



INFORMATION and COMMUNICATIONS TECHNOLOGY AUTHORITY

- The ICT sector contributes to 8% of GDP growth.
- There are currently 400 companies in this industry
- The sector employs 11,500 people.

Key Product Segments

- Voice (fixed phone)
- Cellular phone
- Internet/ Datacom
- Software

Future of Foreign Direct Investment in the ICT Sector

Since 1990 over 20.0 million USD have been invested into Mongolia. International companies will continue to outsource their ICT needs to Mongolia to benefit from the country's competitive advantages, namely cheap labor markets and continued government support for the industry.

More partnerships will develop between domestic and foreign corporations. Currently, most key market players are partially foreign owned.

The Mongolian government is committed to the long term development of this sector as a means of promoting Mongolia's future economic growth. There are tax waiver schemes for foreign investors. The government is also promoting the privatization of private telecom assets.

The availability of low cost and qualified labor contributes to the attractiveness of this industry for foreign investors.

Company	Ownership Structure
• Mobicom	• 12% Japanese ownership
• Skytel	• 60% foreign ownership
• Mongolian Railway Authority	• JV Mongolian and Russian governments
• Mongolia Telecom	• JV Mongolian government and Korean Telecom

Business	Comment
Cellular Services	This market is experiencing continued growth. Care should be taken as there could be a tendency for over saturation as the market matures
Software Outsourcing	With the availability of cheap and well qualified labor resources, there are plenty of opportunities in this market to assist foreign firms in cutting their costs
Telecom Infrastructure	Currently, Mongolia lacks the necessary infrastructure to continue to maintain its long term goals for growth. Foreign investment in this segment would be strongly encouraged by the Mongolian government

INFORMATION AND COMMUNICATIONS AUTHORITY (ICTA)

The Authority is responsible for all ICT policies, coordination and implementation under the direct auspices of the Prime Minister of Mongolia and ICT sector has been given a great priority and is regarded as the leading direction of the Government development strategy

ICTA is vision

The mission of the ICT development vision in Mongolia is to develop a knowledge-based society and to improve the quality of people's lives.

ICTA's main roles and functions

- to formulate the Government policy on ICT development
- to coordinate the policy implementation
- to mature the legal environment of the ICT sector
- to cope with the changing global market environment toward deregulation and liberalization in the sector
- to manage and coordinate the policy guidance, the strategic planning, legislation compliance of the sector
- to bridge the digital divide within the society
- to represent Mongolia's information & communications interest internationally

GOVERNMENT ACTIVITIES IN THE TELECOMMUNICATION SECTOR

The Government of Mongolia has made poverty reduction one of stated priorities. It has committed itself to the MDG target of halving absolute poverty by 2015. Information and knowledge circulate at unprecedented speed and affect all aspects of life and economic, political and social activity. In this information age, it is the ability to use effectively and efficiently the information and communication technologies that determine a country's competitiveness and relevance in the global economy.

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