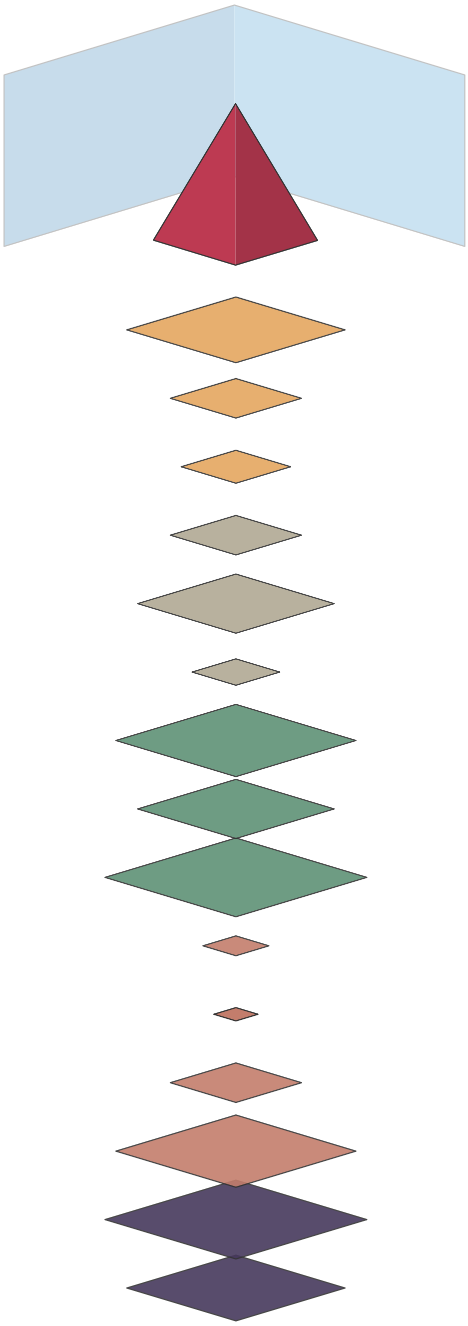
GLOBAL ORGANIZED CRIME INDEX

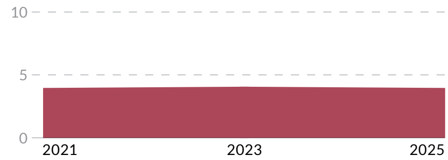
GLOBAL INITIATIVE AGAINST TRANSNATIONAL ORGANIZED CRIME

MONGOLIA



4.03 ↘0.08 CRIMINALITY SCORE

153rd of 193 countries ↘5
40th of 46 Asian countries -
5th of 5 Eastern Asian countries -



CRIMINAL MARKETS	3.87	↗0.03
HUMAN TRAFFICKING	5.00	0.00
HUMAN SMUGGLING	3.00	0.00
EXTORTION & PROTECTION RACKETEERING	2.50	↗0.50
ARMS TRAFFICKING	3.00	0.00
TRADE IN COUNTERFEIT GOODS	4.50	↗1.00
ILLICIT TRADE IN EXCISABLE GOODS	2.00	0.00
FLORA CRIMES	5.50	0.00
FAUNA CRIMES	4.50	0.00
NON-RENEWABLE RESOURCE CRIMES	6.00	↗1.00
HEROIN TRADE	1.50	↘0.50
COCAINE TRADE	1.00	↘1.00
CANNABIS TRADE	3.00	↘0.50
SYNTHETIC DRUG TRADE	5.50	0.00
CYBER-DEPENDENT CRIMES	6.00	0.00
FINANCIAL CRIMES	5.00	0.00

CRIMINAL ACTORS	4.20	↘0.20
MAFIA-STYLE GROUPS	1.00	↘1.00
CRIMINAL NETWORKS	4.50	0.00
STATE-EMBEDDED ACTORS	5.50	↗0.50
FOREIGN ACTORS	5.00	↘0.50
PRIVATE SECTOR ACTORS	5.00	0.00

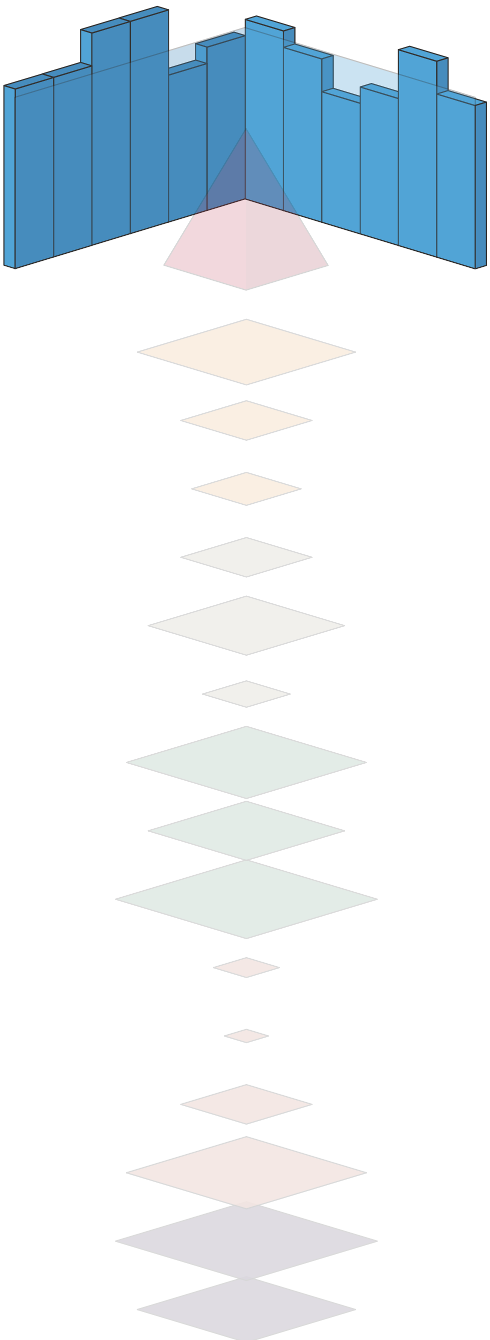
This project was funded in part by a grant from the United States Department of State.

enact

Funded by the European Union

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.

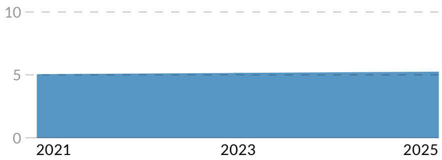
MONGOLIA



5.29 ↗0.08

RESILIENCE SCORE

71st of 193 countries ↗6
14th of 46 Asian countries -
4th of 5 Eastern Asian countries -



POLITICAL LEADERSHIP AND GOVERNANCE	**5.50**	↗0.50
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	**5.50**	↗0.50
INTERNATIONAL COOPERATION	**6.50**	0.00
NATIONAL POLICIES AND LAWS	**6.50**	0.00
JUDICIAL SYSTEM AND DETENTION	**4.50**	0.00
LAW ENFORCEMENT	**5.00**	0.00
TERRITORIAL INTEGRITY	**5.50**	0.00
ANTI-MONEY LAUNDERING	**5.00**	↗0.50
ECONOMIC REGULATORY CAPACITY	**4.00**	↗0.50
VICTIM AND WITNESS SUPPORT	**4.50**	0.00
PREVENTION	**6.00**	↘0.50
NON-STATE ACTORS	**5.00**	↘0.50

This project was funded in part by a grant from the United States Department of State.

Funded by the European Union

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

Mongolia functions predominantly as a source and destination country for human trafficking, with a secondary role as a transit country. Vulnerability to this crime is heightened by unemployment, poverty, gender inequality and increased drug use. Mongolian women and children, alongside LGBTQ+ individuals, are among the most at-risk populations, particularly for sexual exploitation and forced labour, both domestically and abroad. Victims are lured by deceptive online schemes or false employment offers and subjected to trafficking in countries such as China, the Republic of Korea, Türkiye and the United States. Forced marriages, domestic servitude and labour under exploitative conditions are commonly reported. Recruitment methods include drug use, fake English language programmes and social media scams. Corruption among law enforcement and weak oversight in labour migration enforcement further exacerbate the problem. There are reports of criminal networks with links to mining gangs in the Gobi Desert kidnapping women and girls, as well as some families being complicit in trafficking.

Human smuggling is less prevalent but remains linked to trafficking, particularly irregular migration to neighbouring countries such as China, Russia and South Korea. Economic hardship drives this movement, often coordinated by transnational networks leveraging local contacts. Mongolia also serves as an alternative transit point for citizens of North Korea attempting to reach South Korea, although such flows have declined in recent years.

Extortion and protection racketeering in Mongolia are not widespread but are becoming more common in certain sectors. Sporadic cases involve mafia-style gangs and loosely organized networks. Mining, which contributes significantly to the national GDP, is particularly affected. Some groups pose as civic movements to demand payment from mining companies under the guise of protecting local interests. Forced transfers of ownership and coercive residence takeovers were also reported, although many claims remain unconfirmed by authorities.

TRADE

Arms trafficking is limited in scope but present, with Mongolia serving as a minor node in regional trafficking networks. Latent risks associated with arms trafficking were exposed by recent regional operations that involved Mongolia and led to significant seizures. Domestically, firearm use is mostly legal and linked to hunting, but isolated cases of illegal possession and theft occur. Law enforcement monitors registered gun owners closely, contributing to generally low rates of firearm misuse.

Mongolia is both a destination and a transit hub for counterfeit goods. The market includes fake apparel, spare parts and food products, with luxury goods also common on the black market. The country imports a significant amount of counterfeit food items. E-commerce has fuelled the expansion of this market, although reporting and monitoring remain weak. Control efforts are hindered by limited public understanding and enforcement capacity, coupled with sellers' tax evasion tactics.

The illicit trade in excise goods, particularly tobacco and alcohol, is comparatively small in Mongolia. Experts estimate that a modest share of the tobacco market is illicit, but precise data is unavailable due to weak monitoring systems. Alcohol smuggling occurs primarily to avoid high excise taxes, with excise stamps trafficked across borders.

ENVIRONMENT

Flora crimes in Mongolia, particularly illegal logging and the harvesting of non-timber products like cedar and pine nuts, are a notable concern. These activities contribute to deforestation and are facilitated by poor law enforcement and funding, and ambiguous legal frameworks. Local demand drives participation by communities, but clandestine networks also export these products, especially to China. The cedar nut trade is particularly lucrative, with prices increasing significantly as they are processed and exported abroad.

Fauna crimes are equally significant, with Mongolia acting as a source, destination and transit country. Wildlife products are consumed locally for food, traditional medicine and souvenirs. Items such as wolf skins, bear bile, musk deer glands and marmot products are trafficked, primarily to China. State-embedded actors, foreign buyers and domestic poachers are involved. Products are often transported to Ulaanbaatar before being smuggled across borders disguised as legal goods.

Crimes involving non-renewable resources are highly consolidated and linked to a range of criminal activities, including corruption, money laundering and tax evasion. Mongolia's wealth in coal, gold and copper has spurred illicit mining, especially artisanal operations in gold deposits. These practices, while economically vital for rural populations, are associated with violence, extortion and environmental degradation. A recent high-profile coal theft case underscores systemic weaknesses in oversight and accountability. Illegal fuel production, stimulated by tax loopholes, constitutes a major share of the domestic fuel market. Local governors reportedly misuse permits to allow the extraction of high-value resources to be passed off as common minerals. Relations with China further complicate enforcement, as the cross-border coal trade often involves corruption and price manipulation.

DRUGS

Heroin trafficking in Mongolia is poorly documented, making the scale of the market difficult to assess. While some arrests have been made, there is no clear data on origin routes or actor networks. The cocaine market is virtually absent, with negligible evidence of widespread use or trafficking. Cannabis is prevalent in Mongolia. Although THC-rich varieties remain illegal, hemp farming is expanding and wild cannabis is abundant across the country. Authorities regularly destroy illegal crops, and significant resources are allocated to this task. Most cannabis-related arrests pertain to domestic cultivation, sale and possession. However, Mongolia has also recently been involved in broader trafficking routes, with a large cannabis shipment originating from a Mongolian vessel intercepted abroad. Synthetic drugs, especially methamphetamine, form the most consolidated segment of the drug market, driven by increased use among young males. The drugs are smuggled into Mongolia primarily from China and other parts of Asia, often concealed in cargo or mail. Domestic production appears to be limited, though enforcement agencies struggle with the increasing scale and sophistication of trafficking networks.

CYBER-DEPENDENT CRIMES

Cyber-dependent crime is rising in Mongolia, accounting for over a quarter of reported criminal incidents. Hacking, cryptocurrency fraud and data theft are among the most common offences. Government institutions remain vulnerable due to the use of unsecured communication platforms and unlicensed software. Cybercrime has surged in recent years, with incidents becoming more frequent and some attacks linked to foreign actors. A shortage of technical capacity contributes to growing apprehension about cyber vulnerabilities across multiple sectors.

FINANCIAL CRIMES

Financial crimes in Mongolia encompass a broad range of offences, including pyramid schemes, tax evasion and embezzlement, with the mining sector being notably affected. Gaps in the automation of tax and income tracking systems have created vulnerabilities for illicit financial activity. In recent years, cyber-enabled financial crimes have become increasingly prevalent. Threats such as malicious applications, harvesting of personal information, account takeovers and fraudulent online payments are among the most concerning. Social media usage has further exposed users to scams. While Mongolia is not a major global hub for financial crime, the frequency and impact of such offences are growing.

CRIMINAL ACTORS

There is no evidence to suggest that conventional mafia-style groups operate in Mongolia and their effect on Mongolian society appears to be minimal. Instead, they appear to operate more like loose criminal networks that coordinate with state-embedded, foreign and private-sector actors. Criminal networks remain a central feature of Mongolia's organized crime landscape. These groups operate across multiple illicit markets, including human trafficking, human smuggling, drug trafficking and the illegal trade in wildlife and non-renewable resources. These networks often collaborate with foreign actors – especially those from China – and are suspected of maintaining ties with political figures, enhancing their ability to navigate and exploit regulatory environments.

State-embedded actors play an important role in facilitating organized crime in Mongolia. Corruption is particularly pervasive in activities like mining, flora and fauna crimes and human trafficking. High-profile cases highlight the systemic nature of political malfeasance. State involvement in criminal activity is often indirect, with officials not managing illicit operations directly but creating avenues for access through their positions. Contracts for procurement and mining licences are regularly awarded to a small circle of companies linked to politically exposed persons, enabling privileged access to lucrative state deals. These dynamics reflect a degree of state capture, where access and influence are commodified in ways that undermine governance and transparency.

Foreign criminal actors, particularly from China, Russia and South Korea, are highly active in Mongolia's illicit economy. Rather than exerting dominance, these actors form strategic alliances with local networks, playing a pivotal role in the exchange and export of illegal goods. Chinese and Russian nationals are particularly involved in illegal artisanal mining and environmental crimes, including the trafficking of flora and fauna. While such collaboration is often commercial in nature, rising poverty and low wages – especially among the youth – have made segments of the population increasingly vulnerable to recruitment by these groups.

Certain segments of the private sector are closely intertwined with organized crime in Mongolia, especially in industries such as mining and wildlife trade. Private-sector actors are known to participate in licence trading, the trafficking of counterfeit goods and environmental crimes. There is substantial evidence of transnational linkages, particularly with private actors from China who facilitate illicit market flows. Additionally, corrupt exchanges between government and private industry are common. Reports also indicate the presence of revolving- door arrangements, where former public officials take on roles within private companies that benefited from their previous decisions, thereby embedding illicit practices within formal economic structures.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Organized crime is not a major concern in Mongolia, and political discourse primarily revolves around corruption, economic development and environmental issues. The ruling party retained a majority in the June 2024 parliamentary elections, but a broader multi-party representation emerged, incorporating voices from sectors such as health, education, law and media. However, there were questions regarding electoral integrity, with reports of alleged bribery and corruption, despite transparency measures such as observer deployment and live-streamed proceedings. Despite periodic allegations of political corruption and links between some officials and criminal networks, there is no direct evidence that organized crime has infiltrated the political system or supplanted state service delivery. Governance challenges remain, particularly in the implementation of laws, the enforcement of penalties for corruption-related offences and addressing human rights breaches by law enforcement. Public frustration over perceived deficiencies in governance has fuelled protests, especially among the youth.

Government transparency has improved in several areas. An independent authority against corruption investigates misconduct, raises awareness and conducts training for public servants. A national anti-corruption strategy was proposed, and initiatives such as online budget disclosures have enhanced transparency. The government now publishes its budget online, and improving access to government services through the e-Mongolia platform remains a key priority for the administration. Budget and finance laws incorporate principles of transparency and accountability, and the 2024 national elections showed progress in disclosing political party and candidate expenditures. Legal frameworks mandate public disclosure of financial transactions, with strengthened restrictions on procurement-related conflicts. However, significant gaps remain. Special funds operated by the government lack transparency and there is no legal obligation to disclose foreign aid transactions, resulting in the opacity of procurement audits and foreign assistance. Despite institutional efforts, enforcement of anti-corruption laws remains weak. Corruption is still perceived as widespread, particularly in the mining sector, compromising democratic governance, private sector development and the judiciary.

Mongolia is a signatory to a comprehensive array of international treaties, including the United Nations Convention against Transnational Organized Crime and the Arms Trade Treaty. The government actively cooperates with international partners in combating organized crime, human trafficking and money laundering and in supporting asset recovery. It has signed legal cooperation agreements with several countries. However, no recent cases of extradition or cross-border asset seizure have been recorded. Mongolia's geopolitical alignment is influenced by its landlocked position between Russia and China. While maintaining neutrality in international conflicts, it continues diplomatic engagement with both neighbours.

While Mongolia has laws covering various forms of organized crime, notable legislative deficiencies persist. Discrepancies between the criminal and civil codes limit victims' ability to claim restitution. Legal amendments have aimed to improve cybercrime regulation, but the framework remains overly broad and lacks focus on pressing threats. Recent reforms were enacted rapidly without adequate public consultation, raising concerns over transparency and legal efficacy.

CRIMINAL JUSTICE AND SECURITY

Although judicial independence is enshrined in the constitution, the judiciary continues to be subject to political influence. The process of appointing judges includes oversight by the judicial general council, yet final decisions lie with the president. Public trust in the judiciary remains low due to inconsistent rulings, delays and perceived impunity for high-ranking officials. Investigative and prosecutorial weaknesses are often cited as the root causes of judicial inaction. Enforcement of court rulings is inconsistent and arbitration mechanisms are underdeveloped. Within the judiciary, specialized expertise in complex topics such as financial crime, tax evasion and governance is limited, further delaying case resolution. Due process rights are largely upheld, but there are troubling reports of arbitrary detention, use of excessive force and lack of adequate prison conditions. While prisons grant access to independent observers and human rights commissions, detainee treatment and prison conditions remain an issue, especially for vulnerable populations.

Law enforcement agencies include specialized units tackling organized crime, cybercrime and human trafficking. The ecological police department and the unit for analysis and monitoring, established respectively in 2020 and 2021, led to an increase in the inspection and sanctioning of flora-related crimes. The general intelligence agency is authorized to conduct investigations into cross-border criminal activity and cooperates with neighbouring countries and INTERPOL. International organizations also provide support to build law enforcement capacity. Even so, effectiveness is undermined by corruption, human rights abuses and politicization. Allegations of misconduct by police, including sexual violence and abuse of detainees, have increased. Investigations are typically conducted internally in such cases, which hampers transparency. Structural challenges, such as staff turnover, lack of training at local levels and poor coordination between police and prosecutors, further impair law enforcement efficacy.

Mongolia's extensive borders with China and Russia present persistent challenges for territorial control. Infrastructure gaps, coupled with historical landmine placement and corruption risks among border officials, hinder effective oversight and facilitate bribery among customs and railway officials. The country continues to receive international assistance to strengthen border control and cybercrime prevention.

ECONOMIC AND FINANCIAL ENVIRONMENT

Mongolia has put forward a series of measures in this field. A financial intelligence unit operates within the central bank, and national programmes address corruption and money laundering. The country's risk assessment under the Financial Action Task Force has improved: since its removal from the grey list in 2020, Mongolia is no longer subject to their monitoring process. The government has made efforts to prevent online gambling from becoming a channel for cybercrimes and money laundering. Yet some vulnerabilities persist. Mongolia lacks an independent database for beneficial ownership verification, and hawala money-transfer systems operate without regulatory oversight. Weak enforcement mechanisms and sanctions for non-disclosure undermine deterrence.

From a regulatory standpoint, Mongolia has moderately open trade policies, but businesses face significant legal and bureaucratic hurdles. Corruption and lack of judicial independence hinder economic activity. Foreign investors report issues with expropriation, excessive tax assessments and politicized dispute resolution. While organized crime does not dominate key economic sectors, state involvement in mining has expanded, increasing the potential for corruption.

CIVIL SOCIETY AND SOCIAL PROTECTION

Mongolia has taken steps to improve victim and witness support. Amendments to legal assistance laws and increased funding have strengthened service provision, and male victims of trafficking have been identified for the first time in over a decade. Nonetheless, critical challenges persist. There is no formalized system for victim identification, and reliance on individual initiative has led to inconsistent outcomes, particularly outside urban centres. Vulnerable individuals are not routinely screened. In some cases, trafficking victims have been criminalized for acts committed under coercion. Shelters are few and limited in capacity, and no dedicated facilities exist for men, individuals with disabilities or persons from minority groups. NGOs continue to provide most support services, often with minimal state assistance.

Crime prevention efforts are coordinated through the crime prevention council, which includes representatives from various ministries and law enforcement bodies. The council is funded and oversees national prevention strategies. Initiatives include school-based awareness campaigns, monitoring of trafficking at airports and collaboration with international partners. Cybersecurity awareness has also been promoted, and a specialized centre was established. However, prevention remains hindered by insufficient funding, weak oversight mechanisms and the failure to implement whistle-blower protection legislation.

Civil society organizations are active in combating organized crime, providing victim services and conducting research. At the same time, they face increasing restrictions, including burdensome tax reporting and intimidation. While Mongolia has a diverse media landscape, press freedom is undermined by political affiliations and a lack of legal protection for journalists. Defamation laws are used against journalists, leading to self-censorship. Despite threats, there have been no recent cases of journalist imprisonment or killings. A new law for the protection of human rights defenders was passed, but it lacks implementation. There is no formal system to safeguard whistle-blowers or civil society actors under threat. Recent attempts to pass legislation that would increase government oversight of non-profits have raised flags about narrowing civic space.

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.