

Monday, January 21st, 2013 | Posted by [The UB Post](#)

## Mongolia: Harsh winter puts harvests under pressure

By Paulius Kuncinas  
Regional Editor, Oxford Business Group

Mongolia is bracing itself for a colder-than-average winter following a harvest that, while strong, failed to meet agricultural targets. Severe weather conditions are raising fears of a dzud, otherwise known as a summer drought and severe winter, which in previous years decimated Mongolia's herds and sent agricultural output spiralling.

However, while some crops have been lost to frost, others met or exceeded targets, paving the way for the government to work towards its aim of building food self-sufficiency, while also encouraging the key cashmere and meat sectors to improve husbandry and crop yield programmes in the spring.

The Ministry for Food, Agriculture and Light Industry warned

during a video conference in November that 80% of Mongolia's territory was covered with snow, saying: "This winter seems already to be harsh and the provinces might suffer from winter drought". It also cautioned that seven provinces were unable to provide sufficient pasture grass for feeding livestock.

The season, which typically lasts from mid-October until mid-May, can send temperatures plummeting to -30 degrees centigrade, with some farmers known to have lost up to 70% of their livestock in 2009 and 2010 due to dzuds.

Prospects of a harsh winter are likely to increase pressure on the short harvest season, and the ministry has put a number of narrowly missed targets for key crops down to frost in its October yield estimates. Cereals and wheat both fell short of their targets, albeit by just 10,000 tonnes, although the potato harvest of 232,000 tonnes exceeded its 209,000-tonne goal. Preliminary results suggest the country also notched up 100% self-sufficiency in wheat crops this year, while achieving 52% in "other major food items".

Improving self-sufficiency is a key aim for the Minister of Industry and Agriculture, Kh. Battulga, who lamented the current shortfall of local food supplies at a meeting with Mongolia's food producers in October. "I always found it strange that a country like ours, a country with vast land, more than 50m livestock and with a population of only around 3m isn't able to supply sufficient food material for its own people," he said. "This is disgraceful."

The government will be hoping that a deal signed in November to lease 10,000 ha of land in Laos for various uses, including cultivation, marks a significant step forward in its bid to tackle the issue of food security.

The deal comes on the back of numerous initiatives launched in Mongolia aimed at boosting production in the agricultural sector, including a key crop rehabilitation programme. The initiative, which ran between 2008 and 2010, set out to bring more advanced technologies and techniques to the sector, while also establishing legally and economically favourable conditions for farming and vocational programmes.

A law was also passed in June 2011 establishing a state-run commodities exchange to help determine fair market pricing and encourage farmers to form independent cooperatives. However, the initiative has been hit by delays, which sparked protests from food producers in October and prompted Battulga to blame its suspension on a poorly-designed legal framework.

Agriculture was the dominant force in Mongolia's economy before copper and coal finds triggered the mining boom towards the end of the last decade. The farming industry, which centres on goat and sheep herding for meat and cashmere, employed around 40% of the labour force in 2011, contributing 18.1% to GDP growth.


Meat supply and prices fluctuated wildly in 2012, with export optimism generated by a large order from China in late 2010 and advances in hygiene accreditation thought to have contributed to a sharp rise of almost 12% in mutton prices, turning around years of overproduction.

Last year also proved to be turbulent for Mongolia's cashmere industry, which was hit hard by volatile pricing. While output in the January to July period reached 2500 tonnes of raw and 220.9 tonnes of combed cashmere, generating revenues of \$99m and \$20m, respectively, prices fell as low as MNT40,000 (\$28.6) per kilo in the March-April buying season. Mongolia produces around 6700 tonnes of raw cashmere annually, accounting for about 28% of total world supply. Raw cashmere exports were valued at \$105m in the first 11 months of 2011.

Observers suggest the cashmere industry should shift its focus from quantity to quality, saying this would help herders achieve more sustainable practices. However, it is widely acknowledged that such a move would require greater government support.

The government, meanwhile, is calling for a united stance among industry players to address key agricultural issues such as price volatility, improving technology and achieving greater self-sufficiency. However, while joint efforts are likely to make more headway, the government will need to offer businesses better protection against outside speculators and more attractive incentives if it is to boost private sector participation.

Short URL: <http://ubpost.mongonews.mn/?p=2613>



Posted by [The UB Post](#) on Jan 21 2013. Filed under [Opinion](#). You can follow any responses to this entry through the [RSS 2.0](#). You can leave a response or [trackback](#) to this entry

### 1 Comment for "Mongolia: Harsh winter puts harvests under pressure"

**Mongolia: Harsh winter puts harvests under pressure - UB Post | The Asian Food Gazette. | Scoop.it**

January 22, 2013 - 2:03 am

[...] UB Post Mongolia: Harsh winter puts harvests under pressure UB Post The government will be hoping that a deal signed in November to lease 10,000 ha of land in Laos for various uses, including cultivation, marks a significant step forward in its bid... [...]

[Reply](#)

[Leave a Reply](#)

### Recently Commented

- ▶ [Stepanka Pechackova](#): Thanks for the article. Just a clarification - the main organizers were UNDP and UNFPA Mongolia. More info...
- ▶ [inla](#): Agree that law
- ▶ [John](#): I am looking for a slight clarification on this story if possible please? How many notes are still in circulation? how many of...
- ▶ [awsk sesr](#): no, this's nice nice nice girl
- ▶ [awsk sesr](#): nice girl

### Recently Added

- ▶ [Opportunity to review the economy](#)
- ▶ [Hirohada Ototake](#): my mother said 'You are beautiful'
- ▶ [Trekking competition to award champions today](#)
- ▶ [Liver transplant cost to rise to 85 million MNT](#)
- ▶ [OT implements training program in Umnugovi](#)
- ▶ [Public poll to name 100 'black' events in Mongolia](#)
- ▶ [South Korean Minister of Education visits Ulaanbaatar](#)
- ▶ [Auto Mall opens after delays](#)
- ▶ [The contradicting policy and action of Ch.Saikhanbileg's Cabinet](#)
- ▶ [Mongolia eyes rural growth](#)

Name (required)

Mail (will not be published) (required)

Website

**SUBMIT**

Captcha

2 + 3 =

[Home](#) | [About Us](#) | [Contact Us](#) | [RSS](#)

© 2015 The UB Post. All Rights Reserved.