



Mongolia's path into European geopolitics





MONGOLIAN GEOPOLITICS #10

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Author: Byambakhand Luguusharav (PhD candidate)
Mendee Jargalsaikhan (PhD)

Layout: Batbold Yondonrenchin
Cover illustration: I. Tuguldur

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ISBN 978-9919-9696-5-3

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On 10 March 2021, the European Union and Mongolia launched the first-ever Political Dialogue, which is slated to become an annual event. For a vulnerable, isolated nation like Mongolia to be recognized by an influential regional organization, like the European Union, is important. The Political Dialogue follows on a path of increasing interaction with Europe: On the humanitarian side, Mongolia is included in the European Union's Team Europe response to COVID-19, which is providing vaccines and €40.45 million grants to alleviate the socioeconomic impacts of the pandemic.¹ After decades of continuous interactions, the European Union concluded a Partnership and Cooperation Agreement with Mongolia in 2013 and finally set up a permanent mission in Ulaanbaatar in 2017. Mongolia also became a member of the Organization for Security and Co-operation in Europe (OSCE), which is the world's largest regional security organization and connects Eurasia, Europe and North America. In addition to offering a multilateral platform for Mongolia, the OSCE has become an independent, impartial and experienced observer for Mongolia's parliamentary and presidential elections since 2013.

This election observation mission is crucial nowadays, with voters losing their confidence in populist politicians and political parties. On the economic side, the European Investment Bank and the European Bank for Reconstruction and Development are actively engaged with Mongolia. Both have stakes in large mining and energy projects. Mongolia implements a Partnership and Cooperation Programme with the North Atlantic Treaty Organization (NATO) and is recognized as one of its nine "partners across the globe". Mongolia's peacekeepers have been deployed to Afghanistan, Kosovo and Iraq with NATO members.

How did Mongolia find itself in European geopolitics even though it is not in the European neighbourhood, does not have historical and cultural ties with any European major power and is not included in geostrategic calculations of either individual countries or collective regional organizations? This paper provides a brief background about Mongolia's ties with Europe, explains its relationship with three European organizations and concludes with policy recommendations regarding relations with these organizations.

Reaching out to Europe: From Eastern to Western Europe

Despite the historical diplomatic correspondence between the Mongolian Empire and European powers, Mongolia had long been forgotten by the Europeans. In the twentieth century, Mongolia began attracting the interest of Europeans again.

Even though all major European powers refused to acknowledge Mongolia's independence in 1911, curious European travellers, explorers and entrepreneurs reached the country. In 1920, some 40 Mongolian students were sent to France and Germany, although, sadly, all became the victims of the Stalinist purge after their return in the 1930s.

From 1950, Mongolia was recognized as an independent country by the European socialist States, including the former Yugoslavia. These States and Mongolia reciprocally opened embassies. As the Sino-Soviet tension heightened, Mongolia became a member of the Soviet-led Council for Mutual Economic Assistance and even increased its military interaction with the Warsaw Pact members. Like Czecho-

slovakia, East Germany, Hungary and Poland, Mongolia hosted large Soviet military installations with more than 60,000 troops and shared a similar fate of serving for the Soviet geopolitical objectives. However, Mongolia's membership in the Council for Mutual Economic Assistance enabled it to receive economic assistance from Eastern and Central European States to develop a light industry and mining sector, sending Mongolian students abroad as well as welcoming technical experts from friendly socialist States. The largest number of students studied in East Germany, Czechoslovakia, Hungary and Poland, where nowadays a substantial number of Mongolian diaspora communities live. As the communist bloc collapsed in 1990, all Eastern and Central European States closed their embassies, except Czechoslovakia and East Germany (the Czech Republic and the Federal Republic of Germany inherited these embassies). In contrast, Mongolia kept most of its embassies.

In August 1989, Mongolia established diplomatic relations with the European Economic Community, a predecessor of the European Union, with the aim of economic integration. This took place during the period when the Soviet Union was developing economic ties with the European Economic Community as well and concluded an agreement on trade and commercial and economic cooperation. Building on this foundation, Mongolia concluded a trade and cooperation agreement with the European Economic Community in 1992 and opened its embassy in Brussels.

In this period, Mongolia established ties with a few States of Western Europe but did not have many interactions with them due to the Cold War geopolitics. Over three decades of Mongolia's relations

with European States, new diaspora communities of students and economic migrants emerged in most major European cities. More than 10,000 Mongolian migrants in Sweden, for instance, justified establishment of a Mongolian embassy (in 2009), which was also accredited to the Nordic States.

In a nutshell, the Soviet-influenced Eastern European interests in Mongolia ended in 1990, while renewed interests along the lines of ideology (democracy versus autocracy), geopolitics (geographic location between China and the Russian Federation) and the economy (mining boom) emerged.

Peacekeeping has enabled Mongolia's partnership with NATO. In the 1990s, the Mongolian Ministry of Defence made all reasonable justifications to be included in the NATO Partnership for Peace programme, which was designed to assist the defence reform in former socialist and Soviet republics. It sought all ways of acceptance, from placing the first resident defence attaché in Brussels, sending high-ranking officials to the NATO headquarters and asking for endorsements from visiting dignitaries from the West. By 2010, Mongolia was officially recognized as a NATO troop-contributing country. A year later, Mongolia became one of the nine partners across the globe in the Individual Partnership and Cooperation Programme, which permitted the country to collaborate with NATO in mutually agreed areas of interests.²

The European Union, OSCE and NATO

In partnering with the European Union, OSCE and NATO, Mongolia

is guided by its third neighbour policy, which aims to balance its relations with China and the Russian Federation. The policy, however, does not suggest working against the interests of either country. Rather, it aims to minimize the negative effects on security and development caused by the country's geographic location.

As a geopolitically vulnerable State, Mongolia looks at the European Union as one of its third neighbours to provide the political and economic support in relation to the great powers of China and the Russian Federation.³ First, maintaining its democracy is a great challenge for Mongolia, which is a small country, flanked by two authoritarian regimes. Political support from the West, in particular the European Union as a club of democracies and the OSCE, has been important for Mongolia since its transition to democracy in the early 1990s.

Free and fair elections are essential to democracy. The OSCE Office for Democratic Institutions and Human Rights serves as an international observer and watchdog on Mongolia's elections and human rights matters. Since 2013, the Election Observation Mission of the OSCE has observed presidential and parliamentary elections in Mongolia.

Without freedom of the press, democracy cannot fully exist in Mongolia. As a promoter of press freedom, the OSCE observes the Mongolian media on a regular basis and is not shy to criticize the country for negative developments restricting freedom of expression and information. For example, the OSCE Representative on Freedom of the Media Dunja Mijatović expressed concern about the blocking of the news website Amjilt.com in 2014 after it published a critical investigative article mentioning the then-prime minister.⁴ More recently, the

OSCE looked at the Mongolian media situation during the COVID-19 pandemic with the assistance of the Media Council of Mongolia and documented restrictions on media freedom.⁵

The OSCE is helping Mongolia to close gender gaps in the country. Mandated to promote human rights and good governance, the Office for Democratic Institutions and Human Rights organized a workshop in Mongolia in 2013 as part of its activities to promote women's human rights across the OSCE region.⁶ The Office for Democratic Institutions and Human Rights also supported a study visit to Stockholm for Mongolia's female parliamentarians in 2014.⁷

Second, economically, it is a great challenge for Mongolia to survive between the two super economies and ensure the well-being of its people. On the economic front, the European Union role in Mongolia is more evident because it has more capacity, while the OSCE provides only technical assistance on economy-related matters.

After experiencing a painful transition from a planned to a market economy, Mongolia often relies on economic assistance from individual members as well as from different organizations and funds of the European Union. Mongolia received developmental assistance through the Technical Assistance to the Commonwealth of Independent States (TACIS) programme (1994–2003), the assistance programme for Asian and Latin American developing countries (2004–2006) and the Development and Cooperation Instrument (since 2007).⁸ From time to time, Mongolia receives humanitarian assistance from the European Commission Humanitarian Aid Office and individual member States to alleviate consequences of natural disasters

(especially harsh winters). And the European Union has been helping mitigate the impact of COVID-19 in Mongolia.

Despite Mongolia's desire to continue receiving development assistance, the European Union's classification of the country as a lower-middle-income country (in 2018) reduces the contributions it is eligible for. The European Union treats Mongolia as an economic partner. For Mongolia, the European Union is a big market, a source of technology and a potential investor. Albeit small in scale, Mongolian products now enter the European Union market tariff-free under the Generalized Scheme of Preferences. And Mongolia is working with Member States to localize the European standards.⁹ Beginning with the 2000s commodity boom, European companies and investors are seeking ways to invest major mining, infrastructure and energy projects in Mongolia. Even though the investment remains small, the European Bank for Reconstruction and Development and the European Investment Bank have invested in several major projects. For example, the European Bank for Reconstruction and Development established a \$4.4 billion financing package for the Oyu Tolgoi mining project in 2015, contributing \$400 million of its own funds and arranging a syndication of up to \$1 billion to commercial banks.¹⁰

Cooperation between Mongolia and the OSCE is not limited to election observation but covers all three dimensions of the organization. In terms of the economy and the environment, the OSCE has provided technical assistance to Mongolia in dealing with corruption, one of the serious challenges precluding the country's economic development, through seminars and workshops. This included a two-day national workshop on strengthening corruption and money laundry

investigation capacities in 2017.¹¹ The organization also encourages Mongolia to promote public–private partnerships in combating corruption by providing training courses to senior officials and business representatives.¹² As a member of the OSCE, Mongolia is often introduced to the best and newest practices in the OSEC area. For example, in October 2019, in cooperation with the OSCE Transnational Threats Departments, Mongolian's National Police Agency hosted a training workshop on advantages of intelligence-led policing. It is a new model recommended by the OSCE and already adopted by several countries.¹³

Third, Mongolia greatly relies on its proactive diplomacy for ensuring its national security. As a small country sandwiched between two great powers, it is impossible for Mongolia to ensure its national security through military means. But through its official seat and recognition in the OSCE, Mongolia participates in political and security dialogues as well as summits at the level of Heads of State or government and ministers of foreign affairs. Mongolia has opportunities to host OSCE events. In 2011, when Mongolia was an Asian partner, it hosted the OSCE–Mongolia Conference on Strengthening the Co-operative Security between OSCE and the Asian Partners of Cooperation. Later, in 2015, Mongolia hosted the Conference on the OSCE Code of Conduct on Politico–Military Aspects of Security, followed by the Parliamentary Assembly Fall Meeting.

Through its proactive diplomacy, Mongolia has opportunities to raise many concerning issues to different committees of the OSCE. In 2015, for example, Mongolia chaired the Organization's Forum for Security Cooperation for the first time. In the future, Mongolia will

gain more chances of chairing different committees and eventually chairmanships.

Mongolia seeks to contribute to regional and global security. Peace-keeping enables Mongolia to realize its desire to become a "security producer". Guided by its aspiration, Mongolia has engaged with the OSCE and NATO. For NATO, Mongolia has sent troops to peace-keeping missions in Afghanistan, Iraq and Kosovo. At the same time, by participating in the NATO-led missions, Mongolia's partnership with the military alliance has been greatly enhanced. The Mongolian National Defence University is included in the NATO Defence Education Enhancement Programme (DEEP) and thus receives curriculum development and faculty training.

Fourth, the European Union, OSCE and NATO each provide a platform for institutionalizing already existing relations with European countries. Using these platforms, Mongolia has energized its ties with European States, especially Germany, Switzerland and Turkey as well as Austria, Belgium, Italy, Ireland, the Netherlands and Sweden.

In the scope of NATO, Mongolia has deepened its ties with Germany, the United Kingdom, the Netherlands, Belgium, Poland and Bulgaria. For example, Mongolia deployed more than 1,000 personnel with the Polish-led multinational division in Iraq, two platoons (72 personnel) in Kosovo and more than 5,000 personnel with contingents from Belgium, Germany and the United States to Afghanistan. NATO members are provided opportunity to participate in the Five Hills Peace Support Operations Training Centre (for peacekeeping training), which is NATO's 29th Partnership Education and Training Centre.

Mongolia also has implemented a few civilian and military projects with member countries thorough the NATO's Science for Peace and Security (SPS) Programme. Aimed at assessing the environmental impacts of the abandoned Soviet military sites in Mongolia, one project was led by scientists from Mongolia and Slovakia. This partnership greatly contributed to enhancing bilateral relations that had become minimal after the collapse of communism in both countries.

Their interests (why Mongolia)

Geopolitically, the West eyes Mongolia for its location between strategic competitors. The United Kingdom and France opened and maintained small embassies even at the height of the Cold War due to the geopolitical calculations by the West. Even after the Cold War, Mongolia remained on the radar of European powers and the United States, partially due to the rise of China. As the geopolitical rivalry between the United States and China intensifies, so will the imperative for proxy fights over the sphere of influence (political, ideological and economic) in Asia. If this is the case, Mongolia's geopolitical importance will be more visible to the European powers, which often side with the United States within the framework of NATO and OSCE.

Politically, the European Union has showed unwavering support for Mongolia, regarded as an electoral democracy in a tough neighbourhood. The European Union and Mongolia share common values towards media freedom, human rights and democratic institutions, especially in terms of free, fair and inclusive elections as well as provisions for an independent civil society. Promoting Mongolian democracy fits into the European Union's aspiration to support democra-

cies. The latest example is the applause from the European Union for Mongolia's abolishment of capital punishment (2015).¹⁴

Diplomatically, the European Union is likely attracted by Mongolia's foreign policies that echo its policies and activities. For example, Mongolia promotes multilateralism, particularly at the United Nations and the OSCE. It seeks ways to strengthen ties with the United States, Australia, Japan, India, South Korea and ASEAN in the Asia-Pacific region. And it advocates nuclear disarmament and nuclear weapons-free zones. Mongolia also desires to be included in the European Union's engagements with Asia as a bridging nation. It hosted the Asia-Europe Meeting and the Asia-Europe Parliamentary Partnership in 2016.

Economically, Mongolia might be attractive to the European economic powers due to its natural resources and proximity to China's market. During the 2000s commodity boom, as noted, Mongolia attracted mining companies and investors from France, Germany and the United Kingdom.

Limitations

Due to Mongolia's geographic proximity to China and the Russian Federation, NATO's engagement with Mongolia is limited. For instance, in January 2021, NATO's helping Mongolia to implement the cyber defence capacity development project.¹⁵ Reaching out to NATO or third neighbours to develop its critical infrastructure makes sense for Mongolia. But it could be misperceived by either neighbour. Mongolia's engagements through defence education, peacekeeping

training exercises, scientific research and regular political dialogue seem to be less sensitive to its great power neighbours than seeking ways obtain military hardware or combat exercises. These types of limited interactions with NATO justify holding regular political consultations with NATO headquarters to discuss Mongolia's troop contributions and the state of partnership.

Mongolia's stance on NATO was nicely captured in a recent study based on interviews with high-profile elite representatives. The political cohort of Mongolian elites see NATO as "a vehicle or platform to express national interests and opinions as well as a way to source military technology and training", while the military cohort sees "NATO as a partner of joint training, information security and capacity-building and institutional reform".¹⁶ However, because of the geostrategic sensitivity, neither Mongolian leaders and diplomats nor NATO leaders would expect particularly strong security ties. For example, Mongolia was excluded from the NATO 2030 vision report.¹⁷ This complements Mongolia's own cautiousness regarding the two great power neighbours, with both considered as "revisionist" powers by the United States and the NATO alliance.

Conclusions

Despite vested economic interests, Mongolia has successfully emerged on the foreign policy radars of the European Union, NATO and the OSCE. Unlike East or Southeast Asian States, Mongolia's ties with the European Union are largely political. And they are drawn from the country's commitment towards human rights and core principles of democracy. For Mongolia, the European Union is a key

third neighbour, investor and market. Therefore, its support is critical for Mongolia's development. Similarly, the European Union presence in Ulaanbaatar and its continued assistance for civil society organizations are valuable contributions for maintaining the country's vulnerable democracy, which has been at a crossroads because of populist politicians and unbending forces of clientelism in the major political parties. The European Union should step up its pressure against money-laundering and corruption and increase assistance to help protect the Mongolian civil society space.

NATO's relations with Mongolia are well established. Given the geopolitical sensitivity, NATO should focus on activities that strengthen civilian control of the armed forces, peacekeeping training and capacity-building and cyber security. Neither NATO nor Mongolia wants to upset their relationship with China or the Russian Federation. As suggested by one expert, "Mongolia should participate more in NATO missions to enhance and widen cooperation" as long as these missions are outside the areas of concern for Mongolia's two neighbours.¹⁸ While keeping the current level of cooperation, two areas that Mongolia and NATO should work closely on is academic cooperation through the DEEP type projects and joint research projects funded by the NATO SPS programme. To avoid misperceptions or misunderstanding by either Beijing or Moscow, Mongolia should keep its partnership activities with NATO transparent to the public and the neighbours. For example, NATO should publish a weekly or monthly newsletter in the Mongolian language.¹⁹

The OSCE is known in Mongolia as an impartial election observer and welcomed by the government since 2013. Due to the COVID-19

pandemic, the OSCE Election Mission was not dispatched to Mongolia during the 2020 parliamentary election, but a mission was carried out during the recent presidential election. It seems to be the right time for the OSCE to move beyond election observation missions. The OSCE could establish a representative or programme office in Mongolia, for instance.²⁰ This office could promote collaboration between law enforcement agencies, schools and think tanks in Mongolia. Also, it could support the organization's activities with Asian Partners for Cooperation (Afghanistan, Australia, Japan, South Korea and Thailand), particularly in areas of law enforcement, security, confidence-building measures, nuclear weapon-free zones, dealing with transnational threats, border security and strengthening democratic institutions.

Endnotes

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Friedrich-Ebert-Stiftung Mongolia

Landmark building

Sukhbaatar district, 1th khoroo

Chinggis avenue 13

Post box 831

14251 Ulaanbaatar

Mongolia

Facebook: [@fesmongolia](#)

Email: info@fes-mongolia.org

Web: <https://mongolia.fes.de/>

