

Sub-program (Target Priority Area)	1. Sound Macroeconomic Management and Strong Governance
Component (CP) (Development Issues)	1-2-1. Promoting the Vital Market Economy (Financial Policy and Capital Market Policy)
Expected Research Areas	<ul style="list-style-type: none"> - Financial Policy - Capital Market Policy - Revitalization of the Stock and Bond Markets - FDI Promotion Policy - Digital Market Policy and Management
Accepting University	<p>International University of Japan (Acceptable number of seat: 2)</p> <p>GS of International Relations International Development Program (IDP) Japan-Global Development Program (JGDP))</p> <ul style="list-style-type: none"> - Master of Arts in International Development - Master of Arts in Economics
Background and Needs	<p>Mongolia is an indirect financial entity where the banking sector accounts for about 95% of financial resources, but with rapid decline in the economy due to the end of the global resources boom of the early 2010s, the issue of nonperforming loans in banking industry is becoming increasingly serious. The economy was once in a recovery trend thanks to the international financial support led by IMF. However, the economic downturn is expected for a while after 2020 due to the global spread of COVID-19. In such an environment, in addition to the existing issues such as disposing of nonperforming loans and strengthening bank supervisory and regulatory capacities, improvement of financial measures is necessary such as diversifying financing through revitalization of shares and debenture markets, and re-expansion of FDI in Mongolia through improvements to business environment. In “Long-Term Development Policy Vision 2050” (approved May 7, 2020), diversification of financial market access and economic structure and improvement of business environment are stated as important parts in order to achieve the goal of increasing middle class by improving business environment.</p>
Direction of Study (Background of CP)	<p>The government of Japan established “Sound Macroeconomic Management and Strong Governance” as one of the key fields of its Country Assistance Policy for Mongolia (December 2017), and as a development issue, it focuses on supporting promotion of the vital market economy.</p> <p>JICA has provided support for capacity building and operation of Public-Private Partnership (PPP) Act. In addition, in order to promote a vital market economy, JICA implements a project aiming at fostering corporate bond market in cooperation with the Financial Regulatory Commission, and a project aiming at developing a fair competitive environment alongside the Authority for Fair Competition and Consumer Protection.</p> <p>The JDS Program focuses on support for strengthening the abilities of human resources in related organizations within the existing JICA projects carried out by the government of Japan such as the development of laws that encourage financial policies, capital market policies, and market competitiveness. At the same time, it is expected to contribute to the development of human resources in fields that can contribute to the promotion of a market economy, such as strengthening supervisory functions of the Central Bank of Mongolia or developing an environment for investment and business.</p>