

**Remarks at UNCTAD High Level IIA Conference
13 November 2019, Geneva
Undrakh Bold, National Development Agency of Mongolia**

**Breakout Session: Regional investment policy processes and their contribution to Phases 1
and 2 of SD-oriented IIA reforms “Developing countries: Asia”**

Honorable Guests and Delegates,

Ladies and gentlemen,

First of all, on behalf of the National Development Agency and Government of Mongolia, let me convey my warm greetings to all participants of the High Level International Investment Agreements Conference.

I would like to express my sincere gratitude to the UNCTAD for organizing this important conference.

The Government of Mongolia has been active in formulating respective policies and interventions for attracting foreign direct investment since the country opened our economy to the world's market in early 1990s and has been persistently taking a policy measures to stabilize our legal environment of foreign investment for ensuring more favorable conditions for the investment procedures and regulations.

Particularly, Mongolia has acceded to international conventions such as “Washington Convention on Investment Dispute Settlement” in 1996 and the “Seoul Convention on Investment Insurance” in 1999 which are dedicated to promote and protect the investments. The Government of Mongolia also has respectively signed the traditional Bilateral Investment Treaties with 43 countries.

While the market economy was a whole new concept to us, we had lack of experience to conclude investment agreements with a mutual interest at that time.

Therefore, previous 43 Bilateral Investment Treaties (BIT's) agreements which were concluded between 1990 - 2009 and drafted too broadly in terms of definition of investment and investor as well as the other specific provisions were not precisely mentioned such as to promote responsible investment, to protect the rights of the host country, to balance the rights and obligation of both the State and investors.

Following the UNCTAD's Road Map for International Investment Agreement/IIA/

Reform, Mongolia has just finalized the model Bilateral Investment Treaties (BIT) of Mongolia which has consisted of 4 chapters and 19 articles. Ministry of Foreign Affairs of Mongolia and the National Development Agency are working together in order to submit the draft model agreement to the Cabinet for endorsement.

Apart from the traditional commitment to promoting and protecting the investment, the first Model of Bilateral Investment Treaties of Mongolia is aiming at balancing the rights and obligations of the State and investors, promoting the sustainable development goals, including the right to self-regulation and improving existing dispute settlement mechanism as well as precisely defining the specific clauses such as fair and equitable treatments for investors.

Once the Model Agreement is approved by the Government of Mongolia, the Government intends to review the existing stock of bilateral investment treaties and hold consultations with other partner countries to identify appropriate options to introduce to modernize the treaties and then will work on either amending or renegotiating the agreements. In regards to implement the above mentioned investment agreement reform, I would like to kindly request UNCTAD to continue guiding and assisting us in this process.

Using this opportunity, I would like to convey again our deepest gratitude to UNCTAD for its valuable support for reviewing the previous investment agreements of Mongolia as well as providing guidance for our ways in improving and reforming our Mongolia's Investment Agreement model.

Moreover, I would like to emphasize that UNCTAD's Annual High Level International Investment Agreement/IIA/ Conference is an important multi-stakeholder platform for determining the trend of the international investment agreement regime and addressing today's International Investment Agreement/IIA/ challenges and, it is time to take stock of IIA reform actions.

I believe that, the countries will develop their national investment strategy through this platform, and it can be a tool to improve the national investment legislation in relation with the international investment agreement/IIA/ reform.

Finally, I would like to express our sincere appreciation again to UNCTAD and organizers of this event. Thank you for your consideration.