



## **MONGOLIA**

**Khurelbaatar Chimed**, Governor

Your Excellencies, Mr. Chairman, President Nakao, Esteemed Governors,  
Ladies and Gentlemen,

It is with great pleasure to participate in the Fifty-Second Annual Meeting of the Board of Governors of the Asian Development Bank held here in the beautiful tropical city of Nadi. I would like to take this opportunity to extend my sincere gratitude to the Government of Republic of Fiji and the people of Fiji for the warm welcome and hospitality.

First of all, on behalf of the Government of Mongolia, I would like to congratulate the Asian Development Bank for successfully introducing the Strategy 2030 and for the outstanding operational performance in 2018. The Government commends Asian Development Bank's efforts to improve its operations through close dialogues, introduction of digital technologies into its operations, and proactive and practical approaches to develop products and services that addresses the pressing issues of its member countries.

We believe the Strategy 2030 provides more focus for the Bank to address the changing needs of its developing member countries, especially those countries that are the most vulnerable.

As global and regional economies are slowing down since 2018, uncertainties and vulnerabilities still remain for the emerging markets. Volatility of the commodity market continues to present a serious challenge for natural resource dependent countries in terms of maintaining macroeconomic stability and implementing the Government's development strategies. To overcome these, countries like Mongolia has taken major policy actions and adjustments including budget restructuring to enhance and promote quality spending, reforms to enhance the effectiveness and sustainability of social welfare, and establish favorable investment climate.

Although development financing remains to be the most important modality for meeting the sustainable development needs of developing countries, we must exploit private sector financing in parallel due to the financing needs to implement the Sustainable Development Goals. The need for infrastructure development and affordable energy remain to be a major challenge in the emerging and developing economies.

Thus, as one of the main objectives of the Asian Development Bank Strategy 2030 is pursuing development through private sector operation and reaching thirds of its operations by 2024, we urge the Asian Development Bank private sector operations to expand its operations in its member countries and partake on sovereign operations to be more exposed to their markets.

Also, the Government of Mongolia commends Asian Development Bank's proactive approach in expanding its lending capacity and diversifying its financing sources. We request the Bank to

continue its efforts on diversification of future financing sources for development expenditure, complementing public revenues with private funds through public and private partnership modality, and climate financing.

With that said, I would like to express my gratitude to the Asian Development Bank for the close partnership, understanding and leadership in the development partner community in supporting the Government led policy reforms with greater flexibility and providing timely support under the International Monetary Fund's Extended Fund Facility. As a result of our close cooperation, there is strong economic growth with fiscal accounts at primary surplus, decreased debt level, and strong external demand. This is the highest growth in the past four years. In 2019, GDP growth is expected to reach 8 percent and budget surplus to be 1 percent of GDP in 2019. Moreover, longer-term economic prospects are promising given its large natural resources.

Without a doubt, our most important success and value of our cooperation with Asian Development Bank lies in the policy level consultations and close cooperation in introducing systematic reforms, and implementing portfolio addressing the most critical socio-economic issues in Mongolia.

I believe as we, the developing member countries, take on the many challenges ahead of us, Asian Development Bank will continue to play an integral role and take the necessary measures to support us in the most efficient and effective manner it sees fit.

In conclusion, please allow me to express my gratitude once again to the Government of the Republic of Fiji for the hospitality. As always, we remain thankful to the Asian Development Bank for the continued support for the development of Mongolia and look forward to a strong, efficient and fruitful cooperation in the following years.

Thank you.