



**MINISTRY OF ROAD, TRANSPORT
AND TOURISM**

TOURISM SECTOR

Mongolia has very diverse and distinctive flora and fauna, which represent a mixture of species from the northern taiga of Siberia, the steppe, and the deserts of Central Asia. Many of them are unique to Mongolia and largely unknown to the rest of the world. Numerous globally threatened and endangered species inhabit Mongolia. Combination of diverse landscapes, unspoiled habitat, and rare wild plant and animal species has become a subject of growing international attention and conservation efforts.

VISION and MISSION

Long-term: To develop Mongolia as an international competitive destination

Mid-term: Enhance tourism in the regions

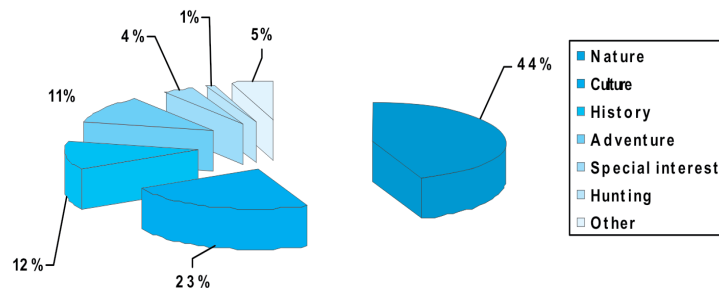
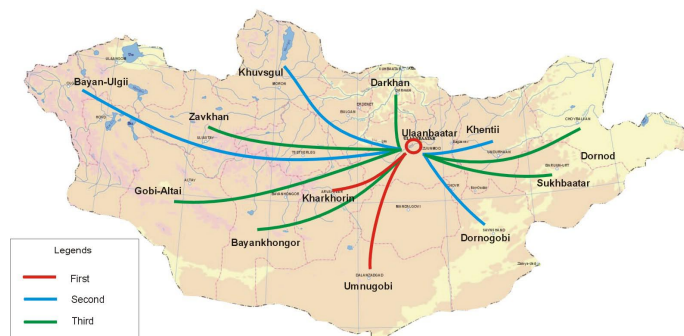
Short-term: To develop new tourism destinations, products and attractions

ACTIONS TO IMPLEMENT

1. To conduct environment capacity research throughout Mongolia for tourist camps
2. To develop tourism attractions through foreign direct investment
3. To develop new tourism products and destinations
4. To encourage the development of small-size bus capacity for tourist services
5. To take measures to expand international transportation
6. To conduct marketing and statistical research.
7. To take measures for more active promotion in the international market and measures to increase the number of foreign tourists
8. To increase accommodation capacity

STATISTICS OF THE SECTOR

- 338 000 arrivals in 2005,
- Generated income of 201 mill USD in 2005,
- Number of tourists increases by 15-20% per year
- 100% private sector production/SME
- 550 tour operators
- 320 hotels with 6,400 beds
- 180 tourist camps with 5,400 beds
- 135 certified guide-interpreters
- 12,000 employees

Figure 1 **TOURISM PRODUCTS****Figure 2** **MAIN TOURISM DESTINATIONS**

GOVERNMENT POLICY AND DEVELOPMENT PLANS FOR TOURISM SECTOR

Mongolia is a unique and relatively unexplored travel destination that offers a great combination of scenic natural features, a wide variety of untouched landscapes including vast open spaces, pale ontological and historical heritage areas, and nomadic life style and culture. Accordingly, Government of Mongolia has recognized tourism as a priority sector with a great potential to contribute to socio-economic development of the country.

One of the such steps was approval of the “Basic Guidelines for the Development of Tourism in Mongolia for the period of 1995-2005” and the “Implementation plan from 1995 to 1996” both adopted by the Government Resolution No. 167 with the aim of development of tourism sector based on state planning and regulation.

The implementation of “Development of Tourism in Mongolia” Project during 1998-1999 within the framework of the EU supported TACIS program has resulted the formation of legal framework for development of tourism industry in Mongolia.

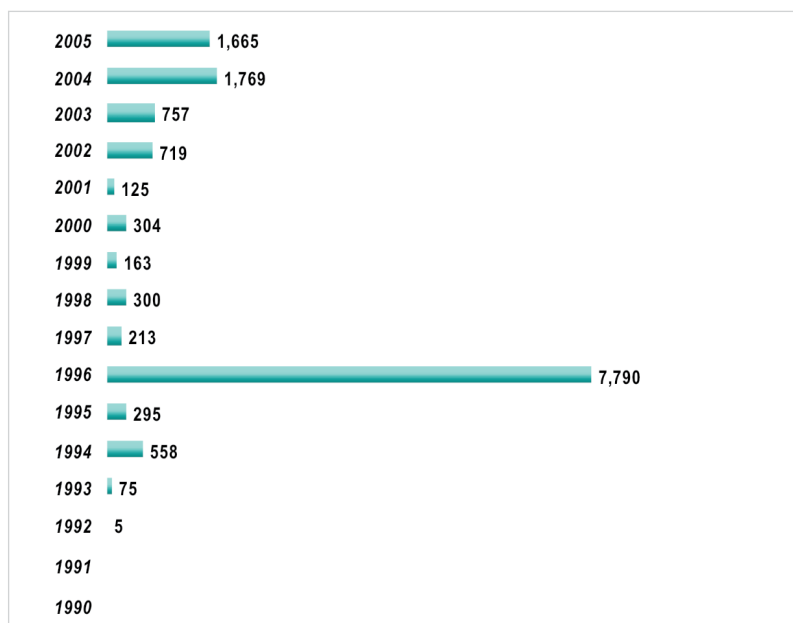
Additionally, the development vision and strategies of the tourism sector up to year 2015 were formulated, and the specific priority programs and projects were identified based on the “Master Plan on National Tourism Development in Mongolia”, which was developed with assistance of Japanese International Cooperation Agency (JICA).

The Government initiates a broader range of measures and promises to provide a sufficient support to promote tourism industry in Mongolia. Therefore, the Government Action Plan for 2004-2008 and Basic Guidelines for Socio-economic Development have included a specific set of measures to promote tourism and to implement Tourism Law.

The Tourism Law of Mongolia was enacted in May 5, 2000 for the first since Mongolia shifted to the market oriented economy. Its purpose is to regulate all relationships raised between state, private citizens and economic entities engaged in tourism business. The law outlines definition for tourism, responsibilities and obligations of the state, tourism organizations, structure, rights and responsibilities of state administrative and oversight organizations for tourism sector, arrangements for the development of tourism related infrastructure and penalties in case of violation of this law.

The Ministry of Road, Transport and Tourism is in charge of road, transport, railway, marine, civil aviation, post service and tourism sector policy formulation and coordination. The Ministry has 6 departments including Department of tourism policy and coordination, which is currently responsible for formulation and coordination of general tourism sector policy and strategy, formulation and updating of sector standards and regulations, marketing and promotion, development of tourism infrastructure, human resource and tourism product.

Figure 3



In the 2000-2005 period, FDI flows into the tourism sector increased to US \$ 5.6 million. Today, FDI in the tourism sector comprises around 1.1 percent of total FDI and 10 percent of the country's GDP.

Currently over 250 travel companies invested by 32 countries

KOREA	82
JAPAN	31
CHINA	63
USA	13
RUSSIA	17
UK	6
GERMANY	5