

ADMINISTRATION OF ZAMYN-UUD FEZ



ZAMYN-UUD FREE ECONOMIC ZONE

Ulaanbaatar
2009

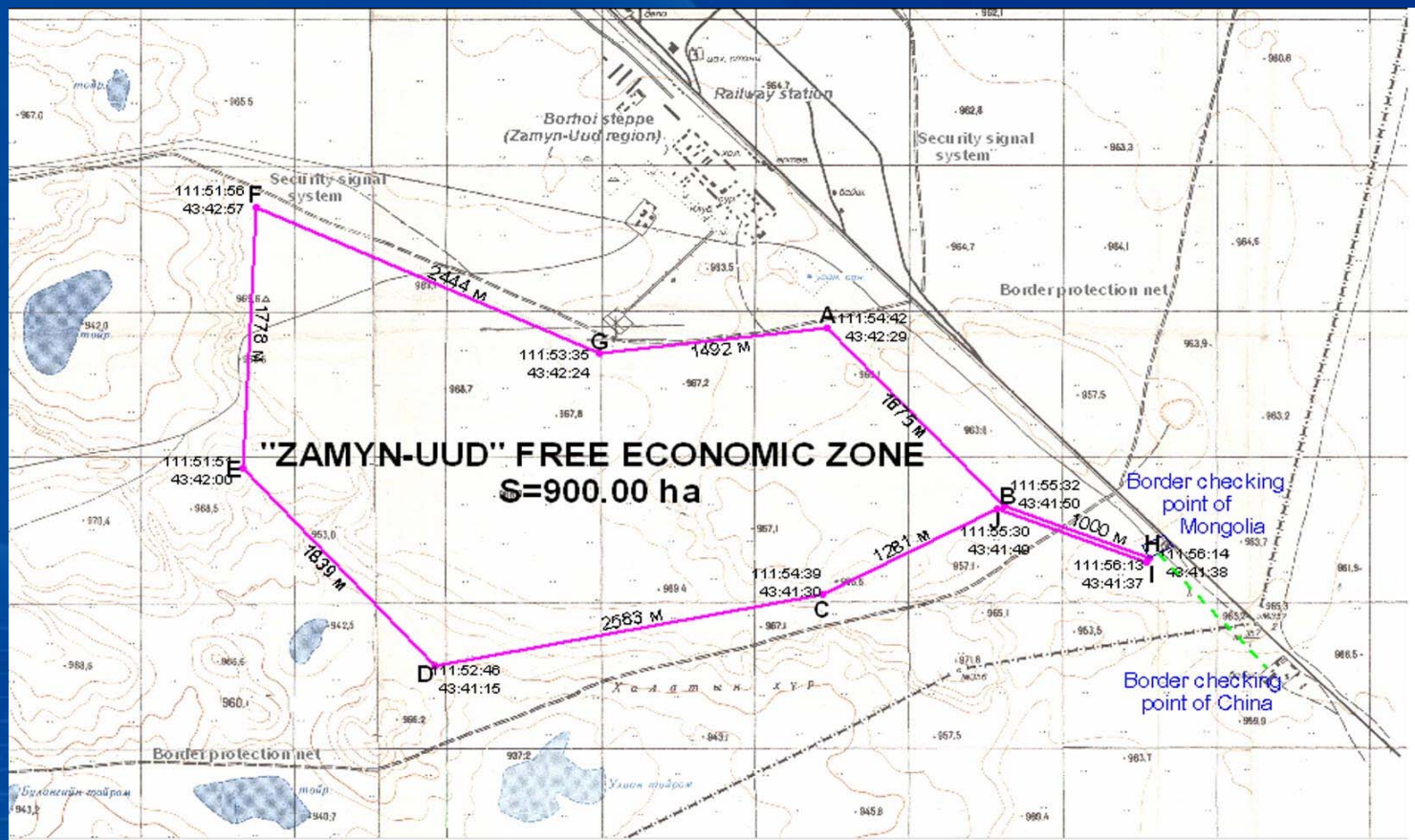
“Zamyn-Uud” soum

Zamyn-Uud is a southern border port town with an area of 47.8 thousand hectares and population of 9000. Zamyn-Uud is the main hub providing border-crossing services to Mongolia’s major foreign trade and passengers flow and serving as a bridge among Mongolia, China and Asian countries. Zamyn–Uud has a beneficial geographical location and convenient transportation services. It is considered that the main conditions for establishing FEZ are available.



Zamyn-Uud free economic zone (hereinafter referred to as “FEZ”) is located in Zamyn-Uud border point town of Dornogobi province. It is located in 780 km from Ulaanbaatar, capital city of Mongolia, 230 km from Sainshand, the center of Dornogobi province and 8 km from Erlan town of People’s Republic of China.

LOCATION OF ZAMYN-UUD FEZ



MISSION OF ZAMYN-UUD FEZ

- To make a remarkable contribution to the Mongolian social and economic development by establishing a free zone that meets international standards and promotes regional development.

Objectives: the following objectives are put forward within the framework of the establishing the Zamyn-Uud FEZ:

- Make sure that the solutions of Zamyn-Uud establishment and housing comply with international standards;
- Create brands of Zamyn-Uud in international tourism market;
- Establish the Zamyn-Uud that would be a standard and model for the rest of free zones of Mongolia, that complies with international free zone standards and that is friendly to nature and environment;
- Create a new industrial and trade city, which is based on outstanding scientific achievements.

LEGAL ENVIRONMENT

- The legal environment for establishing a free zone was initiated in 1995 as “The concept for establishing Free Economic Zone” was approved by the Parliament.
- “The Law of Mongolia on the Free Zone” was adopted in 2002.
- “Law on the Legal Status of Zamyn-Uud Free Economic Zone” was adopted in 2003 respectively.
- Resolution No.17 on the Development of the Zamyn-Uud Free Economic Zone was adopted in 2004 by the Parliament of Mongolia.

OFFSITE INFRASTRUCTURE OF FREE ZONE

- 110 kWt electricity transmitting line and sub-station;
- In 17 km from Zamyn-Uud water resource with a capacity 17 liters per second was discovered;
- International railway;
- Asian highway (AH-3 standard);
- High speed fiber-optic cable;
- The border checking point complex with customs, immigration and inspection service;
- Industry and service enterprises;
- Border port.

Main Activities

The Law on the Legal Status of the “Zamyn-Uud” FEZ envisages to develop the zone with three major sections: industrial, commercial, and tourism-entertainment.

The following actions and activities are planned for each section.

Industrial Section

This would include manufacturing and assembling plants of audio and video equipment, home appliances, electronic goods, textiles, clothing, furniture and souvenirs for export. It is envisaged to establish and develop low water usage and environmentally friendly industrial production especially that does not create soil erosion.

Commercial section

The commercial part would include warehouses, business, exhibition centers and commodity exchange, and parceling, bottling and packaging of goods, and also banking, financial services, information and communication centers.

Tourism and services section

Tourism and entertainment section would aim to develop tourist camps, hotels, casino, restaurants, cafes, fast food shops, casinos, golf courses, horse racing track and camel polo field.

Current process and state financed construction works

- 15km long security fence, a security shelter and a temporary control point;
- 10kW electricity transmission line, one kilometer in length, to the zone site and a 250kW transformer substation;
- One kilometer autoroad with six lanes in two directions from the Zamyn-uud Port to the zone site;
- Border control building accommodating all subordinating departments and bureaus of the Administration of “Zamyn-Uud” Free Economic Zone.
- A master plan for the “Zamyn-Uud” Free Economic Zone

Research works

- Hydrological study and research on water supply within the zone area;
- Brief research of city planning;
- Geological engineering survey of soil and detailed environmental impact assessment;

Policy documents

- New concept and principals of Mongolia on free zones;
- A bill on Amendment of the Law on Free Zones;
- A master plan for the Zamyn-Uud Free Economic Zone;
- General Development Plan;
- Development Plan for the “Zamyn-Uud” Free Economic Zone.

Model of development



**ZAMYN-UUD LIST AND BRIEF COST ESTIMATION OF
INFRASTRUCTURE BUILDING FACILITIES TO BE
FINANCED BY THE SOFT LOAN
OF "EXIM" BANK OF THE
PEOPLE'S REPUBLIC OF CHINA**

According to our calculations, totally 194,854.6 thousand united states dollars are required for the infrastructure building till 2011.

(thousands in USD)

1	Name of building facilities	Period	Total cost
1.	<i>Energy & electricity supply</i>	2009-2011	4.656.6
2.	<i>Heat supply</i>	2009-2011	21.189.9
3.	<i>Water supply, treatment pump facility</i>	2009-2011	9.773.0
4.	<i>Auto road</i>	2009-2011	17.384.6
GRAND TOTAL:			53.004.1

Thank you for your attention.