3%	9.0%
Raw copper and copper products	tons	953.3	1079	1039.2	-3.7%	13.2%	9.0%

CHINA'S GRAIN IMPORTS RAPIDLY GROWING

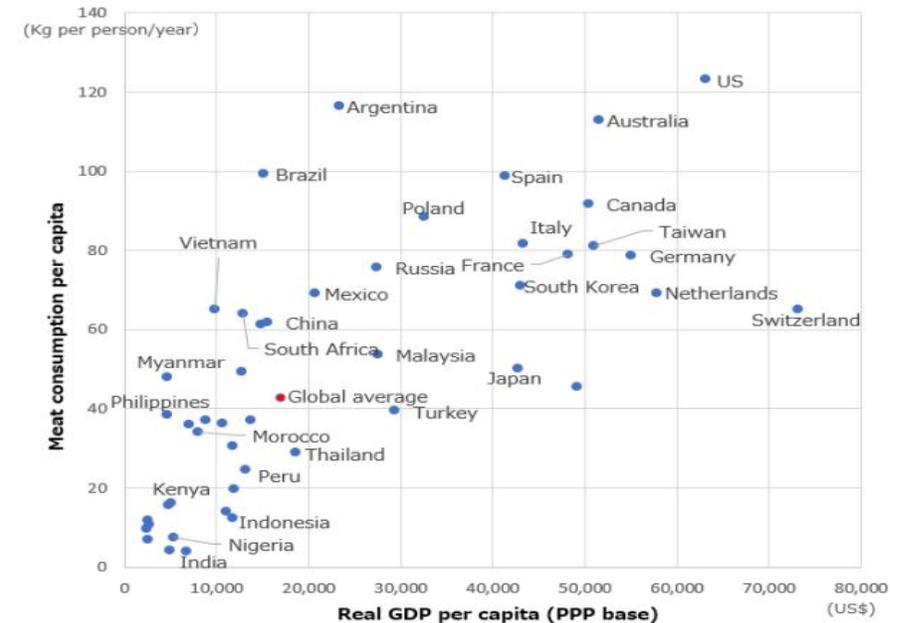
China's grain and soybean import volumes



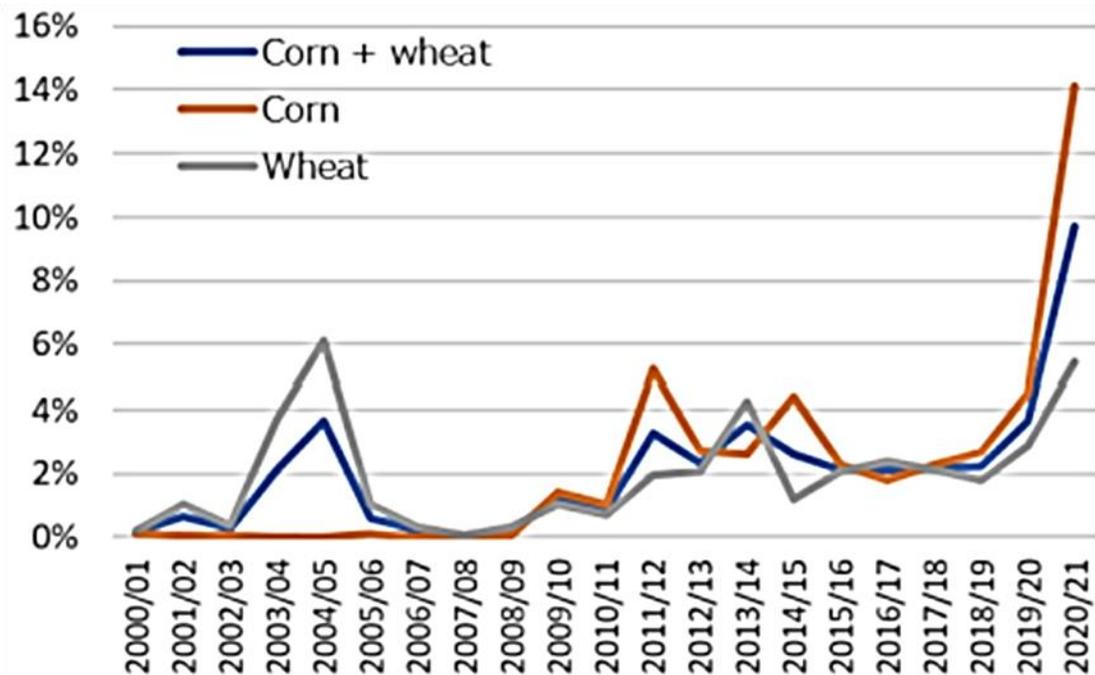
Corn and wheat production and consumption in China



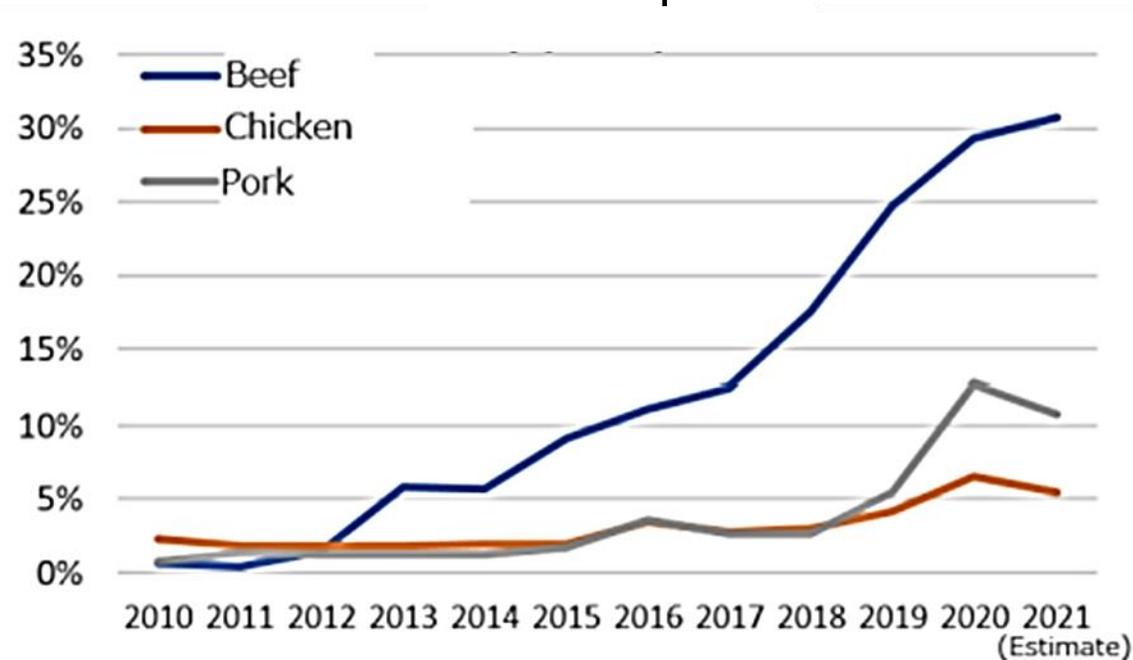
Correlation between global income and meat consumption (2018)



China's grain import as share of world grain trade



China's meat import as share of consumption



Conclusions

- Transportation and ports
- Export and Import of the Intermediate goods
- Export to and Import from China by Sector
- Export and Import of the Consumption Goods Import
- Technology levels
- Provinces