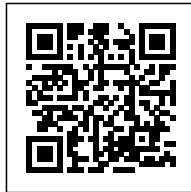


ADB TO PROVIDE USD 100 MILLION IN EMERGENCY SUPPORT TO MONGOLIA

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The Asian Development Bank has approved USD 100 million in emergency support for the Government of Mongolia to help overcome the impacts of severe economic shocks.

The international instability and continuing border restrictions with China due to COVID-19 have caused substantial fiscal stress in Mongolia. In response, the government has prepared a countercyclical development expenditure program to help poor and vulnerable groups, ease inflationary pressure, and support macroeconomic stabilization.

Inflation spiked to 15.7% nationwide as of July 2022 and was particularly high for food and fuel. With one in four people in Ulaanbaatar living below the poverty line, rising costs are particularly challenging for the poor, who spend an average of 43% of their total income on food. The financing is to support these vulnerable groups.

The program will support other key government measures including 50% reimbursements of social security premium contributions for lower-paid employees for the rest of 2022 and 8.5% salary increases for lowest-earning public service employees (three-quarters of whom are women). It will also provide about 16,000 new kindergarten spaces for young children in poor areas.