

Mongolia: Statement

International Merchandise Trade Statistics: *Supplementary topics*

In case of Mongolia, we have accomplished a considerable number of activities in introducing SNA 93 in the recent years. The NSO of Mongolia is compiling GDP estimation by 3 approaches at the current and constant prices. In addition, GDP estimation has done by region and types of property. In addition, for the first time, we compiled Supply and Use Table and Input and Output Table for 2005 in 2008 according to SNA-93. We are using some administrative data for macroeconomic analyzes on a certain frequent basis. For example, financial statistics are from the Ministry of Finance and Balance of Payment Statistics from the Bank, foreign trade statistics from the General Customs Office. The foreign trade statistics is very important for the GDP estimation and we are raising the following issues with respect to this workshop.

In the economic globalization, our socio-economic situation has changed rapidly.

In our country, the foreign invested companies are operating in the manufacturing industry, namely the textile industry, in order to use cheap labor force and some preferential quotas granted other countries to Mongolia. These companies import their raw materials and produce final goods in Mongolia. Then they exported those goods directly. In this case, our GDP estimation includes only employees' compensation of these companies, but not operation surplus of these companies. Due to the above reason, unit price of the products is too low. However, in some cases the export unit price of foreign invested companies is 3-4 times as much than that of producer's price.

Products pertaining to the classification of machinery and machinery equipment are upgraded every year due to the technological advancement. Accordingly, design, types and prices are changed. Thus, this makes the comparativeness of these products deteriorating. The comparativeness plays an important role in the estimation of foreign trade index and GDP estimation by expenditure approach at constant price.

In order solve the above-mentioned issues, it is considered that it is pertinent to pay more attention to the said issues and reconciliation of the IMTS and the revised SNA 2008 recommendation and the currently drafted BPM6 recommendation when preparing the IMTS.