



COMMUNICATIONS  
REGULATORY COMMISSION  
OF MONGOLIA

# **DIGITAL FINANCIAL INCLUSION FOR MONGOLIA**

**ITU-TRAI Asia-Pacific Regulators'  
Roundtable, 21-22 August 2017**

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Mongolia**



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# Country Profile



## Geography and climate

**Territory:** 1,564,115.75 km<sup>2</sup> (19<sup>th</sup>)

**Climate:** 4 seasons, extreme continental winter ave. -23,  
summer ave. +25 sunshine >250 days/year

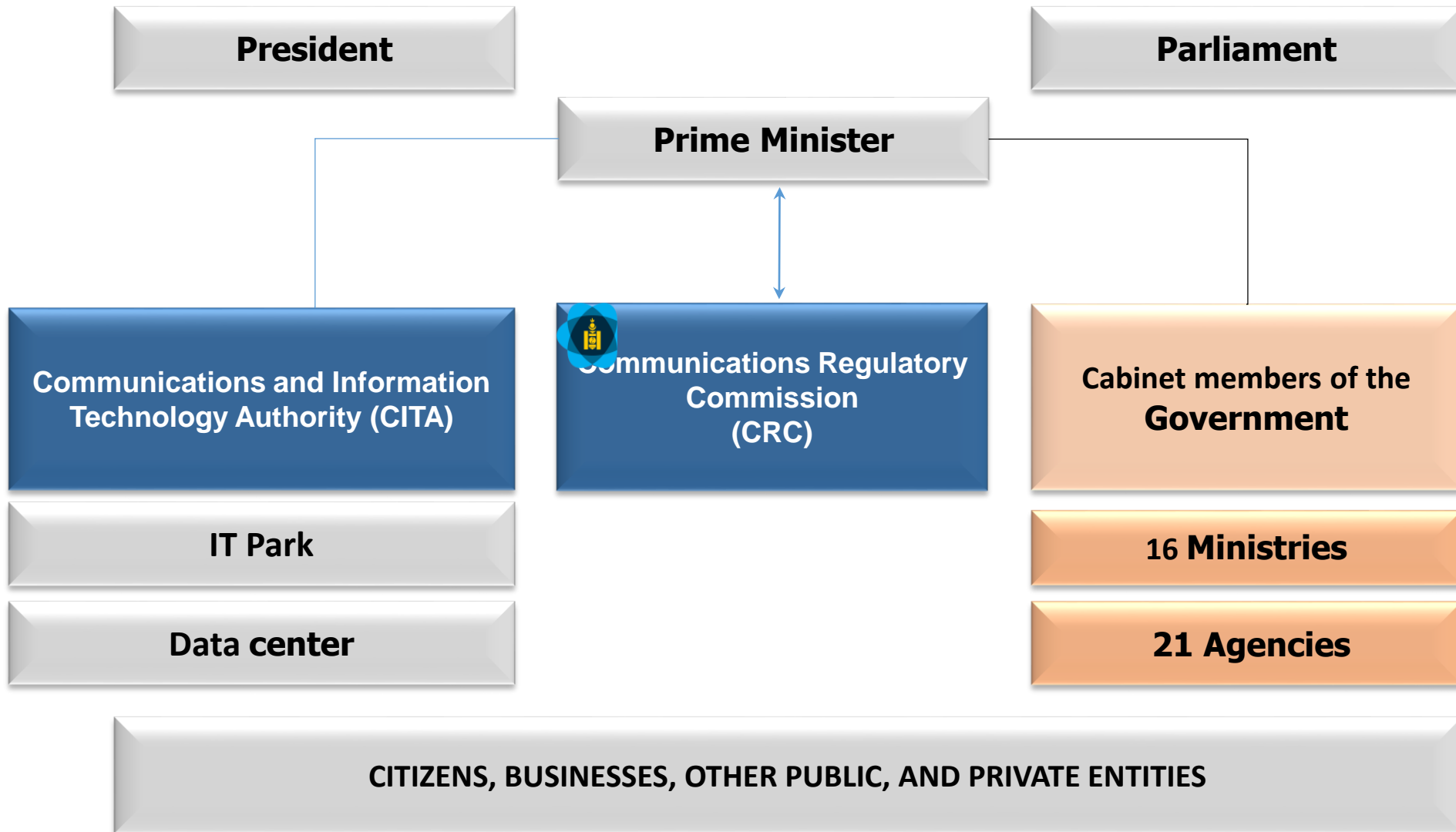
**Highest peak:** 4,267 m above the sea.

## Demography

<b>Population:</b>	<b>3,165,000</b>
<b>Density:</b>	1.76 per km <sup>2</sup>
<b>Capital:</b>	Ulaanbaatar (45%)
<b>No. of province:</b>	21 provinces
<b>Language :</b>	Mongolian
<b>Ethnic groups:</b>	82.4 % Khalkh 3.86 % Kazakh 13.74 % Others
<b>Religion:</b>	Buddhism 53%, Muslim 3%, Shamanism 3%, Christian 2%

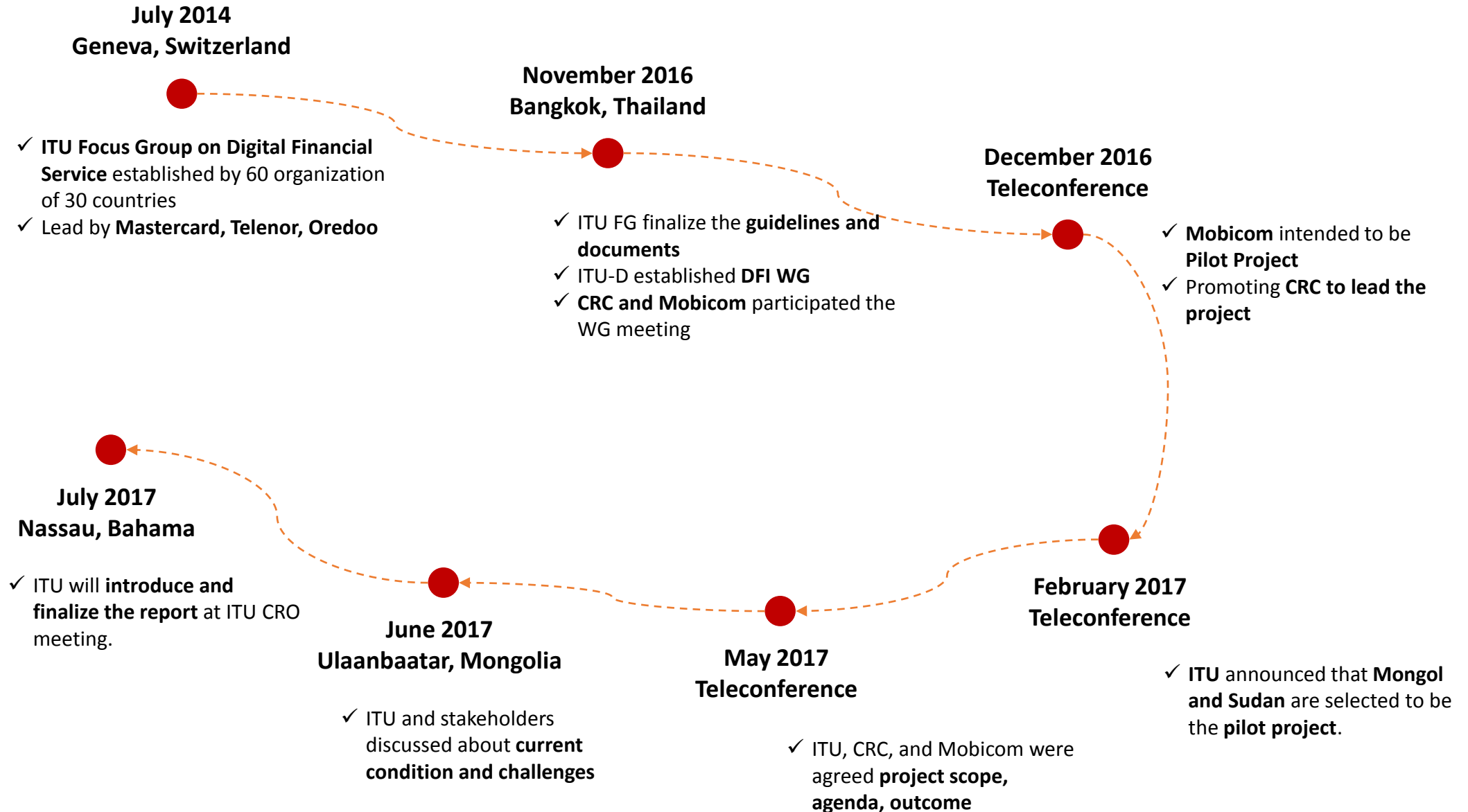


# ICT sector organizational structure



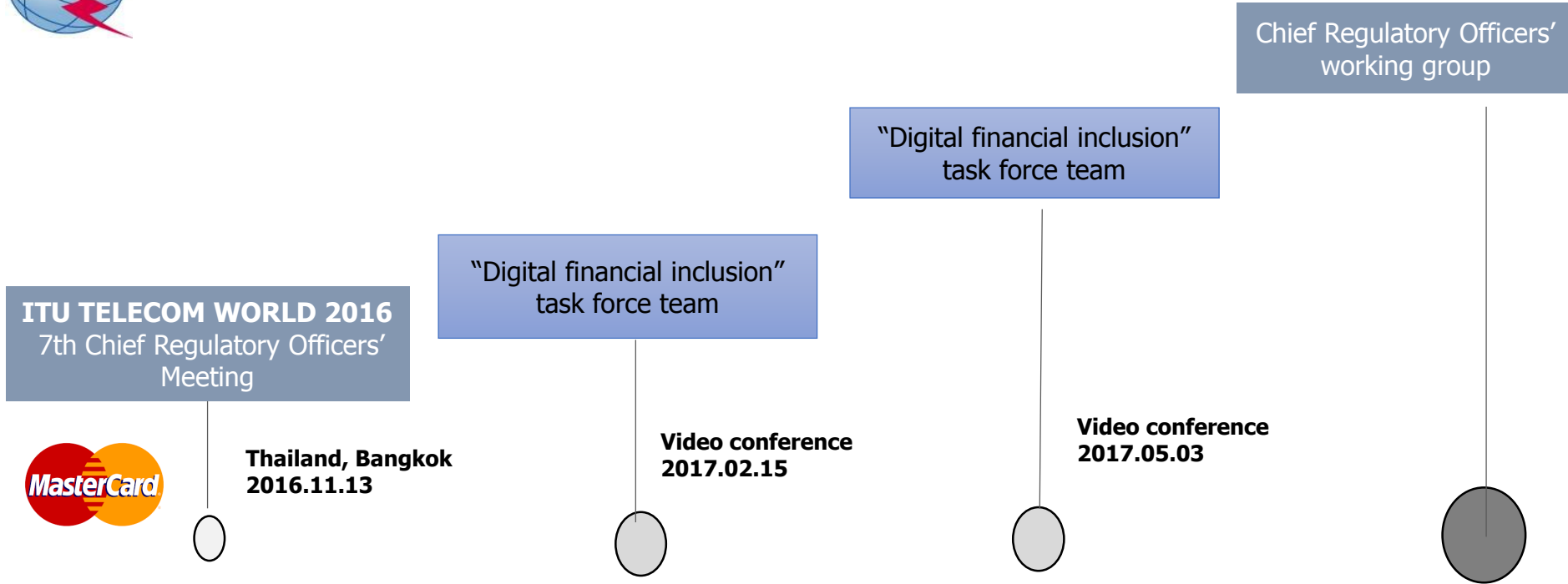


# DFI timeline





# DFI timeline



- **Universal financial access (UFA) 2020**
  - World bank
  - ITU members
- **Digital financial inclusion- Working group**
  - Legal framework,
  - Cross-sector activity (Communications and Financial institution)
  - Pilot, case study

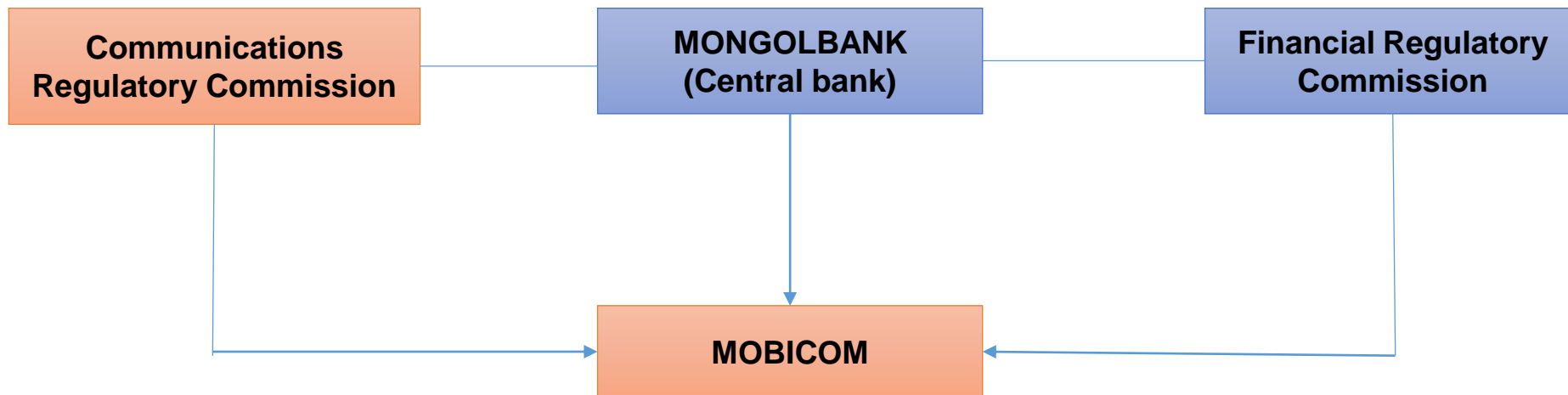
- Participants**
- Master card
  - CRC
  - Mobicom
  - Other 19 participants
- Output**
- **Mongolia**
  - **Sudan**
  - System security case study

- Participants**
- CRC
  - FRC
  - Mobicom
  - ITU
- Output**
- Consulting assistance
  - **ITU consulting in June to Mongolia**

**BAHAMA**  
**2017.07.12**

- ❖ In 31 of May 2017 Mongolian Parliament approved **NATIONAL PAYMENT SYSTEM LAW**
- ❖ **Should be changed 12 regulation related to new law**

## Stakeholders

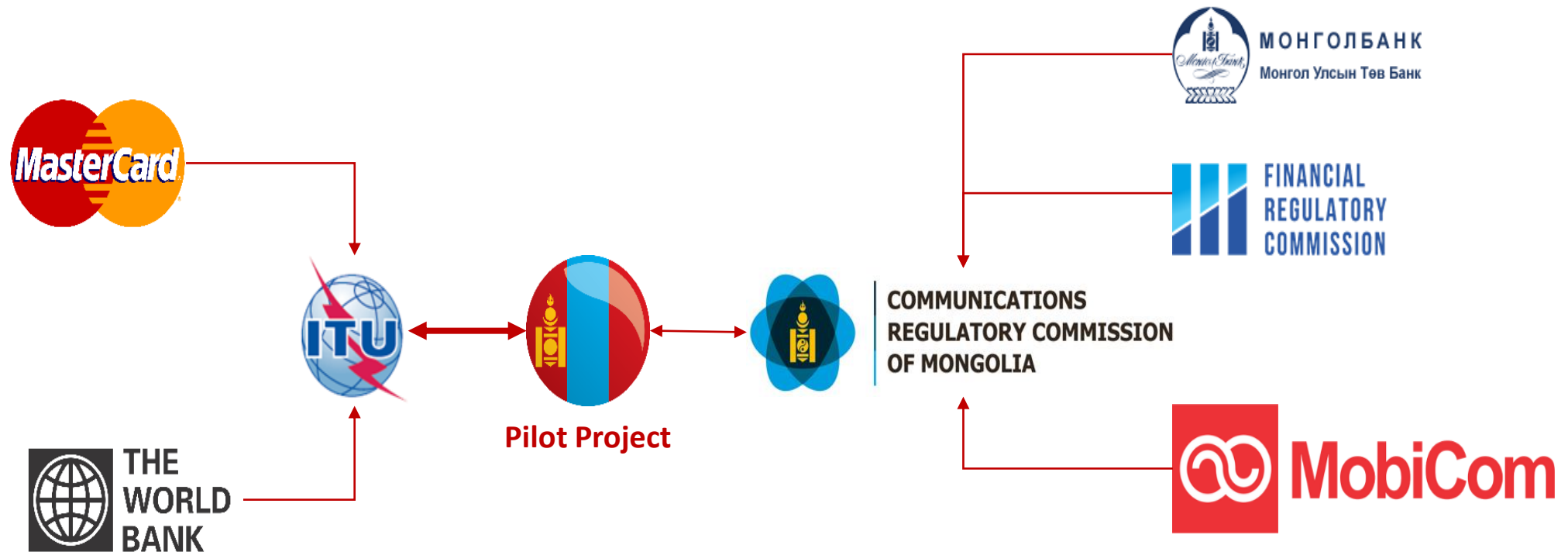


## OUTCOME

- raise awareness of the regulatory, policy, technical and market issues relating to DFS
- foster a common understanding of the policy issues and regulatory approaches related to the dynamic interaction between telecom services markets and mobile financial services
- serve as a platform for enhanced cross-sector dialogue and coordination of each sector's relevant mandates, strengths and powers on specific issues
- sharing of best practices with other countries.



# Legal framework



## OUTCOME:

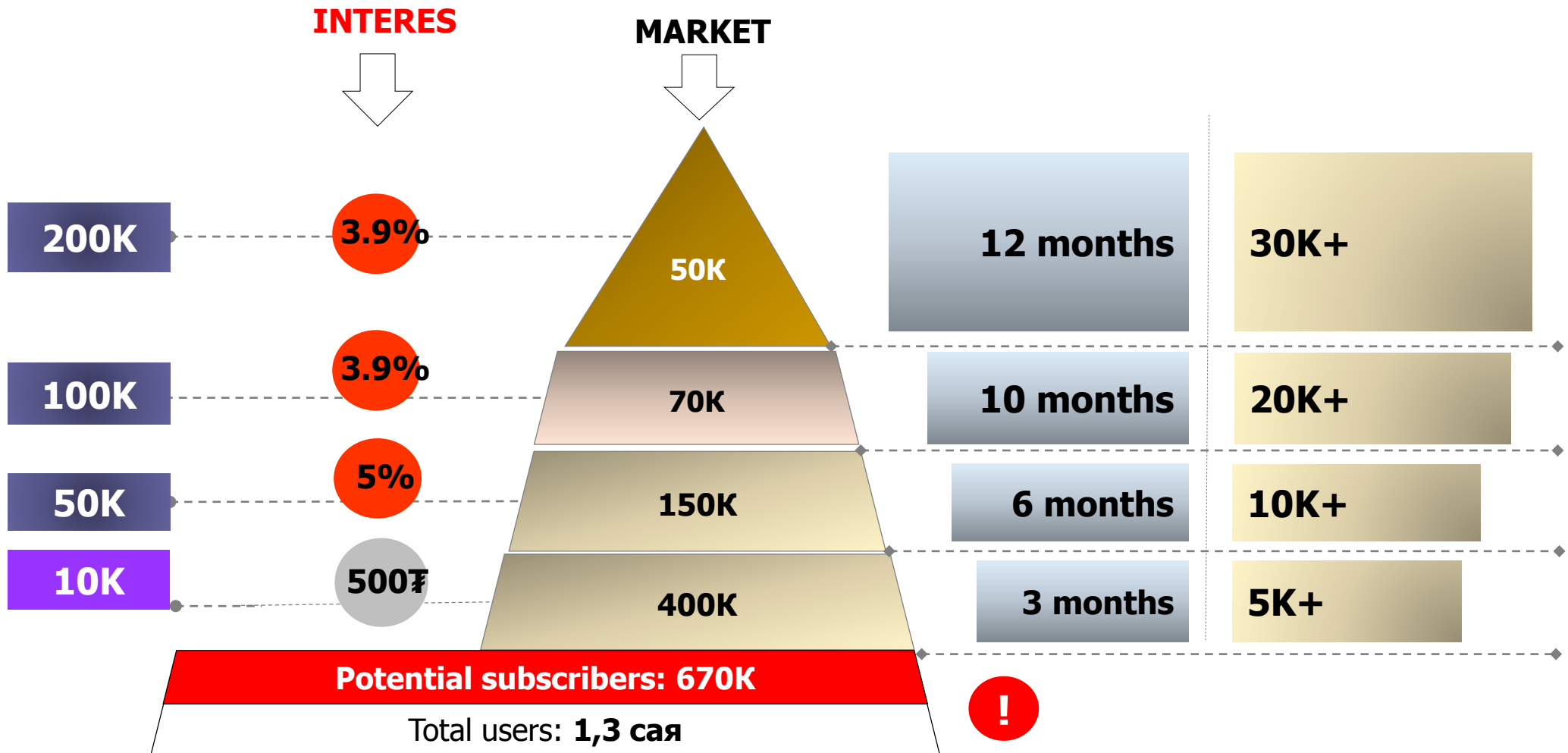
- ✓ Mongol Bank agreed to have National Payment System Council member from CRC and NBFIA
- ✓ Mongol Bank will openly get comment on new regulation by its website.
- ✓ Established good networking with stakeholders
- ✓ Discussed stakeholders' challenges
- ✓ **Waiting final report from ITU**



# Message Loan (Pilot ongoing project)

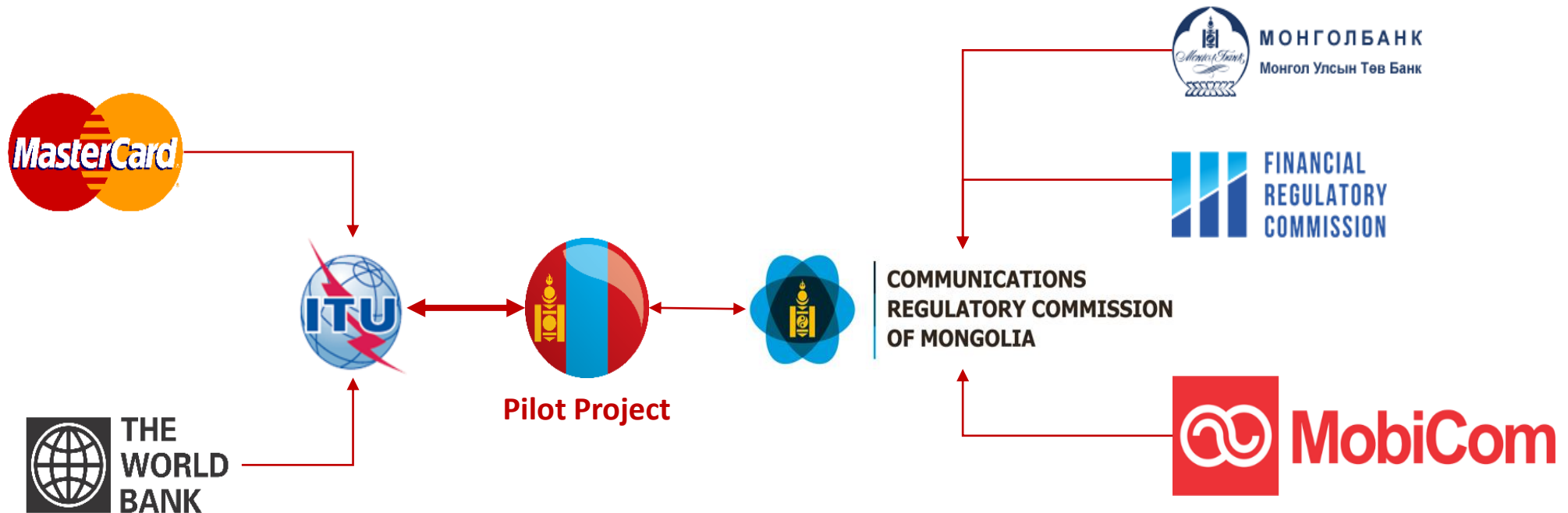
Potential market

Requirement:  
Mobile service history





# Outcome and challenge



## OBJECTIVE: WHAT REGULATORS NEED TO KNOW

- WG will develop an in-country assessment on the current ecosystem for Digital Financial Services (DFS) and Digital Financial Inclusion (DFI)
- WG focus on regulatory policy areas for cross-sector collaboration between financial and telecommunications/ICT regulators and other stakeholders such as competition authorities and cyber security agencies and stakeholders.
- The assessment study will focus on areas and mechanisms for formal and informal collaboration between financial and telecommunications/ICT regulators with respect to DFS and DFI



**COMMUNICATIONS  
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**THANK YOU FOR YOUR  
ATTENTION**

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