



# EPRC MONTHLY NEWSLETTER

**JULY - AUGUST 2006**

## Nineteen young professionals graduate from the *Summer Ger Camp on Finance and Economics*

At a ceremony held on 4 August, nineteen young Mongolian professionals graduated from the *Summer Ger Camp on Finance and Economics*. The Institute of Finance and Economics and the project partnered to offer a two-week intensive curriculum of contemporary financial and economic analysis techniques and their relevance to current Mongolian policy issues.



Specific objectives of the *Summer Ger Camp on Finance and Economics* were to:

- Diffuse knowledge and use of modern principles of finance and economics as well as contemporary quantitative analysis techniques in Mongolia
- Develop skills in and promote use of quantitative analysis and project appraisal techniques to support economic policy and financial decisions
- Increase the supply of young professional Mongolians in the private and public sector trained in these techniques
- Improve the capacity of partnering Mongolian institutions to support and provide similar summer course offerings.

The international faculty and courses offered were:

- *Project analysis techniques*, Professor King Banaian
- *National accounts*, Dr Miles Light
- *Government procurement*, Ms Linda Ott
- *Mongolia's informal economy*, Dr Mack Ott
- *Housing finance*, Mr Tim O'Neill

- *Mongolia's tax policy reform*, Mr Larry Jensen
- *Mongolia's energy policies*, Mr Horst Meinecke
- *Roundtable on Mongolia's economic policy issues*, with the participation of faculty and interns.

Course participants came from the Institute of Finance and Economics, Ministry of Finance, Mongol Bank, National Statistical Office, Xac Bank and Newcom group. Participants and the international faculty offering the courses had ample opportunities for intensive interaction during two weeks of residence and instruction at The Mongolian Secret History Tourist Camp.

Based on participants' evaluations, the *Summer Ger Camp*



*on Finance and Economics* was a success and the vast majority of respondents declared that they would highly recommend the course. The participants' evaluations also indicated that separate curriculum tracks be provided for private versus public sector trainees were the course offered again in the future.

Additional information about the course and the venue can be found at: <http://www.eprc-chemonics.biz/suminst/>.

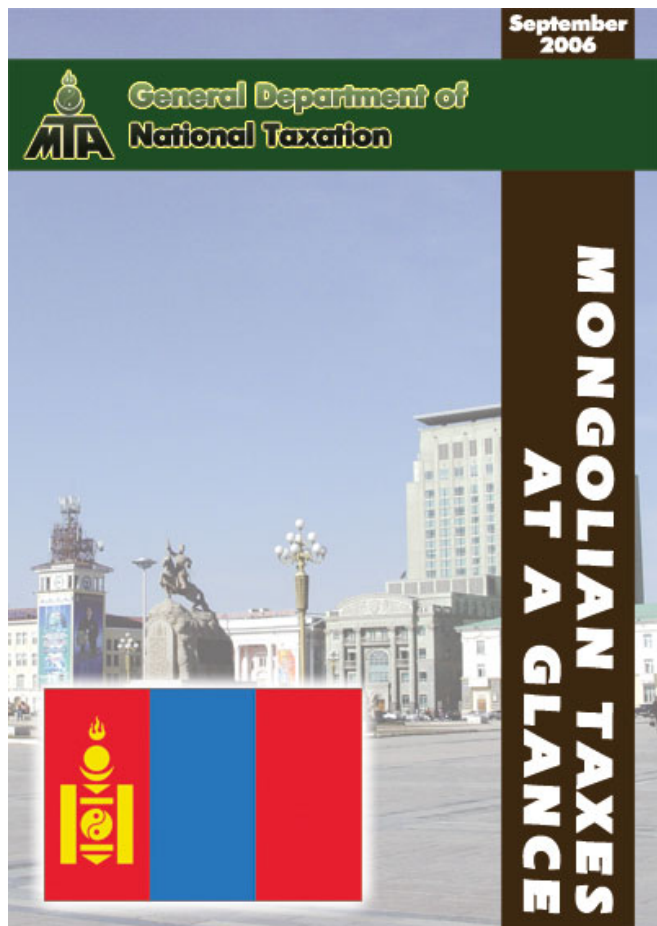
## ***Mongolian taxes at a glance*** brochure completed

The project completed the brochure "Mongolian taxes at a glance" for the General Department of National Taxation (GDNT). The brochure will be used in the fall public education campaign on taxes that GDNT will conduct with assistance from the project.

The brochure was conceived during the tax retreats that the project helped the Parliament Tax Working Group (PTWG) organize last winter to address the lack of user-friendly information about Mongolian taxes. The brochure uses easy-

to-understand graphics to convey information about Mongolian tax revenues and comparisons with similar countries.

In addition to printed copies for MPs, policy makers, and



postings on websites, current plans are to make the brochure available to Mongolian citizens through national newspapers during the fall educational campaign on the new tax laws.

## Contract signed to supply wild Mongolian blueberry jam to the Japan

On 9 August *Beneduct LLC* and a leading Japanese organic food retailer signed a supply contract for 60,000 jars of wild blueberry jam. Signing of this initial order was the result of project assistance provided to identify target niche export markets in Japan, visits to Mongolia of prospective Japanese buyers, and testing of initial product samples sent to potential buyers in Japan. The first shipment is expected to be available on the shelves of Tokyo and Osaka late this fall.

Mongolian processing plants are now beginning to receive harvested wild blueberries from the northern aimags and, with project support, food technologists will assist in the production process and staff training required to meet the rigorous standards of Japanese importers. If successful delivery of the order is accomplished and wild blueberry jam from Mongolia finds acceptance among Japanese consumers, additional larger orders are expected.

The initial samples of wild Mongolian blueberry jam sent to Japan have generated consumer interest due to their high contents of anti-oxidants and make them attractive to increasingly health-conscious Japanese consumers. Anti-oxidants are believed to alleviate the incidence of cancers, heart disease, and reduce the effects of aging. Wild blueberries contain almost twice the amount of anti-oxidants of compared to cultivated varieties.

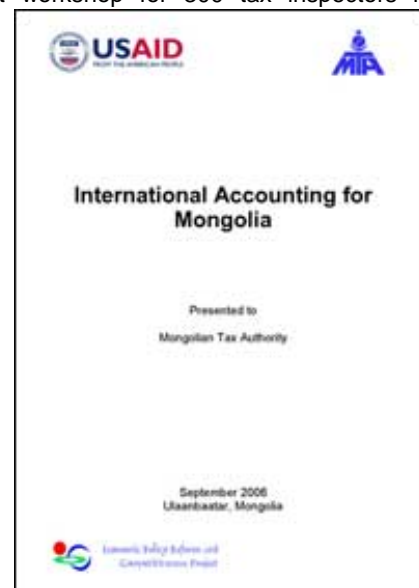
## Project to initiate training of tax inspectors on international accounting

At the request of the General Department of National Taxation (GDNT), the project will assist with the selective development of regulations (business expenses deductibility, loss carry-forward provisions, and investment tax credit) as well as public hearing procedures to these regulations to implement the new tax laws.

As the new tax laws introduce accounting concepts new to Mongolian tax inspectors, GDNT will initiate a series of workshops for its tax inspectors in preparation for the implementation of the new tax laws that become effective next year. The first workshop for 300 tax inspectors is scheduled for 7 September and the second for 11 September. The latter workshop will be for five days and 50 participants, including heads of the Tax Control and Inspection Units in all aimags, all six districts in Ulaanbaatar, the capital city Tax Authority, and GDNT. Objectives of these two workshops are to provide training on:

- Accounting principles based on International Accounting and Financial Reporting Standards (IAFRS)
- Concepts contained in the new tax laws.

Preparation for the training is complete, including an extensive accounting manual that introduces tax inspectors to IAFRS.



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