

SUB-SESSION - 5

Current state of the Mongolian Capital Markets and its Future Outlook

Importance of the topic:

Despite the major challenges facing the economy and financial markets due to the global COVID-19 pandemic in 2020-2021, the result of the digital transition and the recent developments made by the Financial Regulatory Commission (FRC) could improve the capital markets, expand the range of products and services, and support the conversion of securities between domestic and foreign exchanges.

As a result of major policy measures to support the activities of securities issuers through government regulation, close cooperation with the private sector, and the establishment of a system of institutional investors, the market capitalization, trading volume and indices have reached historic highs. The matter of maintaining current growth and increasing future growth has to be discussed by the stakeholders.

The Parliament approved the Law on Amendments to the Banking Law on January 29, 2021, which aims to ensure the sustainability of not only the banking sector but also the entire financial sector by creating publicly controlled, open and transparent banking governance. It is characterized by the adoption of regulations that have a significant impact on the banking sector, as well as a major impetus for the development of the capital markets.

Measures will be taken to reorganize the bank into a public company and change the structure of shareholders and the amount of share capital, so that systemically influential banks can offer their shares to the public and become publicly traded companies.

In addition, a discussion will be held on the importance of privatization of state-owned and partly state-owned legal entities, the solutions for capital market infrastructure, and regulatory frameworks that underlie the development and support for the institutional investors.

Purpose of the discussion:

The main objectives of the discussion on “Current state of the Mongolian Capital Markets and its Future Outlook” would be exchanging views on improving the regulatory environment of the capital market, reducing the concentration of ownership of bank shareholdings, creating a more encouraging legal environment for investors and supporting professional investors, evaluating the importance and results of privatizing state-owned and partly state-owned legal entities, and identifying ways to implement them in the future.

Expected outcome of the discussion:

The capital markets stability and growth through unified government policy, development of multi-pillar financial markets, the introduction of international standards, increased access to finance, promotion of sustainable green finance, the establishment of a legal and regulatory framework and investor protection.

MODERATOR



ULZIIBAYAR BOLD

CEO, Ulzii & Co Capital LLC

Mrs. Ulziibayar is one of the leading professionals in the capital market of Mongolia and the former Chair of the Mongolian Securities Dealers Association, the industry self-regulatory organization in the capital market of Mongolia.

Before starting the securities business in Ulzii & Co Capital LLC, she was COO of the Millennium Challenge Account of Mongolia – the implementing organization of the Grant Aid from Millennium Challenge Corporation, USA, Head of the Project Development Department at MCS Holding, one of the most prominent private companies in Mongolia, Head of JICS office in Ulaanbaatar -Japan International Cooperation system organization implementing Non-project Grant aid from the Government of Japan, a reporter for the Japanese largest daily newspaper Yomiuri and officer at the Ministry of Foreign affairs.

Mrs. Ulziibayar received a scholarship from the Government of Japan to complete her undergraduate degree in Business and Management at Yokohama National University in Japan. She was awarded a full scholarship from the University of Westminster to obtain her master's degree in Economics and Government Reform at the School of Social Sciences, Humanities, and Languages, University of Westminster, London, UK.

She received the highest award in the capital market – the Grand bull award for the Best professional in 2018.

PANELIST



UCHRAL NYAM-OSOR

Member of Parliament, Chairman
of the Standing Committee

Mr. Uchral Nyam-Osor, Member of Parliament, Chairman of the Standing Committee on Innovation and Digital Policy, served as the Chairman of the Ikh Zasag International University board. After which, he founded and served as the director of the Royal Academy, Royal International University. He was the head of the Political Department of the Mongolian People's Party Committee of the Capital City. He worked as a public relations policy consultant at the cabinet of the office of the Deputy Prime Minister of Mongolia. He has also served as an advisor to the Mongolian People's Party group in the Parliament, President of the Mongolian Franchising Association, Vice President of the Mongolian People's Congress, President of the Mongolian Young Teachers Association, and Chairman of the Temporary Digital Policy Committee. Chairman of the Standing Committee on e-Policy, the Standing Committee on Innovation and Digital Policy of the Parliament of Mongolia.

He graduated from Ikh Zasag International University with a bachelor's degree in law and a master's degree in business administration from Gloucestershire University in the United Kingdom, Limcoquin University in London, UK, and a master's degree in history from the Mongolian University of Education. He holds a doctorate in history.

PANELIST



NOMINCHIMEG ODSUREN

Advisor to the Speaker of
Parliament

Ms. Nominchimeg Odsuren is an advisor to Mongolia's Speaker of Parliament. Before her appointment in the Office of the Speaker of Parliament, she served as the first deputy chief of the Secretariat of the of Parliament, overseeing its legislative and oversight activities. Before joining public service, Ms. Nominchimeg worked as an attorney in the Ulaanbaatar and Paris offices of Hogan Lovells, an international law firm. She has extensive experience advising the Government of Mongolia, foreign investors, and domestic financial institutions concerning regulatory matters, large-scale infrastructure, and investment projects.

Nominchimeg received her LLB and MA in comparative law from the University of Tokyo in Japan and an LLM degree from Columbia Law School in the United States. She is dual-qualified to practice law in Mongolia and the State of New York.

PANELIST



BAYARSAIKHAN DEMBERELDASH

Chairman of The Financial
Regulatory Commission of
Mongolia (FRC)

Mr. Bayarsaikhan Dembereldash, a Chairman of the FRC, has extensive experience of more than 20 years of working in public and private sector in finance. He is a member of the Financial Stability Council, and the National Council of Mongolia on Anti-Money Laundering and Combating of Financing of Terrorism.

He started his career as a Financial Specialist at the Ministry of Finance, and served as a Project Coordinator of Sustainable Livelihoods Project of the World Bank, Permanent Member of Microfinance Council at the FRC, Board Member of the Erdenet Mining Corporation and Vice-Chairman of the FRC, prior to his current appointment as a Chairman of FRC Mongolia in 2019.

Mr. Bayarsaikhan holds a BA honors in Financial Management from the National University of Mongolia and a Master's degree in Public Affairs from the School of Public and Environmental Affairs (SPEA), Indiana University in Bloomington.

PANELIST



TAKACS HANNES

Head of European Bank for
Reconstruction and Development
Mongolia

Mr. Hannes Takacs joined the EBRD in 2014 as an Associate Director in the LC2 team based in London and was appointed as Head of Mongolia in 2020.

Hannes has over 20 years of international experience with exposure to a variety of initiatives related to capital market development, international expansion, alliances, post-merger integration, business development, capital market products and services, listings/IPOs, as well as exchange/CSD/CCP design, implementation and management.

Before joining the EBRD, he worked as a Managing Director for CAPMEX – The Capital Market Experts, where he designed and implemented international capital market development projects in over 50 countries.

Mr. Takacs graduated from the University of Economy and Business in Vienna and the University of Leicester majoring in Business and Education.

PANELIST



GANHUYAG CHULUUN

CEO, Ard Financial Group JSC

Mr. Ganhuyag Chuluun Hutagt re-engaged in business on a full-time basis after resigning from the Vice Minister of Finance position in 2012. He is a serial entrepreneur and is a recognized spokesperson for large businesses in Mongolia.

Mr. Ganhuyag started his career at the Mongolian Stock Exchange as a floor supervisor in 1991. He joined the Central Bank's supervision division after graduating from the Budapest University of Economic Sciences in 1997. He was hired by UNDP's MicroStart Pilot Project in 1998, and then steered this project to transform into the country's first non-bank financial company, X.A.C., in 1999 and then into XacBank and TenGer Financial Group in 2001. He held the position of the CEO of XacBank and TenGer until his appointment as Vice Minister of Finance in 2010.

Mr. Ganhuyag has been, and continues to be, involved in a great number of social campaigns, projects and initiatives.

PANELIST



AMAR LKHAGVASUREN

Chief Executive and Secretary
General, Mongolian Bankers
Association

Mr. Amar Lkhagvasuren is the Chief Executive and Secretary General of the Mongolian Bankers Association (MBA), an industry association representing common interests of the banking sector. He started his career at the central bank of Mongolia in 2001. Namely, he worked as a project coordinator of the World Bank Financial Capacity Development Project, a supervisor of the supervision department.

Prior to joining the MBA, he worked for the Asian Development Bank (ADB) from 2011 to late 2019. His responsibilities included macroeconomic analysis, forecasting, policy advice formulations, research, public relations and knowledge sharing, and additionally strategy formulations and business plan development of ADB supported projects in Mongolia.

Mr. Amar holds a Master's degree in Banking and Finance from the Luxembourg School of Finance and a Bachelor's degree in Economic Studies from the National University of Mongolia.