

iT park | Мэдээлэл,
Mongolia > Технологийн
Үндэсний Парк

Innovation with Mongolia

Opportunities for Collaboration and
Investment for Partners Around the World

MONGOLIA'S EMERGING DIGITAL SECTOR

Growing Digital Sector

The Mongolian economy continues to grow steadily. In particular, the ICT sector is growing rapidly, with nominal GDP growth averaging 19.4% between 2019 and 2023. In addition, the ICT Development Index released by the International Telecommunication Union (ITU), which measures the ICT development level of each country, has continued to rise and greatly exceeds the average for the Asia-Pacific region (77.3).

Nominal GDP growth rate in the information and communications (2019~2023)

19.4%
on average

Source: Calculated based on data from the Mongolian Statistics Office

ICT Development Index

2023 2024

Mongolia 85.9 → 87.0

Regional average 74.6 77.3

Source: International Telecommunication Union "The ICT Development Index 2024"

Advanced Digital Connectivity

Mongolia has a high mobile broadband penetration rate of 117.6% and is one of the most digitally advanced countries in the world. In addition, the coverage rate of 4G/LTE network is high at 99.0%, and the high-speed network connects not only the urban areas but also rural areas nationwide. In this way, Mongolia has established a high degree of digital connectivity as the foundation of society and industry.

Mobile broadband penetration rate

117.6%

Source: International Telecommunication Union "The ICT Development Index 2024"

4G/LTE coverage (Ratio to population)

99.0%

Source: International Telecommunication Union "The ICT Development Index 2024"

Startup Ecosystem Driven by Intellectual Capital

According to a study conducted by START, the total valuation of the 91 startups surveyed was 130 million USD (443 billion Mongoltugrugs), with the majority of startups currently in the seed or early stage. In addition, StartupBlink's Global Startup Ecosystem Index has been increasing from 93rd in 2020 to 81st in 2024. Intellectual capital is the driving force behind Mongolia's startup ecosystem, with 36% of founders holding a master's degree or higher.

Total valuation of startups in Mongolia

130 million USD

(Total of 91 companies surveyed)

Source: START "Baseline survey of the Mongolian Startup Ecosystem 2023"

Global Startup Ecosystem Index

2020 2024

93rd → 81st

Source: StartupBlink "Global Startup Ecosystem Index 2024"

Mongolian Government's Commitment to Digital Sector

The Mongolian Government positions the ICT sector as one of the major pillars of its economy, and in 2020, it announced the "Digital Nation" concept, which specifies a 5 year target (2022 – 2027) for realizing a digital nation. Furthermore, on the E-Government Development Index (EGDI), which measures the progress of e-government in UN Member States, the Mongolian Government rose from 92nd in 2018 to 74th in 2022. The Mongolian Government established the "e-Mongolia" platform in 2020 with the goal of digitizing 90% of government services by 2024.

E-Government Development Index

2018 2022

92nd → 74th

Source: United Nations "UN E-Government Knowledge base"

Digital Nation

The Digital Nation concept has 6 goals, including digital infrastructure, E-governance, cyber security, digital literacy, innovation, and utilization of digital products, with the mission of "Integrate advanced communications and information technologies into all aspects of Mongolia's society and economy to develop a digital nation based on knowledge and intelligence."

Source: Digital Nation approval guidelines (2022 -2027)



e-Mongolia is a digital platform for government services available as a mobile app and on the web. As of April 2024, citizens can complete 994 procedures online, including passport applications and driver's license applications. Companies can also use the data linked to e-Mongolia for their business, following application to the competent authorities. Strengthening governance, preventing fraud, and improving efficiency in public administration are also progressing rapidly.

Source: Digital Nation approval guidelines (2022 -2027)

PARTNER IN CREATING INNOVATION

Partners for Global Expansion

Approximately 120,000 people, or 3.7% of Mongolia's population, live in countries such as South Korea, the United States, Japan, Australia, and Kazakhstan (as of 2020), and the Mongolian diaspora forms the foundation for companies' global business. Although the market size in Mongolia is limited, there are many Mongolian companies that have been conducting business with an eye on overseas markets since the early days of their establishment and have growth potential that is not dependent on the size of the country's economy. Mongolian companies with these characteristics can also become partners for global business development.

Technology Demonstration Field

The Mongolian Government is flexible in adopting technology and has issued permits and licenses for drone flights in urban areas and satellite communications. Not only Mongolian companies but also Japanese companies have obtained permits and approvals, and Mongolia can be a demonstration field for advanced technology and promote innovation implementation.



Case study: AND Global Pte. Ltd.

Established in 2017. Offers "LendMN," a small-amount unsecured loan application based on a screening system utilizing AI scoring. Expanded into 12 countries, primarily in the Asia-Pacific region. Established capital and business alliances with Japanese companies to expand their business in Southeast Asia and North America.

Case study: Aeronext Inc.

A Japanese startup that develops industrial drones. Expanded business to Mongolia utilizing a project of the Japan International Cooperation Agency (JICA). After obtaining permission and approval from the Civil Aviation Authority, they conducted a demonstration test of a 10 km drone-based blood transport in Ulaanbaatar in November 2023.

Source: Press release by Aeronext Inc.

Skilled Human Resource for Technology and Global Business

Mongolia's startup ecosystem is led by highly skilled human resources who possess both the science and mathematics skills necessary for advanced technologies such as AI and data science, and the language skills necessary for global business.

Data:

- International Mathematical Olympiad: Mongolia won 5 gold, 6 silver and 13 bronze medals in the past 5 years, and ranked from 11 to 30 in country rankings.
- The number of Mongolian students studying abroad: 14,731 (2021) * About 0.4% of the population, more than 0.02% in Japan (2021)

Source: International Mathematical Olympiad website, UNESCO INSTITUTE FOR STATISTICS website

Supportive Legal System

The Mongolian Government is promoting legislation that is supportive to companies and investors, such as the IT Industry Support Law and the Investment Law. By establishing a comprehensive framework for cooperation among the government, the private sector, and international organizations, the Government aims to foster a robust IT industry.

Mongolian IT Industry Support Act (enacted on June 5, 2024)

Objective: To establish government policies that support individuals and legal entities in the IT industry, diversify funding sources, improve the investment legal environment, and enhance the IT industry's economic benefits.

Mongolia's Attractiveness as an Investment Destination

Mongolia has a favorable business environment and a high level of human capital. Since democratization and the transition to a market economy in the 1990s, the country has continued economic growth, is safe and democratic compared to neighboring countries, and is highly attractive as an investment destination.

International indicator	MONGOLIA	Kazakhstan	Uzbekistan	Kyrgyzstan	Indonesia	Singapore
Democracy Index (2023, out of 10)	6.48	3.08	2.12	3.70	6.53	6.18
Telecommunications Infrastructure Index (2022, maximum 1)	0.69	0.75	0.65	0.66	0.63	0.87
Human Capital Index (2022, maximum 1)	0.83	0.90	0.77	0.81	0.74	0.90
World Risk Index (2023, up to 100)	2.11	2.15	1.52	2.42	43.50	0.63

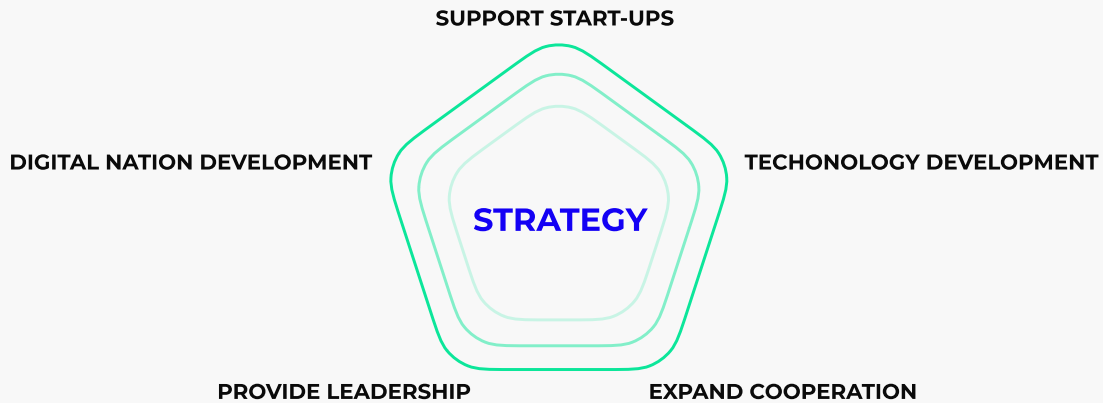
Sources: Economist Democracy Index 2023, UN E-Government Knowledge base, Ruhr University Bochum IFHV WorldRisk Report 2023

Mongolian Government's IT Industry/Startup Support Agency

NATIONAL INFORMATION TECHNOLOGY PARK



The predecessor of the National Information Technology Park (IT Park) was established in 1972 as the Mongolian Government's information technology agency. Currently, under the jurisdiction of the Ministry of Digital Development, Innovation and Communications, it is responsible for supporting the overseas expansion of the ICT industry, supporting startups, and attracting investment in the ICT industry.



OVERVIEW

- **1972**
Science and Technical Information Center
- **1997**
"Science and Technical Information Center" Corporation
- **2002**
National Information Technology Park
- **2016**
Science Park Information Technology
- **2016**
National Information Technology Park (State Owned Enterprise)

Business

- **Incubation:**
Services for technology-based startups focused on information technology
- **Certification Exams:**
Global standard exams such as IT Professional Exams (ITPEC) and ICDL
- **Training:**
Providing IT-related training to young engineers
- **Program Management:**
Implement programs related to international cooperation, joint research, technology transfer, intellectual property, etc.

INCUBATION PACKAGE

- 01 Workplace
- 02 Provision of training in marketing, legal affairs, finance, intellectual property, business feasibility evaluation, etc.
- 03 Support for Participation in Domestic and Overseas Programs
- 04 Provision of Consulting Services

CURRENT COMPANIES: 33

GRADUATED COMPANIES: 162

Startup Challenge Mongolia 2024 Competition



Under the motto "In Search of Internationally Competitive Technologies," this business competition aims to identify and nurture the most promising startups in Mongolia.

97 startups registered for the competition

The largest award fund in Mongolia



Incubation Case Study: Honmono Comics LLC

Original comic production and publication of Mongolia's first superhero comic utilizing AR technology and generative AI to innovate the reading experience.



"Innovation with Mongolia" website

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