

## FUTURE DEVELOPMENT AND CURRENT SITUATION OF THE MONGOLIAN FOOD INDUSTRY

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### ABSTRACT:

Currently, the global food crisis, hunger, and malnutrition are one of the most important and urgent problems. Hundreds of people around the world are dying of hunger and malnutrition. According to a recent report by the United Nations FAO, the number of malnourished people worldwide has exceeded one billion, accounting for more than 6% of the world's population. Food supply and demand is not only a Mongolian issue but also depends on the global economy due to Mongolia's inability to meet its food needs. This paper was described in the current situation and future development in the Mongolia food industry. Moreover, based on the current situation identified future orientation and analyze in Mongolia food sector.

**KEYWORDS:** future development, current situation, food industry, Mongolia

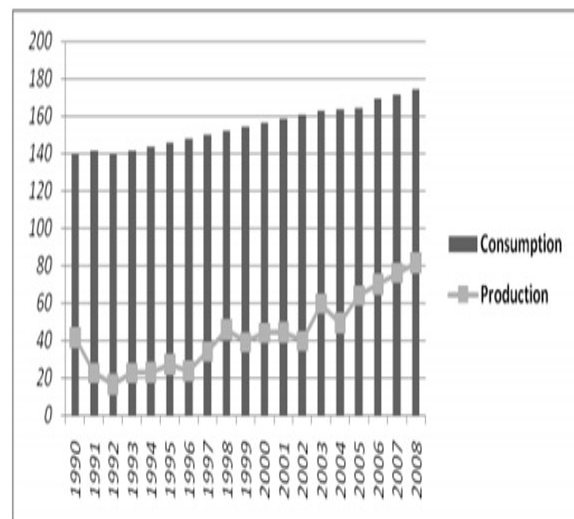
### CURRENT SITUATION OF THE MONGOLIAN FOOD SECTOR:

Mongolia covers an area of 1.5 million square kilometers and has a populated area of 2.7 million people. The climate is four seasons(winter, spring, summer, autumn) a year. Mongolia's food supply is divided into two main sectors: 1) agriculture sector 2) animal husbandry.

**Agriculture sector.**The agriculture sector was established in 1959. By 2007, Mongolia was able to meet 24.9% of its wheat needs, 86% of its

potato needs, and 47% of its vegetable needs, and use only 30% of its agricultural land[1]. As a result, Mongolia can fully meet its food needs with domestic products and even export wheat to other countries. Wheat production plays a huge role in agriculture, and grain is the most important food for mankind. Wheat is the main crop in our country, and wheat flour is the main food product, accounting for 59 percent to 52 percent of daily calories in urban and rural areas.[2].

Mongolia is producing potatoes and vegetables. Despite the significant recovery in production in recent years, the increase in potato imports is even more impressive. About the quality and safety of imported potatoes and vegetables are widespread in the country and local products are preferred in the market despite the high prices.(Fig.1)



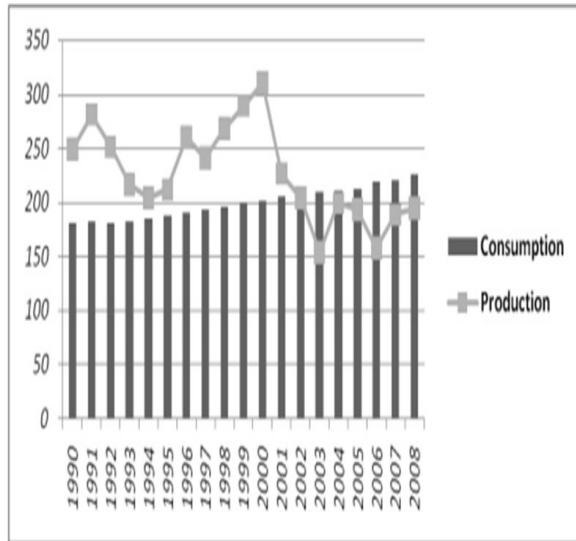


Fig.1 Use of vegetables

Animal husbandry is an old traditional custom of Mongolian life. Our country's main livelihood source and wealth are livestock. Pastoralism is the foundation of our economy and plays an important role in our economy, employment, and export earnings.[3]. Today, the main producer in the livestock sector is a herder household that engages in livestock activities throughout the year to earn a living and source of income. Livestock is very profitable, two of which are meat and milk. Mongolia has the largest number of livestock per capita. As of January 1, 2009, the number of livestock in our country reached 42.2 million.[4]. In 2008, meat production accounted for about 85 percent of total consumption due to a shortage of meat in recent years. (Fig.2)

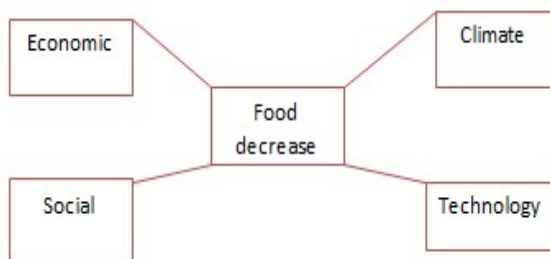


Fig.2 Use of meat

**METHODS AND MATERIALS :**

As mentioned above, introduced to the Mongolian food supply and industry. Now, I will identify the problems and impacts of the current situation. Following some of the factors that have contributed to the reduction in food.

**RESULT AND DISCUSSION**

**Economic.** In 1990, big changes have taken place in the Mongolian economy and society. Our economic system has shifted from a centrally planned. One of the reasons for this significant decline in agricultural production was the privatization of many farms, which lacked technological information, agricultural management, and experience. It is almost impossible to pinpoint the exact cause of rising food prices, but many agree that the food crisis is caused by an imbalance between supply and demand. They attribute this inflation to rising fuel prices, low agricultural production, weather shocks, poverty, and limited production capacity.

**Social.** In 2008, about 38 percent of our labor force was employed in agriculture. This may seem like a lot, but 30 percent of this employee is in the livestock sector and only 8 percent in the agricultural sector. This shows that almost no one wants to cultivate. Especially after the transition of the economic system to a marketing economy, the value of the agricultural department declined significantly, with everyone wanting to become lawyers, economists, programmers, managers, and accountants.

**Technology.** Today, new technical discoveries are being made in the world. The most important agricultural tools are machinery and tools. However, agricultural machinery in Mongolia is often the oldest and not as sufficient as in developed countries. In most cases, we depend on the weather, so we need to introduce new technologies to adapt to global climate change to reduce soil moisture loss.

**Climate.** is one of the key factors influencing agriculture. Global warming is showing its effects. Water scarcity, limited surface water resources such as rivers, lakes, and ponds are major concerns for food consumption. Climate change will lead to poor production.

**CONCLUSION:**

The food industry, supply, and demand is the most important connection to the sustainable development of Mongolia's agricultural sector. Our sector challenges as well as opportunities. Despite the difficult economic and social changes that have taken place in the agricultural sector since the 1990s, we are optimistic about

Mongolia's food supply prospects as there are many opportunities to improve.

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