

649 076 494

HUMBOLDT UNIVERSITY BERLIN

Faculty of Agricultural and Horticultural Sciences

Publication Series of the Centre for Advanced Training
in Rural Development (SLE)



Between Yaks and Yurts

Perspectives for a Sustainable Regional Economic Development in Mongolia

Christian Berg (team leader)

Saskia Haardt

Kathleen Thieme

Ralf Willinger

Jörg Yoder

SLE

Hessische Straße 1-2, Unter den Linden 6,
10099 Berlin, Germany

E-mail: sabine.doerr@agrار.hu-berlin.de

Internet: www.agrar.hu-berlin.de/sle
www.berlinerseminar.de

Berlin / Ulaanbaatar, December 2003

SLE Centre for Advanced Training in Rural Development

Table of content

Foreword	i
Acknowledgements	ii
Summary	vii
Abbreviations	xvii
Glossary.....	xix
CHAPTER A: INTRODUCTION	1
1 Background and objectives of the study.....	2
1.1 Programme for "Promotion of the Regional Economy"	3
1.2 Objectives and topics of the study.....	7
2 Concept and methodology of the study	10
2.1 The GTZ concept of regional economic development	10
2.2 Study design	12
3 General framework conditions for economic development in Mongolia and the pilot regions.....	18
3.1 Relevant facts about Mongolia	18
3.2 The Mongolian Concept on Regional Development	25
3.3 Pilot regions of the programme.....	27
CHAPTER B: RESULTS OF THE STUDY	39
1 Starting points, prospects, and constraints for entrepreneurial activities and the extension of value chains in the pilot regions.....	40
1.1 Regional resources of the Zavkhan <i>aimag</i>	40
1.2 Promising economic sectors and products of the Zavkhan <i>aimag</i>	42
1.3 Regional resources of the Darkhan-Uul and Selenge <i>aimags</i> ...	57
1.4 Promising economic sectors and products of the Darkhan- Uul and Selenge <i>aimags</i>	59
1.5 General business conditions for most sectors and products....	74
2 Private and public institutions relevant to the promotion of economic entities and the regional economy.....	78
2.1 Business development service providers	79

2.2	Finance institutions	89
2.3	Public administration	98
3	Information, educational and vocational training	104
3.1	Information	104
3.2	Educational and vocational training.....	110
4	Legal and institutional framework for participation in regional economic development.....	118
4.1	Political decisions and budgeting	118
4.2	Information on and participation in regional economic development	125
4.3	Non-compliance with laws and corruption	132
CHAPTER C: CONCLUSIONS AND RECOMMENDATIONS.....		135
1	Introduction	136
2	Conclusions and recommendations with regard to the programme concept.....	139
2.1	Legal and institutional framework for participation in regional economic development	139
2.2	Improve information flows.....	140
2.3	Improve financial services	143
2.4	Strengthen business development services	145
2.5	Improve co-operation between economic entities and public administration	148
2.6	Improve vocational and educational training.....	149
2.7	Support entrepreneurial activities and extension of value chains	153
3	Conclusions and recommendations with regard to the methodological approach of the programme.....	159
3.1	Ensure participation in diagnostic, planning, implementation, and evaluation of local projects.....	159
3.2	Seek synergies.....	163
References		164
ANNEX		171