
Mongolia's Transport Sector: Cooperation with Northeast Asian Countries

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Mongolia is a landlocked country, situated between Russia and China. The country has a 4,623-km boundary with China and a 3,485-km boundary with the Russian Federation. The population of Mongolia is 2.3 million, of whom more than 600,000 live in the capital city, Ulaanbaatar.

Mongolia has taken significant action to develop its infrastructure systems, such as transport, using loans and grants from the World Bank, the Asian Development Bank, and others. For example, Mongolian railway capacity has been increased and is now able to carry up to 4 million tons of cargo, passing through Mongolia between Russia and China. The Mongolian railways operate on a single-track network of approximately 4,000 km.

The main north-south line runs from Altanbulag (on the Russia border) by way of Ulaanbaatar to Zamyn Uud on the Chinese border (see the appended map), and connects Mongolia with the Russian and Chinese railway networks. It also links major population centers such as Ulaanbaatar and other industrial centers in Mongolia. It has branch lines, such as the one from Darkhan to Erdenet. The main line was built in the 1960s and has a total length of about 1,300 km. This line accounts for 50% of total freight volume in Mongolia, carries more than 20% of the passenger traffic, and plays the central role in Mongolia's transport system.

There is also a railway line in the eastern part of the country, which connects Choybalsan with the Russian border and the Russian network. This line was built in 1938 and was the first line to be constructed in Mongolia. It is used mainly for delivery of goods from Russia, with domestic distribution by road transport. The existing line is 428 km long. It originally extended eastward to Tamsagbulag (another 300 km), as a narrow-gauge line for military purposes. But the track of the extension has been removed, and only the civil engineering works remain.

There are prospects for Mongolian exports to be carried along a proposed line through China's Jilin Province to the Tumen-region ports. Consumer goods imported by Mongolia from East and Southeast Asian countries could be carried along this new line.

The master plan for the transportation sector in the Tumen region recommends that high priority be given to a missing link and creating a branch line from eastern Mongolia to the network of northeast China. This line would connect the existing eastern Mongolian line (the Choybalsan–Siberian link) to

the railway network in Jilin Province. A pre-feasibility study examined four different routes for this missing link, which would connect Mongolia directly with the Tumen River development area. The route chosen is Choybalsan–Tamsagbulag–Sumer on the Mongolian side and Yirxie–Ulanhot–Baicheng on the Chinese side. A feasibility study will be carried out for this route.

One of the main types of transport in Mongolia is air transport. MIAT Mongolian Airlines is the chief carrier in Mongolia. Mongolia is a member of the international civil aviation organization and has bilateral air service agreements with 21 countries, among which the following are active: Russia, North Korea, China, and Japan. MIAT is a member of IATA. And MIAT has signed interline agreements with a number of foreign carriers and participates in the computerized reservation system. In 1997 Mongolia began to renovate its air navigation facilities.

The Mongolian government places high priority on air transport in relation to the Tumen area. It is expanding the runway and constructing a new airport building in Choybalsan in eastern Mongolia, so that the airport can receive modern large-size aircraft. The question of opening new air routes connecting Choybalsan to Chita (in Russia) and to Harbin (in China), and other new routes connecting Mongolia with cities in northern China, is under study and will be negotiated with China and Russia.

Mongolia is now establishing a long-range plan with assistance from the Asian Development Bank to upgrade its airline navigation and convert to the satellite navigation system, with coverage of the entire country. This will place Mongolia at the forefront of the region in terms of the quality of its air navigation infrastructure. It will also enable the country to take advantage of its geographic position and generate overflight revenue.

In the framework of the UNDP's Tumen River Area Development Programme, Mongolia intends to develop three tourism projects: (1) the Ghenggis Khan Historic Memorial Complex, in Khentii Province, the heartland of the Great Khan, (2) a complex on the banks of the beautiful lake in Dornod Province, and (3) Baruun Urt Tourism Complex (Sukhbaatar Province), in one of the region's most beautiful cities. In connection with the development of tourism, the airport in Choybalsan will be renovated, and a new airport will be constructed for Dalanzadgad in southern Mongolia. This plan will create a tourism triangle between Choybalsan, Ulaanbaatar, and Dalanzadgad, which can be connected later with the tourism route of Sokcho (South Korea), Rajin (North Korea), and Hunchun (China). In addition, there is a need to open a standard-gauge rail line in the direction of the Tumen River development area, to connect eastern Mongolia with the Chinese rail network.

For a country such as Mongolia, with a vast territory and small population, industry is predominantly very small in size, and the domestic market is limited.

Under these conditions, road transport promises to be the most useful mode of transport, and this pattern is expected to continue in the future. In 1999 road transport accounted for 25% of all freight and 98% of passengers.

At present, Mongolia's economy is transforming to market conditions, road transport is being privatized, and the private sector is beginning to play a dominant role. The eastern part of Mongolia has 8,509 km of roads, but the road from Choybalsan north to the Russian border is the only one that has been improved. The main road from Ulaanbaatar to Baruun Urt in eastern Mongolia and then to the Chinese border is unpaved.

A priority highway project will run from Ulaanbaatar to Choybalsan and onward via Tamsagbulag to Yirxie in China's Inner Mongolia region. Generally, there are roads up to Choybalsan, but only the first section (about 70 km is paved. The road condition is generally poor and is satisfactory in only some sections. From Ondorkhaan to Choybalsan the existing road follows the Kherlen River, and the traffic volume is low.

In the framework of the Tumen River Area Development Programme, Mongolia proposes to construct a 120-km road from Zuunbulag to the Chinese border and a 450-km road from Choybalsan to the Russian border.

Mongolia is one of about 30 developing countries that are landlocked and without access to ports. Among these countries, in terms of geographic position, Mongolia is the farthest from the ocean, and it faces many difficulties because it is landlocked. Tianjin (China) is the nearest port, but even Tianjin is 4,000 km from Ulaanbaatar.

The geographical location of Mongolia makes it very difficult to establish competitive markets, owing to high transportation costs. The traditional economic sectors in Mongolia are agriculture, livestock, and mining. Products of these industries account for about 80% of total exports and are shipped through Chinese and Russian ports.

As a landlocked country, Mongolia pays more attention than most countries to the development of transit transport infrastructure, and this concern plays an import role in facilitating cooperation with other countries. A key problem for Mongolia is the education and training of specialists. For this purpose, Mongolia must organize all possible cooperation with the other countries in the Tumen River Area Development Programme.

