

Mongolian Farmers Association



Agriculture Mongolia

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Introduction

- Country Profile
 - Introduction of Agriculture in Mongolia
 - MFA Introduction
 - Farm Mechanization in Mongolia
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Country Profile-Mongolia

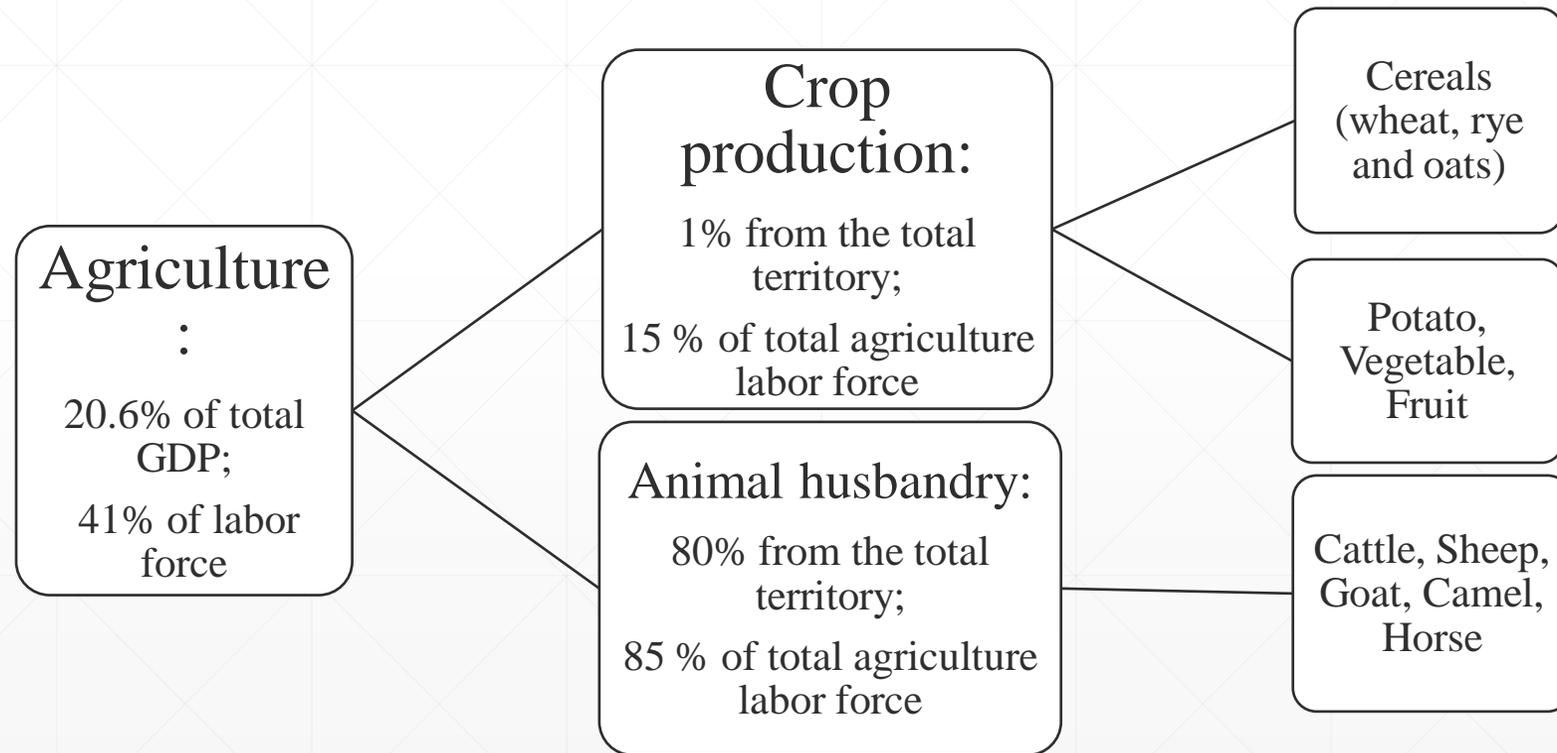
Geography:	Northern Asia, between China and Russia, landlocked
Territory:	1.566.500 sq.km. (17 th largest land in the world)
Population:	2.9 million (as of 2013)
Capital :	Ulaanbaatar
GDP:	\$10.27 billion Per capita \$3,541 (as of 2013)

Introduction

- Agricultural sector produces 20,6 % of total GDP.
 - 80% livestock and 20% crop sector.
 - Provides job for 41 percent of entire population or 1,1 ml employees
 - Generates 7,0 percent of export revenue
 - Main agricultural export product: Leather, cashmere, meat, sheep and camel wool .
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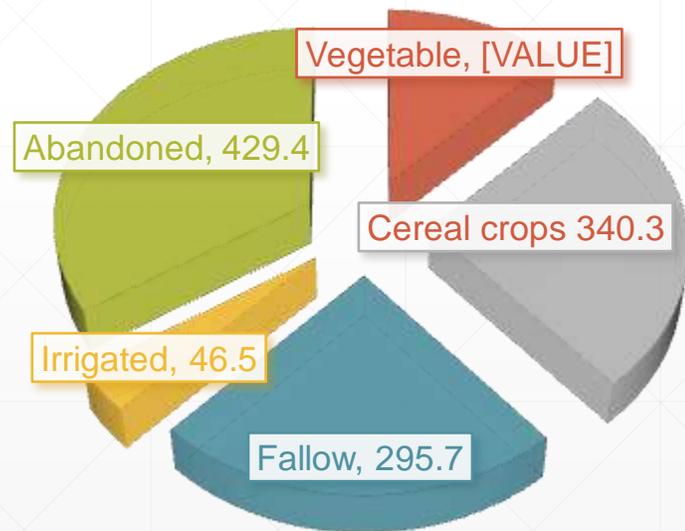
Introduction

Main Components of Agriculture Mongolia



Introduction-Crop Farming

Land Use for Crop Production,
(Total 1268.1 thous.ha)



Introduction-Crop Farming

Crop diversification and Domestic supply

Crop	Planted area /000'ha/	Harvest /000' tn/	Domestic supply, %
Cereals	373,2	475,9	100
Potato	16,2	242,7	100
Vegetables	7,1	98,4	52
Fruits	4,5	1043	0,5

MFA Introduction

Who we are.

- Mongolian Farmers Association (MFA) is a voluntary farm organization dedicated to creating a policy environment that improves the profitability and sustainability of farming and agricultural industry as a whole.
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MFA Introduction

Our objectives.

- The prime objectives of the association are:
 - to promote ecological fresh crops produced domestically by member farmers;
 - to encourage the establishment of intensive technologies in farming;
 - to work with the government organizations for better decisions in farming;
 - improve the connections between scientific organizations and the farmers;
 - to organize expos and conferences in order to promote communication among members
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MFA Introduction

How we work.

- MFA promotes agricultural sustainability through the best applications of science and technology in an effort to assist farmers in the production of a safe, healthy and abundant supply of grain in an economically viable system.
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MFA Introduction

The board and management team

- MFA is proud to be governed by a voluntary board of directors, all of whom are farmers who share a passion for agriculture and a determination to make farming more profitable.
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Farm Mechanization-Mongolia

Current Status

- At least 70 percent of Mongolian **cereal farmers** utilizes outdated older machines that made in Russia.
 - Total of 62,000 **vegetable growers** own approximately 1-50 ha lands and the mechanization is not developed much.
 - No any draft animals used for farming at all.
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Farm Mechanization-Mongolia

Mechanization Development Today

- The government of Mongolia implemented Virgin Land-III program in crop sector between 2008 and 2011 and that supplied machines from Russia and China for midsize farmers.
 - Farmers also imported larger machines from North America last few years and about 30 percent of the farmers use western high-tech machines such as Case New Holland, John Deere etc.
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Farm Mechanization-Mongolia

Machinery Distribution

- Starting from mid 2000s, new era dealerships has been established for western brands and many new brands from Russia and Eastern Europe.
 - 5 main dealerships such as Case New Holland, John Deere, Challenger, Claas and Rosselmash works on machinery market of Mongolia and several other smaller dealerships founded for Chinese, Korean, and Eastern European brands.
 - Crop Farming Supporting Fund is a state owned company also works on machinery market by mediating third party's equipment to the farmers.
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Farm Mechanization-Mongolia

Perspective on Mechanization

- The government policy focuses on updating farm machines to soil conservation types and better technologies for more productive way.
 - Mongolian crop farmers has larger size of lands therefore they needs higher capacity of equipment to do the farming in weather regulated short growing season.
 - Many farmers are buying western made large tractors and machines via fewer dealerships, unfortunately the financing is the biggest obstacles at this stage.
 - The government is working hard seeking for financial opportunities from the EXIM banks and manufacturers of the equipment.
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Farm Mechanization-Mongolia

Role of MFA on mechanization

- Also the association works with the government to tend its policy supporting the mechanization updates. MFA initiated several projects that supports machinery development in farming and successfully ongoing now.
 - The association have a role among the farmers to make connection international manufacturers of equipment by using its wide relationship.
 - MFA works with the machinery dealerships on behalf of the farmers for massive sales discounts, funding opportunities and selection of right machineries for the each farmer's needs.
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Farm Mechanization-Mongolia

MFA Perspective on Mechanization

- MFA is working hard seeking to join international associations for opportunities and changing information and ideas for its members.
 - Our focus is encouraging Mongolian farmers to walk together with mechanization development of the farmers from other Asian countries.
 - To support the farmers by developing financial opportunities via its connections and regional development of mechanization.
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THANK YOU FOR YOUR TIME



Presenter:

Perenlei Chultem

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Farm equipment dealership
Crop farming, seed trading

Crop Farming

- Government subsidies on crop farming
 - Import and VAT tax free importing for new farm machineries
 - Enhanced farming loan for seed and fuel, fertilizer
 - Financial incentives for wheat (appr. \$ 50-70 per tn) per year
 - Government purchase programme for crop products
 - Construction and rehabilitation of Irrigation system (30% subsidized)
 - Construction of water reservoir and dams (full subsidy)
 - All type of short time trainings for farm employees
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Crop Farming

Investment opportunities in Agriculture, Mongolia

- High protein fodder crops (alfalfa, pulses) production and export for China dairy
 - Massive potato production for exporting China French fries market
 - Buckwheat seed and soba noodle for Japan and Korean market
 - Fertilizer manufacturing
 - Forestry production
 - Winter greenhouses for expensive vegetable, fruit and flower
 - Farm machinery manufacturing
 - Agri-financing entity such as Agri-bank, crop insurance
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