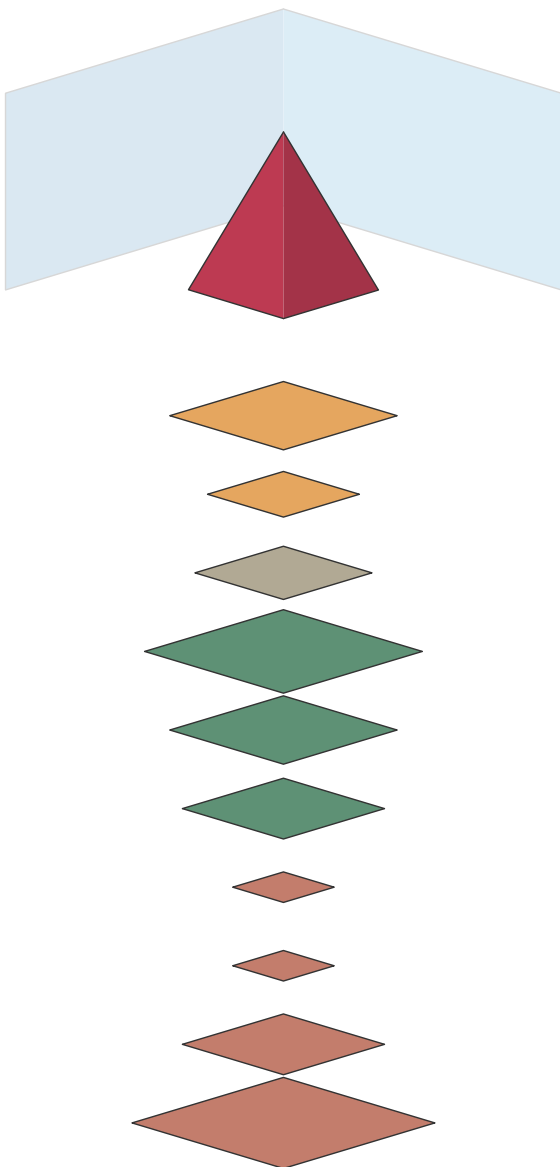




# MONGOLIA



## 4.01 CRIMINALITY SCORE

143<sup>rd</sup> of 193 countries  
40<sup>th</sup> of 46 Asian countries  
5<sup>th</sup> of 5 Eastern Asian countries



### CRIMINAL MARKETS 3.90

HUMAN TRAFFICKING	4.50
HUMAN SMUGGLING	3.00
ARMS TRAFFICKING	3.50
FLORA CRIMES	5.50
FAUNA CRIMES	4.50
NON-RENEWABLE RESOURCE CRIMES	4.00
HEROIN TRADE	2.00
COCAINE TRADE	2.00
CANNABIS TRADE	4.00
SYNTHETIC DRUG TRADE	6.00



### CRIMINAL ACTORS 4.13

MAFIA-STYLE GROUPS	2.00
CRIMINAL NETWORKS	4.50
STATE-EMBEDDED ACTORS	4.50
FOREIGN ACTORS	5.50

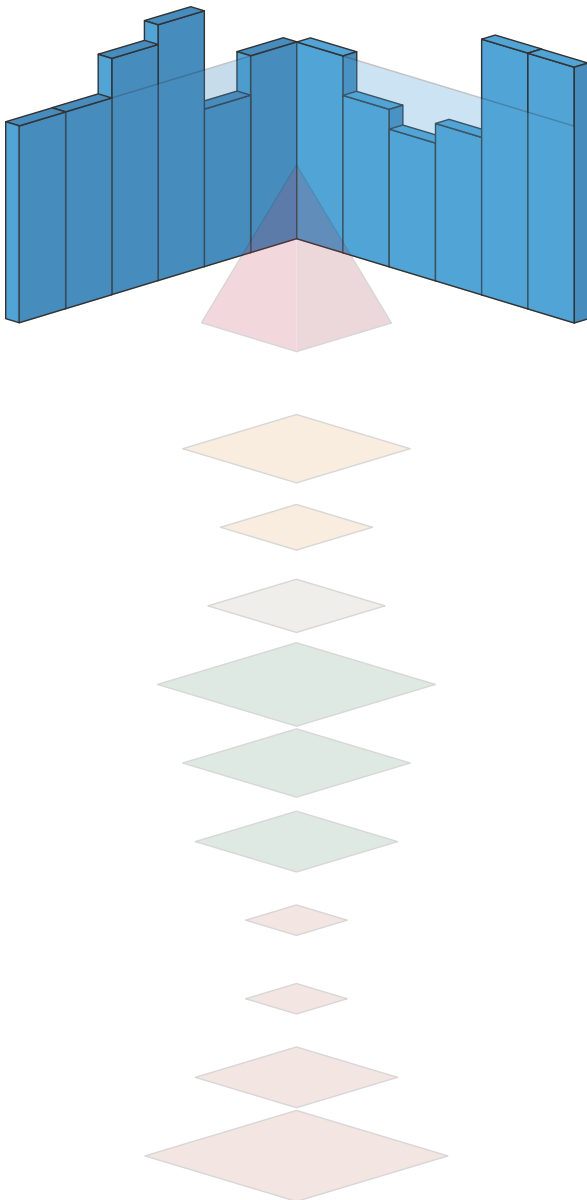


## 5.08 RESILIENCE SCORE

84<sup>th</sup> of 193 countries  
16<sup>th</sup> of 46 Asian countries  
4<sup>th</sup> of 5 Eastern Asian countries



 **MONGOLIA**





 **5.08**  
**RESILIENCE SCORE**

84<sup>th</sup> of 193 countries  
16<sup>th</sup> of 46 Asian countries  
4<sup>th</sup> of 5 Eastern Asian countries

POLITICAL LEADERSHIP AND GOVERNANCE	<b>5.00</b>
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	<b>5.00</b>
INTERNATIONAL COOPERATION	<b>6.00</b>
NATIONAL POLICIES AND LAWS	<b>6.50</b>
JUDICIAL SYSTEM AND DETENTION	<b>4.00</b>
LAW ENFORCEMENT	<b>5.00</b>
TERRITORIAL INTEGRITY	<b>5.00</b>
ANTI-MONEY LAUNDERING	<b>4.00</b>
ECONOMIC REGULATORY CAPACITY	<b>3.50</b>
VICTIM AND WITNESS SUPPORT	<b>4.00</b>
PREVENTION	<b>6.50</b>
NON-STATE ACTORS	<b>6.50</b>

 **4.01**  
**CRIMINALITY SCORE**

143<sup>rd</sup> of 193 countries  
40<sup>th</sup> of 46 Asian countries  
5<sup>th</sup> of 5 Eastern Asian countries

 <b>CRIMINAL MARKETS</b>	<b>3.90</b>
 <b>CRIMINAL ACTORS</b>	<b>4.13</b>



Funding provided by the United States Government.



ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.

# CRIMINALITY

## CRIMINAL MARKETS

### PEOPLE

Mongolian girls and young women, particularly from low-income households or those who are unemployed, are most vulnerable to sex trafficking, while boys are frequently victims of labour exploitation, often sent to countries such as South Korea, the Czech Republic, Turkey and Kazakhstan. Women and girls are sometimes married abroad by either their parents or intermediaries to men across Asia and especially in China, a practice that often ends up in abuse. Such brokered marriages are used to compel victims to work in domestic servitude or prostitution. In addition, orphans and children living in families affected by violence and alcoholism are targeted by traffickers. Children are often exploited in artisanal mining in the country or sent to China on visas and taken advantage of upon arrival. Transgender women in Mongolia are also vulnerable to trafficking due to discrimination in the formal job markets. There are reports of increasing demand for child sex in Ulaanbaatar as well as in mining towns and border cities, generated mostly by tourists from South Korea and Japan. Exploitation of foreign victims in Mongolia is common, especially of Chinese and North Korean men in mining, construction and the restaurant industry. A small number of Russian and Ukrainian women are trafficked to Mongolia on short-term visas for sex work. Corruption allegedly plays a part in trafficking, with officials and police officers facilitating exploitation.

There is no information to suggest that human smuggling is a major market in Mongolia, although Mongolians are being smuggled to Western Europe, Japan and the US. One possible method of recruiting people to be smuggled is the advertisement of 'asylum trips' to Europe by travel agencies. Reportedly, smugglers use air routes through China, Hong Kong and South Korea, rather than land routes. Before China tightened its border control with Mongolia, Mongolia was a transit country for North Koreans being smuggled to South Korea.

### TRADE

Although unlicensed firearms have been seized in Mongolia in recent years, mostly from hunters, at this point in time, arms trafficking is not considered a criminal market of concern in the country. Levels of gun crime in Mongolia are extremely low and there are no armed conflicts in the region to which Mongolian arms flow.

### ENVIRONMENT

A strong local demand for wood conditions the existence of illegal logging in Mongolia. For the most part, small-scale logging for subsistence occurs at the local level, but illicit large-scale commercial operations exist as well. The latter are likely involved in exporting wood to China, where a partial ban on logging has created demand for timber. Likewise, external demand from China is a large driver of Mongolia's wildlife trade. Reportedly, illicit trade has declined since 2005, but that has been attributed to declining animal populations. For the most part, scattered criminal networks, delivering animals and animal parts on demand, dominate the illegal trade. Mongolia is also a transit country for wildlife products from Russia to China via the north-south railroad that crosses the country. On a local level, more than a third of Mongolians use wildlife in some form, either commercially or for subsistence, which suggests that poaching is rampant. Should hunting continue at its current rate, the ability of the wildlife populations to replenish will be significantly reduced. Moreover, corruption and bribery lead to the issuance of hunting licenses that are inappropriate and inconsistent with conservation efforts, further deepening the issue. Illegal gold mining is another form of environmental crime that has a notable environmental and financial impact. Artisanal mining largely employs Mongolians and has become crucial to the livelihood of thousands of people in rural areas, either directly or indirectly. However, the driving factor behind Mongolia's legal and illegal mining sector is exports, where Chinese criminal networks play an important role in illicit flows. Gold is also sold and refined in Mongolia, and later smuggled and sold to foreign buyers, predominately Chinese, at market prices.

### DRUGS

There is little documented evidence on a domestic heroin market. Generally, heroin seizures are infrequent but large, leaving uncertainty as to how large and consolidated the heroin market is in Mongolia. Drug use is concentrated in Ulaanbaatar but is on the increase in the provinces as well, which might also be the case for heroin. The cocaine market similarly small in scope, limited almost entirely to the wealthy and to foreign recreational users.

Cannabis grows naturally in Mongolia, making it easily accessible and, consequently, the most popular drug in the country. In spite of that, prevalence is not significant. Historically, cannabis has been smuggled to China, refined into hashish and smuggled back to Mongolia. There is no recent evidence to support the existence of such a flow. More recently, however, hashish parcels coming from the US, the Netherlands and Spain have been seized, which might suggest a shift in hashish smuggling flows. Overall, however,

cannabis does not appear to be an important source of profit for organized crime in Mongolia. Conversely, the synthetic drugs trade in Mongolia and the trade in methamphetamine coming from China in particular is considerable. Airmail appears to be a prominent smuggling method, although methamphetamine has been smuggled through the border with China as well. In addition, along with the rising quantities of seized synthetic drugs, which might indicate an increase in domestic demand, methamphetamine labs have been dismantled in Mongolia, close to the Chinese border.

## CRIMINAL ACTORS

Most criminal markets in Mongolia depend on foreign ties to function. As indicated, illegal gold miners in Mongolia rely on criminal networks, including Chinese networks, to export their product. Chinese nationals have also been implicated in and arrested on charges of cybercrime in Mongolia. Additionally, there have been reports of a Korean

organized crime group laundering money through Mongolia's construction sector. Loose criminal networks are another prominent feature of organized crime in Mongolia. Such networks have ties to foreign actors and facilitate trafficking flows, as most criminal markets in the country are driven by foreign demand. Similar to foreign actors, domestic criminal networks operate in illegal mining, money laundering and wildlife crime. There are few reports of violence by loose criminal networks in Mongolia.

Corruption is a major challenge for Mongolia and illegal activities are often facilitated by state actors. Politicians, at both local and national levels, have allegedly been involved in a range of organized crime activities, mostly illegal mining. Although there are organized crime groups operating in Mongolia exhibiting some characteristics of mafia-style groups, these are not widespread and their influence on society is minimal.

# RESILIENCE

## LEADERSHIP AND GOVERNANCE

Political parties in Mongolia do not seem to campaign on organized crime. Instead, corruption and economic and political mismanagement seem to be the main focus. Nevertheless, the government has responded to the rise of specific crime markets in the country, implementing judicial and law enforcement reforms. Corruption has been a decade-long issue in Mongolia and concerns have emerged in relation to attempts by the country's president to expand and consolidate presidential power, thereby eroding democracy. However, there is no evidence to suggest that organized crime has penetrated the political system. Despite corruption featuring strongly on political agendas, efforts to counter it have not had the desired effect. One anti-corruption measure was the establishment of a body tasked with investigating corruption – the Independent Authority against Corruption (IAAC) – but little has come out of its work. In 2019, reforms were drafted and implemented to improve Mongolia's anti-corruption framework and align it with international standards. Their effect is yet to be assessed.

Mongolia is party to all relevant international treaties and conventions pertaining to organized crime. The country appears constructive in promoting international cooperation. There are no reports of international organizations or other countries reprimanding Mongolia for being obstructive, although some tensions with partner states have been identified. Foreign law enforcement entities cooperate with their Mongolian counterparts through INTERPOL,

while domestic customs authorities report frequent cooperation and exchange of information with counterparts in countering trafficking flows. In line with the country's commitments to international anti-organized crime treaties and conventions, Mongolia's legal framework sufficiently covers all organized crime offences of interest to the index. Furthermore, anti-drug laws were strengthened in 2020, and an ongoing debate aims to reform the country's legal framework so that emerging threats are accounted for as well.

## CRIMINAL JUSTICE AND SECURITY

The judiciary in Mongolia is professionalized and members of the system make use of a number of ongoing training programmes. Nevertheless, corruption and political influence are problematic, leading to favourable rulings and inconsistencies in court decisions. There are no specialized judicial units responsible for investigating and prosecuting organized crime. The prison system suffers deficiencies and allegations of mistreatment and torture have surfaced in Mongolian prisons. Specialized anti-organized crime units within law enforcement agencies in Mongolia have been formed, and the general intelligence agency in the country is tasked with investigating instances of transnational organized crime. As part of cooperation initiatives, such units make use of capacity-building programmes, but assessments of the effectiveness of these units is difficult. As with the judiciary, corruption appears to be an issue, with bribery being ubiquitous, especially among low-ranking

officers. Worryingly, Mongolia borders with two of the most significant organized crime markets in the world – Russia and China – and border management is difficult. This, along with the risk of corruption in customs administration, translates into an increased vulnerability to illicit flows.

## ECONOMIC AND FINANCIAL ENVIRONMENT

Mongolia has made high-level commitments to improve its AML/CFT framework and was removed from the EU Tax Blacklist in 2018. Nevertheless, the country remains on the Financial Action Task Force's grey list with key deficiencies in AML/CFT legislation as well as persistent constraints on law enforcement's activities in regard to combating money laundering. Additionally, a financial investigation unit functions within the Bank of Mongolia, but the corruption that permeates the latter hinders the work of the unit. Thus, risk of money laundering and terrorist financing in Mongolia remains very high. Conversely, the economic regulatory framework in the country is somewhat conducive to doing business, although shortcomings exist. One of the key problems for companies in Mongolia is the lack of transparent and corruption-free frameworks to challenge regulations and settle disputes. This, at least in part, is due to perceived substantial corruption in the judiciary. Corruption within the land administration also contributes to difficulties that undermine the business climate, whereas land ownership laws for foreigners hinder foreign investments and open up more opportunities for corruption.

## CIVIL SOCIETY AND SOCIAL PROTECTION

Victim support facilities in Mongolia are inadequate and availability of psychosocial care is limited. A culture of victim blaming is still present in the country and victim-centred investigation techniques are underdeveloped. The government sponsors NGOs that support victims of trafficking and has a consular fund to aid victims exploited abroad, but proactive victim identification is lacking. A witness protection unit operates within the structure of the Mongolian police. Medical care for drug users is also insufficient and limited to detoxification treatments. Furthermore, drug use carries harsh penalties and, instead of help, users are pushed through the criminal justice system. In terms of prevention, Mongolia has a national anti-trafficking programme in place, which focuses on awareness-raising. Public awareness campaigns against corruption and drug use have also been implemented and a training and information centre to raise awareness on drugs was established in 2019. Arguably, however, action plans on relevant issues, such as anti-corruption or anti-trafficking, have not been designed or implemented effectively. In addition, social workers and local government officials who might work with vulnerable groups may benefit from further training on prevention.

Civil society is active in Mongolia, especially in human trafficking research and victim care, but also in anti-corruption, supporting the work of the IAAC. Overall, NGOs and the government cooperate well and mechanisms for the formalization of their collaboration through memorandums of understanding are in place. Mongolia has made significant progress in media freedom over the past years, although heavy concentration of media ownership and affiliation with the political parties remain problematic. The 2017 changes to the country's defamation laws emerged as an issue of concern, with more than half of the country's defamation cases being brought against journalists.

---

*This summary was funded in part by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the authors and do not necessarily reflect those of the United States Department of State.*