



## **IIB and Mongolia outline measures to stabilize national economy**

April 7, 2017

On April 7, 2017, at the initiative of the Extraordinary and Plenipotentiary Ambassador of Mongolia to the Russian Federation, Banzragchin Delgermaa, a working meeting was held at the Headquarters of the International Investment Bank (IIB) with the participation of the Embassy's delegation and the IIB's top executives led by Nikolay Kosov, the Chairman of the IIB Board. On behalf of the Government of Mongolia, the head of the diplomatic mission submitted a proposal to the Bank to participate in the measures to stabilize the national economy and to finance a number of relevant projects.

The parties made arrangements concerning the cooperation procedures and discussed the present status of the Mongolian economy. The agreement by the Government of Mongolia and the IMF on implementation of the Extended Fund Facility and the support of MDB's such as the IIB focused on overcoming negative macroeconomic trends, stabilizing the exchange rate of the national currency, and leading to a reduction in the trade deficit and a diversification of Mongolian economy.

N. Kosov briefed Mrs. B. Dalgermaa on operational results of the development institution in 2016, current operational indicators and the efficient implementation of the Bank's next strategy of growth that envisages a significant increase of assets and a loan portfolio by 2022. The Chairman of the Board also encouraged the Mongolian government to speed up the finalisation of the ratification of a new version of the IIB's statutory documents, which fully reflect best practices of leading international financial institutions.

In this context, it is noteworthy that the Mongolian Prime Minister Jargaltulgyn Erdenebat emphasized the importance of the Government's cooperation with IFIs, including the IIB, during his speech in the State Great Khural on April 7, 2016. The head of the government, in particular, noted that, taking into account the economic and financial status, as well as enhancing cooperation within the framework of [the Agreement on Strategic Cooperation between the IIB and the Development Bank of Mongolia](#), an agreement was reached on providing a loan to the Mongolian entity for the amount of EUR 50 million euro for a period of 7 years.

The IIB is consistently expanding its activities in Mongolia. The total volume of the IIB's signed loans to Mongolian economy in the past four years exceeds the equivalent of USD 80 million, and the turnover of its depositary investments to banking institutions in Mongolia was approximately USD 500 million.