

MONGOLIA COUNTRY REPORT

/Current Status e-Procurement in Mongolia,
Challenges and issues on e-Procurement, Future
Strategies/

Bilguun.E /Senior Specialist of Procurement policy division/

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**General
Country Profile**



**Current Status on
E-procurement**



**Challenges and
issues on e-
Procurement**



**Future Strategies
and Solutions on
e-Procurement**

1. GENERAL COUNTRY PROFILE

Population **3.6 million**
/2025/



Inflation rate **6.5%**
/2024/

Unemployment rate
5.43% /2024/



GDP (Nominal)
USD 23.7 billion (2024)
GDP Growth: **5.5%**
(2024), projected **7.0%**
(2025)



Poverty rate **27.1%**
HDI: **0.741** /2022/



Main export: Mineral
commodities, livestock,
cashmere, wool, textiles

Main imports: Machinery
and equipment, cars, fuel,
food products, industrial
consumer goods

Neighboring countries:
Russia, China

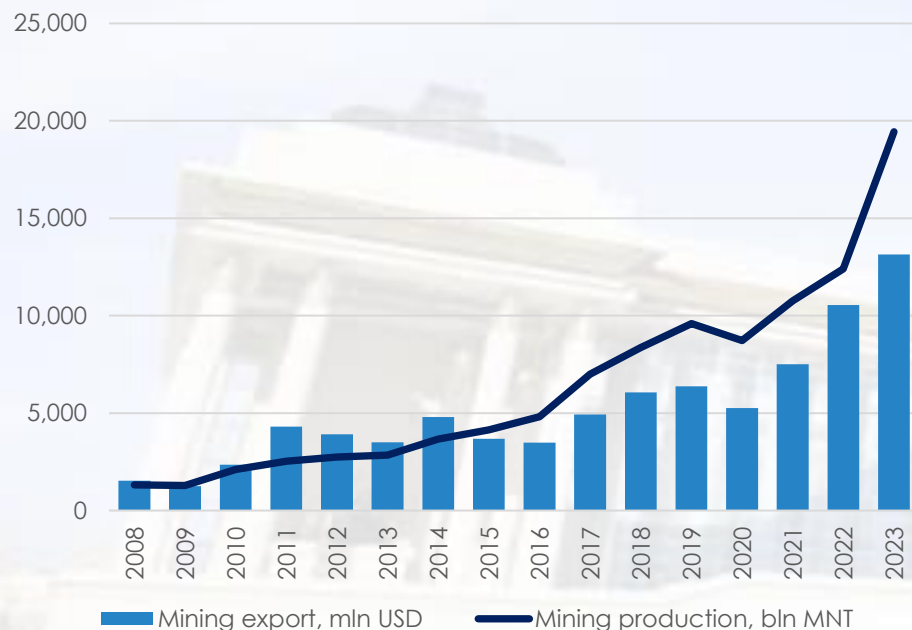
1.GENERAL COUNTRY PROFILE



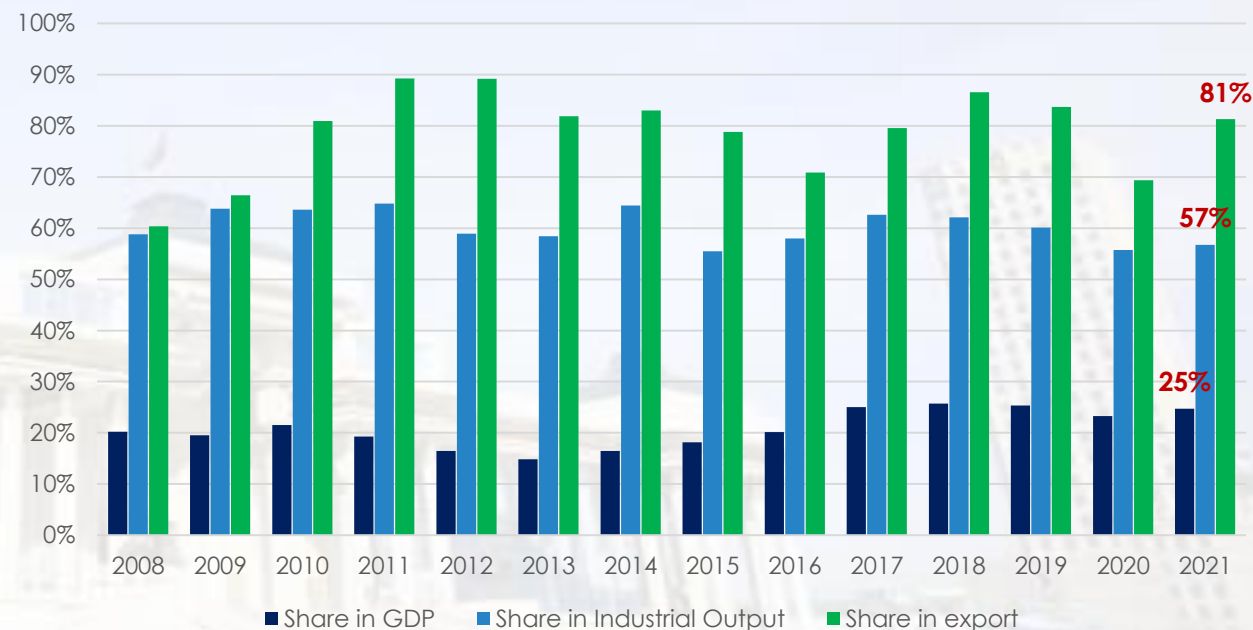
Mining is key economic sector in Mongolia, accounting for

- 25 % of GDP,
- 57% of Industrial Output, and
- 81 % of export earnings.
- 29 % of Total state budget revenues,
- 5-8% of total employees (over 60 000 workers).

Mining production and export



Mining share in economy



1.GENERAL COUNTRY PROFILE

“Vision 2050”

Long term development policy

- Goal:** Modernize public administration and reduce corruption.
- E-Procurement Link:**
 - Aims for **full automation** of procurement to enhance efficiency.

“Digital Mongolia”

National Program 2021-2025

- Goal:** Transform Mongolia into a **digital society** by improving e-governance.
- E-Procurement Role:**
 - Mandates **100% electronic procurement** for all government agencies.
 - Integrates the system with other e-government services (e-tax, e-signature).

“Anti corruption strategy”

/2023-2030/

- Link to E-Procurement:**
 - Uses **blockchain pilot projects** to prevent bid rigging.

“Public procurement reform strategy”

/2020-2025/

- **Transparency:** All tenders published online via tender.gov.mn.
- **Efficiency:** Faster processing through digital workflows.
- **Inclusivity:** Training for SMEs to participate in e-tendering.

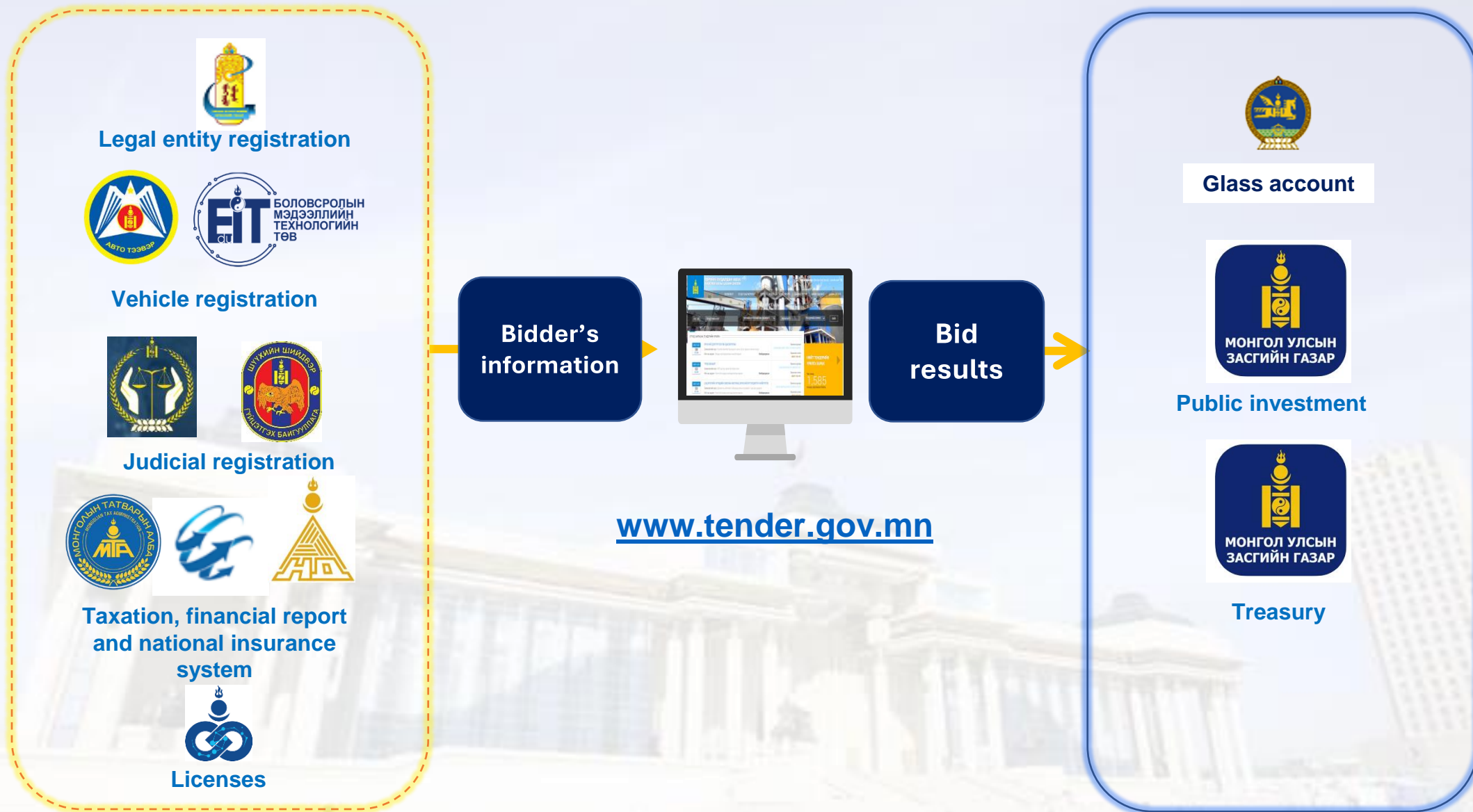
2.CURRENT STATUS ON E-PROCUREMENT

PROCUREMENT ACTIVITIES BUDGET EXPENDITURE, NUMBER OF TENDERS



State Procurement Agency (SPA) oversees the **e-procurement system**, ensuring transparency and efficiency in the digital procurement process. Meanwhile, the **Ministry of Finance (MoF)** is responsible for **procurement policy**, shaping regulations and frameworks under the **Public Procurement Law**.


2.CURRENT STATUS ON E-PROCUREMENT



2.CURRENT STATUS ON E-PROCUREMENT

E-Procurement system

 **25,182**
99.4% e-bidding

 **4,055**
clients
23,591
bidders

- Increases transparency
 - Everyone can see process
- Reduces costs
 - Prints and archives fewer paper
- Makes bidding process simple
 - Exchange data automatically
- Statistics to analyze
 - Collecting procurement data in one pot

Procurement methods

- open bidding
- quotation
- direct contracting
- single source selection
- **FRAMEWORK AGREEMENT**

- E-Shop is designed for this method
- Daily commodity goods and services
- Qualified suppliers offer goods and services
- Up to 3 years open contract
- Purchase within 3 working days
- All procuring entities are using
- Unit price is fixed
- Multiple suppliers under the same contract and condition

2.CURRENT STATUS ON E-PROCUREMENT

E-SHOP STATISTICS



CONTRACTED
COMPANIES

533



TOTAL ORDER
FROM CLIENTS

1,729



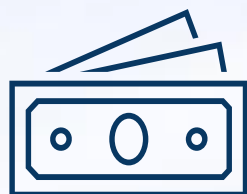
TOTAL
RESULTS OF
ORDER

28,667



TOTAL NUMBER
OF CONTRACTED
GOODS ON E-
SHOP

1,096



TOTAL TRANSACTION OF E-SHOP
/2018-2023/

USD \$ 521,916,799.1



TOTAL EFFICIENCY OF E-SHOP
/2018-2023/

USD \$178,366,707.8



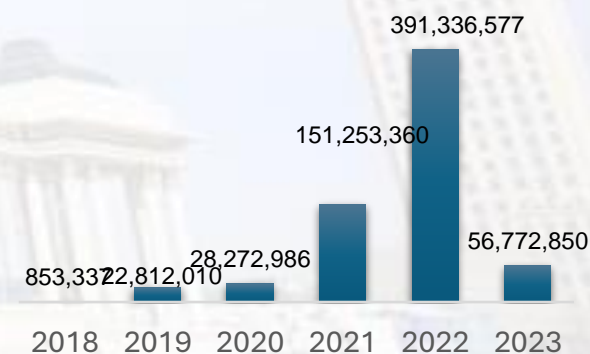
TOTAL ORDER BY YEAR
/Thousand USD/



EFFICIENCY
/Thousand USD/



NUMBER OF GOODS AND
SERVICES ORDER



3. CHALLENGES AND ISSUES

KEY CHALLENGES



Legal & Regulatory Issues



Technical & Infrastructure Limitations



Transparency & Corruption Risks



Capacity & Training

4.FUTURE STRATEGIES

Strengthening **legal frameworks** to ensure smooth implementation.

Investing in **digital infrastructure** and cybersecurity.

Expanding **training programs** for procurement officials and suppliers

Enhancing **monitoring mechanisms** to reduce corruption risks.

THANK YOU

