

4043: Outline of the Agreement between Japan and Mongolia for an Economic Partnership

In July 2014, the two leaders of Japan and Mongolia confirmed the substantive agreement on a bilateral Economic Partnership Agreement between Japan and Mongolia (JMEPA), on the basis of a series of negotiations since June 2012. The JMEPA was signed by both countries in February 2015, and entered into force in June 2016.

The JMEPA became the 15th economic partnership agreement for Japan, following those concluded with Singapore, Mexico, Malaysia, Chile, Thailand, Indonesia, Brunei, all of ASEAN, Philippines, Switzerland, Vietnam, India, Peru and Australia.

1. Summary of the agreement

The JMEPA contains provisions of liberalization and facilitation of trade in goods and services, movement of natural persons, investment, intellectual property, competition, bilateral cooperation, etc.

2. The significance of the agreement

Mongolia is Japan's 62th export partner and 111th import partner (2022 Trade Statistics, Ministry of Finance). The JMEPA will strengthen a closer economic relationship between the two parties, enhance the competitiveness of Japanese companies in Mongolia's market. The JMEPA also symbolizes Japan-Mongolia "strategic partnership" that Mongolia's first Economic Partnership Agreement (EPA) is concluded with Japan.

3. The key elements in the agreement

- (1) Trade in goods: Agreement of comprehensive tariff elimination and reduction for mining and industrial products, and for agricultural products in bilateral trade.
- (2) Customs procedures and trade facilitation: Provisions for ensuring the transparency of customs procedures, the proper application of customs-related laws, the framework for securing quick clearance of goods, and the promotion of bilateral cooperation and intelligence exchange.
- (3) Trade in services: Agreement of equal national treatment, most favored nation status, transparency and market access to service providers.
- (4) Investment: Provide a framework for liberalization and enhanced protection of investment through commitments on national treatment and most-favoured-nation treatment.

- (5) Intellectual property: Ensuring adequate, effective and non-discriminative protection of intellectual property, which goes far beyond the commitment level in WTO.
- (6) Cooperation: Bilateral cooperation between the two parties (agriculture, forestry and fisheries(i.e. food), small and medium enterprises, tourism, information, environment and other fields to be mutually agreed upon by the Parties).