

EUROPEAN PARLIAMENT

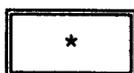


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A3-0425/92



REPORT

of the Committee on External Economic Relations

on the Commission proposal for a Council decision on the conclusion of a trade and economic cooperation agreement between the European Economic Community and the Republic of Mongolia

(COM(92) 0050 - 4991/92 - C3-0279/92)

Rapporteur: Mr Eugenio MÈLANDRI

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Or. IT

consultation procedure requiring a single reading
operation procedure (first reading)

**II Cooperation procedure (second reading) requiring the votes of a majority of the current Members of Parliament
*** Parliamentary assent requiring the votes of a majority of the current Members of Parliament

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By letter of 19 June 1992 the Council consulted the European Parliament, pursuant to Articles 113 and 235 of the EEC Treaty, on the Commission proposal for a Council decision on the conclusion of a trade and economic cooperation agreement between the European Economic Community and the Republic of Mongolia.

At the sitting of 6 July 1992 the President of the European Parliament announced that he had referred this proposal to the Committee on External Economic Relations as the committee responsible, and the Committee on Foreign Affairs and Security, the Committee on Agriculture, Fisheries and Rural Development, the Committee on Budgets, the Committee on Energy, Research and Technology, the Committee on Transport and Tourism, the Committee on the Environment, Public Health and Consumer Protection, the Committee on Culture, Youth, Education and the Media for their opinions.

At its meeting of 30 October 1991 the Committee on External Economic Relations had appointed Mr Melandri rapporteur.

At its meetings of 24 November, 1 December and 14 December 1992 it considered the draft report.

At the latter meeting it adopted the draft legislative resolution unanimously.

The following took part in the vote Cano Pinto, acting chairman; Benoit, Guillaume, Hindley, Lenz (for Chabert), Marck (for Lemmer), Miranda de Lage, Sonneveld (for Gallenzi), Spencer (for Peijs) and Titley (for Mihr).

The opinions of the Committee on Foreign Affairs and Security, the Committee on Agriculture, Fisheries and Rural Development, the Committee on Budgets, the Committee on Energy, Research and Technology, the Committee on Transport and Tourism, and the Committee on Culture, Youth, Education and the Media are attached to this report. The Committee on the Environment, Public Health and Consumer Protection decided not to deliver an opinion.

The report was tabled on 17 December 1992.

The deadline for tabling amendments will appear on the draft agenda for the part-session at which the report is to be considered.

DRAFT LEGISLATIVE RESOLUTION

embodying the opinion of the European Parliament on the Commission proposal for a Council decision on the conclusion of a trade and economic cooperation agreement between the European Economic Community and the Republic of Mongolia

The European Parliament,

- having regard to Articles 113 and 235 of the EEC Treaty,
 - having regard to the draft trade and economic cooperation agreement initialled by the Commission (COM(92) 0050),
 - having been consulted by the Council pursuant to Article 235 of the EEC Treaty and to the procedure under Article 228 of that Treaty 4991/92 - (C3-0279/92),
 - having regard to the report of the Committee on External Economic Relations and the opinions of the Committee on Foreign Affairs and Security, the Committee on Agriculture, Fisheries and Rural Development, the Committee on Budgets, the Committee on Energy, Research and Technology, the Committee on Transport and Tourism, the Committee on Culture, Youth, Education and the Media and the Committee on Development and Cooperation (A3-0425/92),
1. Approves the conclusion and entry into force of the trade and economic cooperation agreement between the European Economic Community and the Republic of Mongolia, in accordance with international public law and international practice;
 2. Instructs its President to forward this opinion to the Council and Commission, and to the governments of the Member States and of the Republic of Mongolia.

B

EXPLANATORY STATEMENT

The situation in Mongolia

From 1987-88 onwards, Mongolia (a country with 2.2 million inhabitants and a surface area of around 1.5 million km²) undertook a programme of economic reforms similar to those introduced during that period in the former Soviet Union. At the same time, a degree of progress was made towards political democratization with the first 'free elections' held in July 1990 and won by the former Mongolian Communist Party, which also went on to win the subsequent elections held on 28 June 1992. The European Parliament delegation sent to observe the last elections concluded that no irregularities had taken place, although the final result - 70 out of the 76 seats going to the former Communist Party - showed the influence which the traditional power structures still exerted in the country.

Following the change in its economic and political structures, Mongolia became a member of the International Monetary Fund and the World Bank (February 1991), was admitted to the Community's system of generalized preferences (February 1991), concluded a cooperation agreement with Russia (September 1991) and introduced a restructuring programme approved by the IMF in September 1991.

The seriousness of the economic crisis facing Mongolia, which has become particularly acute in the last two years, cannot be over-emphasized. Output fell by around 20% in 1991 compared with 1990, and there will probably be a further drastic decline in production of around 30% in 1992. In 1992, inflation (around 350% in the first six months alone) exceeded that of 1991 (178%). The fact that per capita GDP this year, at current exchange rates, will be less than US\$ 80 is a clear indication of the reduction in income and the increasing numbers of people living below the poverty line. Mongolia therefore has one of the lowest per capita incomes in the world, although it is difficult to determine the level of purchasing power.

Unemployment, which has already exceeded the level in 1991 (6%), is also rising as the economy is gradually transformed, with a considerable upsurge in the 'informal' economy and the 'non-monetary' economy, while the price liberalization system introduced at the beginning of October led to an instant 500% increase in the price of the main consumer goods. The budget deficit now stands at around 20% of GDP, state revenue has fallen considerably and there is now a balance of payments deficit of the order of 20% of GDP. The reduction in overall trade is also an indication of the extent to which economic activity has fallen off.

Exchange rates have also fallen sharply; the official rate is 15 tögrög to 1 US dollar, but the black market rate is 270 to 1.

In its transition to a market economy and democracy, Mongolia has been helped to a certain extent, although by no means enough, by the international community.

For example, at the initiative of the Japanese Government and the World Bank, the first conference on emergency aid to Mongolia was held in Tokyo in October 1991, followed by a second conference in May 1992. The third conference was held from 30 November to 1 December 1992 in Washington. However, the total financial and technical aid provided by the participant countries amounts to only 150 million dollars (much of which is for food and medical aid and pharmaceuticals). The World Bank report drawn up for the October 1991 conference also set out the necessary steps to be taken for macroeconomic reform and management, privatization programmes, reform of the civil service and decentralization, and outlined Mongolia's most pressing requirements as regards imports of food and industrial goods.

However, it should be pointed out that the optimistic forecasts in those reports, namely, that Mongolia would continue to receive some aid and supplies from the countries of the former Soviet Union, particularly Russia, have generally speaking proved to be inaccurate. The crisis in Russia has also had serious repercussions for the transport of Mongolian products and supplies of energy to Mongolia, which is now largely dependent on China for these sectors.

There are, however, positive signs that foreign investment is under way in Mongolia, particularly capital from Japan, Korea, the USA, China and, to a lesser extent, Europe.

Relations with the European Community

The cooperation agreement on which Parliament is being consulted is the first agreement concluded between the Community and Mongolia. It is a classic type of economic and trade cooperation agreement which provides for the two parties to accord each other most-favoured-nation treatment and contains provisions on economic cooperation and developing contacts.

The text of the agreement requires no specific comment, except that it should be pointed out that some textile products, particularly cashmere, which are Mongolia's only successful exports, are excluded from the agreement in question and will be subject to a separate agreement, negotiations for which have been authorized by the Council (on 13 July 1992).

Indeed, the provisions contained in Annex XI to Regulation (EEC) No. 2456/92¹ allow for only very limited export quotas for certain Mongolian textile products, especially cashmere. It would therefore appear necessary to liberalize such trade under the future agreement.

Similarly, criticism could be made of the lack of any mention in the agreement of cooperation in the cultural sphere, for example, the participation of Mongolian students in Community programmes such as TEMPUS or at any rate the provision of a number of study grants in proportion to the country's requirements, bearing in mind Community action in respect of other former Eastern bloc countries.

¹ Council Regulation (EEC) No. 2456/92 of 13 July 1992 fixing the import quotas to be opened by Member States in respect of state-trading countries in 1992 and amending Regulation (EEC) No. 3420/83.

Mongolia's eligibility for projects funded under the TACIS programme (technical assistance for the countries of the CIS) could partly rectify this situation. It is therefore essential that, when the TACIS regulation is reviewed, Mongolia should be included in the list of recipient countries.

Mongolia has also requested emergency aid from the Community in the form of chemicals (herbicides and pesticides) and medicinal products. However, as Mongolia is not included in the list of less developed countries which are eligible for such aid, and in view of the exceptional nature of the current situation, the Community should undertake a special programme of the kind implemented for some of the republics of the former Soviet Union. In view of the difficulties currently experienced by Mongolia and the urgency of the situation, the European Parliament should support the request made by the Mongolian Government.

TRADE BETWEEN THE EC AND MONGOLIA

1992 (6 months)	(ECU thousands)
<u>EC</u>	
exports	9 929
imports	9 530
	92/91: 112
	92/91: 96
of which:	
<u>Belgium/Luxembourg</u>	
exports	139
imports	1 093
	92/91: 535
	92/91: -
<u>Denmark</u>	
exports	1 458
imports	10
	92/91: 475
	92/91: -
<u>Germany</u>	
exports	5 512
imports	1 642
	92/91: 157
	92/91: 118
<u>Greece</u>	
exports	-
imports	2
	92/91: -
	92/91: -
<u>Spain</u>	
exports	1
imports	99
	92/91: -
	92/91: -
<u>France</u>	
exports	498
imports	399
	92/91: 146
	92/91: 26

1992 (6 months)

(ECU thousands)

Ireland

exports	-	92/91: -
imports	-	92/91: -

Italy

exports	1 101	92/91: 46
imports	3 338	92/91: 105

Netherlands

exports	77	92/91: 5
imports	594	92/91: -

Portugal

exports	-	92/91: -
imports	8	92/91: 17

United Kingdom

exports	1 143	92/91: 165
imports	2 345	92/91: 64

OPINION

(Rule 120 of the Rules of Procedure)

of the Committee on Foreign Affairs and Security

for the Committee on External Economic Relations

Draftsman: Mr Carlos ROBLES PIQUER

At its meeting of 14 July 1992, the Committee on External Economic Relations appointed Mr Robles Piquer draftsman.

At its meeting of 15 October 1992 it considered the draft opinion which was adopted unanimously.

The following were present for the vote: Baron Crespo, chairman; Robles Piquer, draftsman; Aglietta, Balfe, Chiabrando (for Bonetti, pursuant to Rule 111(2)), Fernandez Albor, Gaibisso, Holzfuss, Jepsen, Langer, Llorca Vilaplana, Onesta, Sakellariou and Titley.

General considerations

The Council on 22 November 1992 authorized the Commission to initiate negotiations with Mongolia with a view to concluding a Trade and Economic Cooperation Agreement.

The agreement was negotiated and initialled on 19 December 1991. The legal basis is Article 113 of the EEC Treaty.

Contents

The agreement, which does not affect ECSC products, is non-preferential and ongoing in nature. It is to last five years and may be extended by tacit agreement.

Article 1 concerns respect for democratic principles and human rights.

Articles 2 to 8 inclusive lay down rules for trade cooperation. The parties accord each other most-favoured-nation treatment, adopt measures to encourage exchange, agree to supply each other with detailed information on problems concerning commercial exchanges etc.

Economic cooperation (Articles 9 to 12 inclusive) covers the following sectors: industry and mining, agriculture and forestry, science and technology, energy, telecommunications, environmental protection, tourism, intellectual property and statistics.

A joint committee is to monitor the functioning of the agreement (Article 13) and to formulate suggestions on all questions of common interest relative to the fields covered by the agreement.

Political considerations

At the root of the agreement lies the mutual wish of the parties to develop, extend and strengthen their economic and commercial relations. Moreover, the agreement recognizes the efforts being made to reorganize Mongolian society on a democratic basis and create conditions for economic and social progress.

A European Parliament delegation, comprising Mr Sakellariou and your draftsman, attended the second round of democratic elections held in Mongolia on 28 June this year. The invitation to Parliament's Bureau to do so came from the Republic's 'Central Electoral Committee'.

In its report to the President of Parliament on its return, the delegation stated that it had been 'favourably impressed' by the organization of the ballot. Nonetheless, the fact that 72 of the 76 seats were won by the ruling party, which had been in power throughout the years of the Communist one-party state, indicates that progress towards genuine pluralism and a certain degree of political equilibrium has scarcely begun in the vast, empty republic: with 1.5 million km² of surface area and 2.2 million inhabitants, Mongolia is the least populous country on earth.

It is also the case that, as the delegation's report points out, the country's economic situation is extremely alarming. From this standpoint, the signing of the agreement with the EEC should help the Mongolian authorities to find ways out of this situation now that the unilateral aid formerly granted for political reasons by the ex-USSR is no longer forthcoming.

The extension of this agreement, and the granting within it of special aid for children should also serve, perhaps, to prevent the leaders of the former sole political party, the MPRP, from adopting 'undemocratic practices' in the wake of their overwhelming electoral success, e.g. holding up the privatization and democratization processes already under way, a fact which is also referred to in the delegation's report.

The agreement therefore contains clauses which also have a political application, and for that reason it deserves to be ratified.

Conclusion

In the light of the foregoing, the Committee on Foreign Affairs and Security delivers a favourable opinion on the conclusion of a Trade and Economic Cooperation Agreement between the European Economic Community and the Republic of Mongolia.

OPINION

of the Committee on Agriculture, Fisheries and Rural Development

Letter from the Chairman of the committee to Mr De Clercq, Chairman of the Committee on External Economic Relations

Brussels, 2 October 1992.

Subject : Proposal for a Council decision on the conclusion of a Trade and Economic Cooperation Agreement between the European Economic Community and the Republic of Mongolia (COM(92) 0050 final - 4991/92 - C3-0279/92))

Dear Mr De Clercq,

At its meeting of 2 October 1992 the Committee on Agriculture, Fisheries and Rural Development considered the proposal for a Council decision on the conclusion of a Trade and Economic Cooperation Agreement between the European Economic Community and the Republic of Mongolia.

The proposed Agreement sets out provisions for trade co-operation, including the granting of most-favoured-nation treatment on a wide range of matters, encouragement of trade, progressive liberalisation of imports from Mongolia, and the exchange of information on problems. It will develop economic co-operation, based on the principle of mutual interest, in a number of fields including agriculture and forestry as well as industrial and technical co-operation.

A Joint Committee is to be set up, comprising representatives of both sides, meeting once a year alternately in Brussels and Ulaanbaator. This will examine the working of the Agreement and deal with problems. Bi-lateral activities between Community Member States and Mongolia are unaffected, and the Agreement can be amended by mutual consent.

The Committee on Agriculture, Fisheries and Rural Development approves the proposed Agreement.

Yours sincerely,

Franco BORGIO

The following took part in the vote: Borge, chairman, Vazquez Fouz, Graefe zu Baringdorf, Lane, vice-chairmen; Bocklet, Böge (for Funk), Carvalho Cardoso, Cunha Oliviera (for Gomes), Dalsass, Fantuzzi, Görlach, McCartin, Maher (for Garcia), Marleix, Partsch (for Martin), N. Pisoni (for Navarro), F. Pisoni (for Mottola), Plumb, Rothe, Sanchez Garcia (for Blaney), Santos Lopez, Saridakis, Schlechter, Simmonds, Sonneveld, Stevenson, Verbeek, Welsh, Wilson.

OPINION

of the Committee on Budgets

Letter from the chairman of the committee to Mr Willy DE CLERCQ, chairman of the Committee on External Economic Relations

Brussels, 8 October 1992

Subject: Proposal for a Council decision on the conclusion of a trade and economic cooperation agreement between the EEC and Mongolia (COM(92) 0050 final - 4991/92 - C3-0279/92)

Dear Mr De Clercq,

At its meeting of 1/2 October 1992 the Committee on Budgets considered the above proposal.

The committee noted that the conclusion of the agreement for a period of five years is intended, on the basis of the principle of mutual interest, to promote trade and economic cooperation in various spheres of activity.

The committee points out that the financial implications of the agreement mean that the appropriations authorized by the budgetary authority must be charged against the budget chapters 'Other cooperation measures' and in particular the articles referring to cooperation with developing countries in Asia.

Subject to these comments it has delivered a favourable opinion.

Yours sincerely,

Thomas von der VRING

Present at the time of the vote: von der Vring (chairman); Böge, Cassidy, Colom I Naval, Goedmakers, Kellett-Bowman (for Elles), Samland, A. Smith, Wynn and Zavvos

OPINION

of the Committee on Energy, Research and Technology

Letter from the chairman of the committee to Mr Willy DE CLERCQ, chairman of the Committee on External Economic Relations

Brussels, 23 September 1992

Subject: Proposal for a Council decision on the conclusion of a Trade and Economic Cooperation Agreement between the European Economic Community and the Republic of Mongolia
(Doc. COM(92) 0050 final - 4991/92 - C3-0279/92)

Dear Mr De Clercq,

At its meeting of 22 and 23 September 1992, the Committee on Energy, Research and Technology considered the above Commission proposal.

Our committee believes that this Agreement is in some measure representative of the current efforts of the Government of the Republic of Mongolia to free itself of the political liability represented by its neighbours: the disintegrating ex-Soviet Union and China, which continues to indulge in the excesses of hardline socialism (it is worth remembering that the Mongolian Government deposited its gold reserves with banking institutions in London, a course of action which although prudent was in part due to fears of a Chinese reaction).

Moreover, the Agreement is also an expression of the country's desire, in an economic situation officially recognized as complex, to escape the overwhelming economic problem of repaying its external debt without the benefit of the former trade with the ex-COMECON countries, the largest proportion of which was with the USSR.

In view of the above, the Committee on Energy Research and Technology,

- Welcomes the Agreement on Trade and Economic Relations between the Community and the Republic of Mongolia, on condition that guarantees are given for the duration of the Agreement that the Mongolian Government will take into account the demands of the new parliamentary opposition, strive to tackle the bureaucracy inherited from the old regime, and respond to the need to liberalize the obsolete agricultural production systems.
- Considers that the Agreement constitutes a sound basis for the development of exchange programmes, based on criteria of mutual benefit, in scientific and technological fields such as energy.
- Draws attention to the pertinence of the conclusions contained in its report on scientific and technological cooperation with third countries (rapporteur: Mrs GOEDMAKERS).

- Recommends that the Committee on External Economic Relations as the committee responsible should approve the text of the Agreement between the Community and the Republic of Mongolia.

Yours sincerely,

Claude DESAMA

The following were present for the vote: Desama, chairman; Alavanos (for Mayer), Garcia Arias, Herve, Larive (for Baur), Linkohr, Regge, Seligman, Samland (for Schinzel) and West.

OPINION

of the Committee on Transport and Tourism

Letter from the chairperson of the committee to Mr DE CLERCQ, chairman of the Committee on External Economic Relations

Brussels, 17 June 1992

Subject: Council decision on the conclusion of a Cooperation Agreement between the EC and Mongolia
(COM(92) 0050 final - 4991/92 - C3-0279/92)

Dear Mr De Clercq,

At its meeting of 17 June 1992 the Committee on Transport and Tourism considered the proposal for a Council Decision authorizing the Commission to initiate negotiations with Mongolia with a view to concluding a Trade and Economic Cooperation Agreement. The aim is to promote mutual relations in accordance with the principles of equality and mutual advantage.

The Committee on Transport and Tourism welcomes this cooperation, as the principles on which it is based include those of respect for democracy and human rights.

The Committee notes that the agreement does not relate to the transport sector as such but that it does concern tourism. The Committee believes that Mongolia, with its population of 2 400 000, has potential for this. There is no mass tourism there as yet, nor does the necessary infrastructure exist. Thus a benign form of tourism, avoiding social and environmental damage, should be encouraged.

The Committee on Transport and Tourism believes that the priority role of tourism in enhancing the country's economic potential and improving the standard of living of its people must be recognized. The development of this sector depends on the infrastructure for tourism, the material preconditions and above all having workers with the necessary skills. It is therefore important to train specialists in management and to draw up a policy on tourism. Air travel not only plays an important role in the development of tourism but can also do much to give the country the opportunity to become integrated into the world at large. It is essential to find funding for a project to modernize air traffic control equipment at Mongolia's airports.

There is much to be done elsewhere in the transport field. Freight transport is mainly carried out by rail, and the volume is still growing due to increasing industrialization. The principal railway line is 1185 km long and links the former Soviet Union (with a link to the Trans-Siberian railway) with China. There are some 8600 kilometres of roads, although only 1000 km (mainly in towns) is asphalted. Most passenger transport is performed by road.

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The Committee on Transport and Tourism welcomes the substantial effort being made by Mongolia to restructure its society and economy with a view to strengthening democracy and promoting economic and social progress.

Accordingly, the Committee on Transport and Tourism approves of the above-mentioned cooperation and asks the Commission to help solve the most urgent transport problems. It could do this in the framework of development aid programmes by transferring technologies and supporting training programmes for personnel in transport and tourism and by providing assistance with infrastructure planning to develop tourism.

The Committee on Transport and Tourism asks the Committee responsible to take these comments into account and approve the conclusion of the agreement.

This letter should be regarded as the opinion of the Committee on Transport and Tourism adopted at its meeting of 17 June 1992.

Yours sincerely,

(sgd) Nel van DIJK

The following took part in the vote: van Dijk, chairperson; N. Christensen, vice-chairman; Dinguirard, Jarzembowski, Lalor (for de la Malène), B. Simpson, Visser, de Vitto and van der Waal.

O P I N I O N

(Rule 120 of the Rules of Procedure)

of the Committee on Culture, Youth, Education and the Media

for the Committee on External Economic Relations

Draftsman: Mr Pedro CANAVARRO

At its meeting of 21 May 1992 the Committee on Culture, Youth, Education and the Media appointed Mr Simeoni draftsman. At its meeting of 18 June 1992 it appointed Mr Canavarro in his place.

At its meeting of 30 September 1992 it considered the draft opinion

At that meeting it adopted the conclusions as a whole unanimously.

The following took part in the vote: La Pergola, chairman; Canavarro, draftsman; Barrera I Costa, Coimbra Martins, Dillen, Dührkop Dührkop (for Rubert de Ventos), Fremion, Mebrak-Zaïdi (for Denys) and Oostlander.

A people's republic since 1924, Mongolia began to move towards pluralism after February 1990. The opposition, legalized in May 1990, first won the right to sit in the Great People's Khural (Parliament) after the first multi-party elections were held on 29 July 1990. However, the first-past-the-post system used in the election of a new parliament, on 28 June 1992, enabled the ruling Mongolian People's Revolutionary Party to secure 70 of the 76 seats contested. Paradoxically, the exaggerated margin of the victory has induced dissenting voices within the party and in the opposition to speak out once more against the regime's pro-Chinese leanings and the pace of economic liberalization and privatization. While the institutions are in the process of democratization, the authorities have been embarking on rapid socio-economic changes oriented towards a market economy, opening up the country to foreign investment and inaugurating a privatization programme. At the diplomatic level, cooperation agreements have been signed with the United States, South Korea, and Japan.

The economic situation, however, has been deteriorating unremittingly for the last two years. Domestic flights, for example, had to be suspended on 7 July 1992 owing to a shortage of aircraft fuel.

That was the stage which developments had reached when the Trade and Economic Cooperation Agreement now under consideration was signed in Brussels on 16 June 1992 by the Community and Mongolia, represented by its Prime Minister, Mr Dashiyn Byambasuren.

Mongolia's extreme dependence on the Soviet Union over the past 70 years, following several centuries of Chinese domination, has done much to isolate the Mongolian people from the outside world, especially from the cultural point of view. In the 1920s Mongolia plunged headlong from feudalism into collectivism. The cultural traditions (most notably a very wide variety of original styles of singing) and traditional religions (Lamaism, Shamanism) of the different Mongolian ethnic groups have been hit hard by the dictates of a materialistic world vision totally alien to the mentality of the native population. In spite of the events that led to the demise of the Soviet Union, most school textbooks are in Russian and still impart the dogmas of the old Soviet regime. School pupils (87.5% of the 12-17 age group) and students (21.7% of 18 to 22 year-olds) are awaiting new teaching aids.

It can therefore only be regretted that the EEC-Mongolia Cooperation Agreement ignores the arts and deals with education and training only from a narrow economic and commercial perspective. The committee welcomes the fact that a clause on respect for human rights and democracy has been included in the Agreement but feels that, since Mongolia has no democratic tradition, the Community ought to offer its cooperation in the humanities sphere. Given its cultural diversity, the Community ought to be able to play a useful role in helping Mongolia to devise new teaching aids - without ushering in a new form of colonialism.

The Committee on Culture, Youth, Education and the Media consequently hopes that the Community will propose to the Mongolian authorities that provisions on cultural cooperation be added to the current Agreement or, failing that, covered in a future agreement. The committee also hopes that, if at all possible, the Community will agree to the Mongolian request for an EEC delegation to be set up in Ulaanbaatar.

