



# India-Mongolia Relations

## Why in News

Recently, India and Mongolia have **reviewed bilateral cooperation in hydrocarbons and steel sectors.**



## Key Points

- India reiterated its commitment to timely completion of the **Mongol Refinery Project**, the country's 1<sup>st</sup> oil refinery.
  - The greenfield Mongol Refinery Project is **being built under a Line of Credit from the Government of India.**
  - It is **expected to cut some of Mongolia's fuel import dependence.**
  - The Project came in the backdrop of **Mongolia**, which has **large uranium deposits** signing an **agreement for civil nuclear cooperation with India in 2009** and **China** unfolding its **[Belt and Road Initiative \(BRI\)](#).**
- **India is opposed to the BRI**, which seeks to invest about USD 8 trillion in infrastructure projects across Asia, Europe and Africa, as it says the initiative lures countries into debt traps and does not respect sovereignty or address environmental concerns.

- India **welcomed the keenness of Mongolian companies in supplying coking coal to Indian steel industry.** According to a recent report, India will overtake China as the **[largest importer of coking coal by 2025.](#)**
  - Further, India looks forward to substantial partnerships with Mongolian companies in the areas of minerals, coal and steel.
- India expressed its willingness to further **share its expertise in the oil and gas sector** including capacity building in accordance with the developmental priorities of Mongolia.

## India-Mongolia

### ▪ Historical Relations:

- India and Mongolia have interacted **through [Buddhism](#)** throughout history.

### ▪ Diplomatic Relations:

- India, the first country outside the former Soviet bloc of nations to open diplomatic relations with Mongolia in 1955, has upgraded ties with Mongolia to a **strategic partnership.**
- In **2015**, Mongolia witnessed the **first ever visit by the Prime Minister of India** (a part of **[India's Act East policy](#)**).

### ▪ International Cooperation:

- Mongolia has publicly reiterated its **support for India's membership to the permanent seat** of the expanded **[United Nations Security Council \(UNSC\)](#).**
- **India** has played an **important role** in getting **Mongolia membership** to key international forums, including the **United Nations (UN)**, despite strong opposition from China and Taiwan. India also championed the **inclusion of Mongolia in the [Non-Aligned Movement](#).**
  - In a reciprocal gesture, **Mongolia co-sponsored a 1972 UN resolution** with India and Bhutan for the **recognition of the newly liberated Bangladesh.**
- **Other Forums of which both the countries are members:** **[Asia-Europe Meeting \(ASEM\)](#)**, **[World Trade Organisation \(WTO\)](#)**.
  - **India** is a **member** whereas **Mongolia** is an **observer state** at the **[Shanghai Cooperation Organisation \(SCO\)](#).**

### ▪ Economic Cooperation:

- India - Mongolia **bilateral trade was USD 38.3 million in 2019**, down from USD 52.6 million in 2018.

### ▪ Defence Cooperation:

- Joint defence exercises code-named **[Nomadic Elephant](#).**
- India is also an active participant in an annual week-long joint training exercise called the **Khaan Quest**, hosted by Mongolia.

### ▪ Cooperation over Environmental Issues:

- Part of the **[Bishkek Declaration \(snow leopard\)](#).**

### ▪ Cultural Relations:

- The **Ministry of Culture (India)** has taken up the project of **reprinting 108 volumes of [Mongolian Kanjur](#)** under the **National Mission for Manuscripts (NMM)**.

### ▪ Other Possible Areas of Cooperation:

- **Solar energy** is abundant and cooperation is solicited especially as India has emerged as the leader by way of **[International Solar Alliance](#)** and its very own ambitious alternate and renewable energy projects.
- **Mongolia's mining sector including copper and Uranium** hold exceptional

cooperation possibilities.

- In the area of **cooperatives**, India has the capacity to share its expertise for the vastly dispersed farmers and milkmen in Mongolia.

## Way Forward

- Mongolia's strategic position at the cross junction of Central Asia, Northeast Asia, far East, China and Russia attracts major powers towards it. India should **consider Mongolia as a green zone of economic development** that absorbs hi-tech features and production skills in a modernization process.
- To preserve and **promote the common heritage of Indo-Mongolian culture** is important. This should serve as the basis for nurturing and pursuing future common interests.

**Source: PIB**

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