

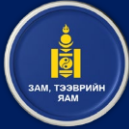


GOVERNMENT OF
MONGOLIA

OVERVIEW OF MONGOLIA'S RAILWAY SECTOR

2026





CURRENT STATUS OF MONGOLIA'S RAILWAY SECTOR



BEFORE 2019



1115.0 km
RAILWAY NETWORK LENGTH



28.2 mln.tons
FREIGHT TRANSPORT

AS OF 2025



2821.3 km
RAILWAY NETWORK LENGTH

▲ **153%**




49.9 million.tons
FREIGHT TRANSPORT

▲ **76%**


 **Ulaanbaatar Railway JVC Network**

 **Newly Commissioned Railways**

AS OF 2025

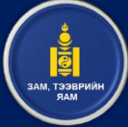


12,245
Rolling Stock Units



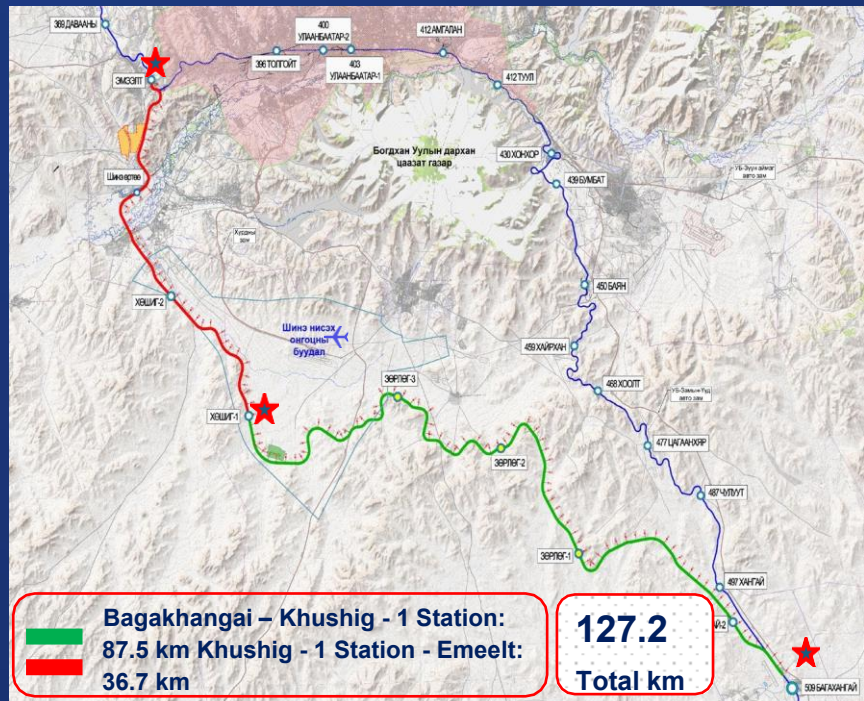
17,298
Employees

TAVANTOLGOI - ZUUNBAYAN	- 415.9 km
TAVANTOLGOI - GASHUUNSUKHAIT	- 233.6 km
CROSS-BORDER RAILWAY	- 29 km
ZUUNBAYAN - KHANGI	- 226 km



ONGOING RAILWAY PROJECTS

BAGAKHANGAI – KHUSHIG VALLEY BRANCH RAILWAY



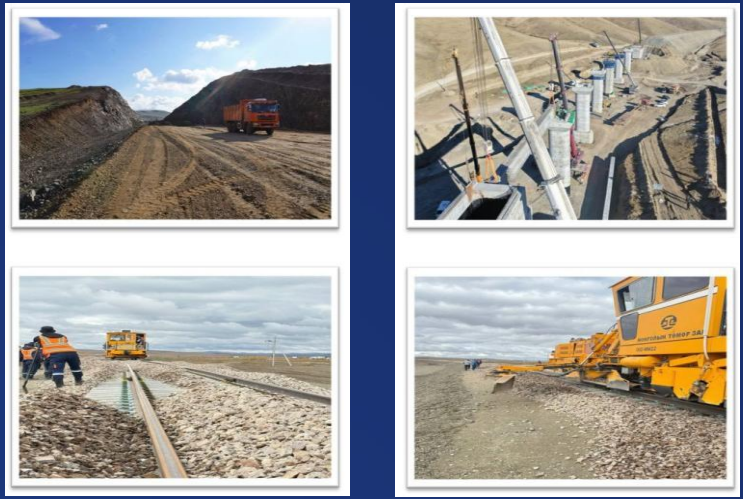
Contractor:

Mongolian Railway SOJSC (MTZ)

Subcontractor:

63		1453		2748
Enterprises and Organizations		Machinery and Equipment		Engineering and Technical Personnel

CONSTRUCTION AND PLANNING



86% Phase I Progress

★ **2026.09** Expected Commissioning

Future actions:

Relocation of freight terminals currently operating in Ulaanbaatar to the Khushig Valley Transport and Logistics Center

SOCIAL AND ECONOMIC BENEFITS



34 Types of Explosive and Hazardous Chemical Cargo



3

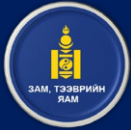
- Transport and Logistics Center
- Khunnu city
- Free Economic Zone



2.8 Increase in Cargo Processing Capacity

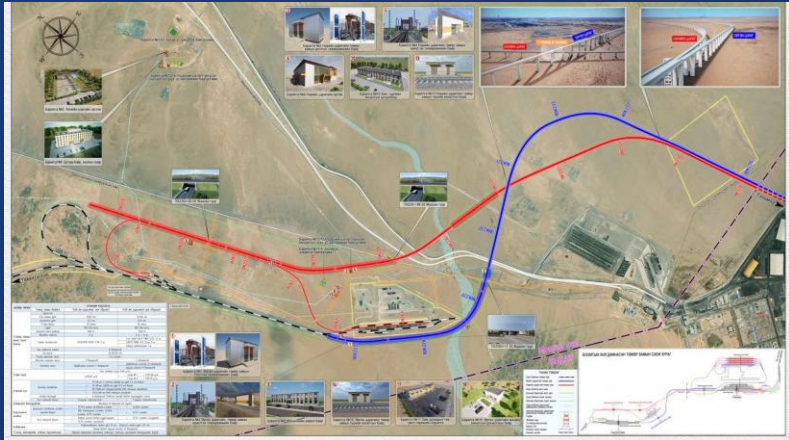


120 Reducing Road Traffic Congestion in Ulaanbaatar
The duration of road closures at railway crossings in Ulaanbaatar, currently totaling 144 minutes per day for train operations, will be reduced by 120 minutes, contributing significantly to the alleviation of road traffic congestion.



ONGOING RAILWAY PROJECTS

GANTSMOD – GASHUUNSUKHAIT CROSS-BORDER RAILWAY CONNECTION



CONSTRUCTION AND PLANNING



SOCIAL AND ECONOMIC BENEFITS

Estimated Cost:
848 Bln. tugrugs

Санхүүжилт:
Erdenes Tavantolgoi JSC

Project Owner:
Tavantolgoi Railway LLC

China Railway Construction Bridge Engineering Bureau Group Co., Ltd.

26% Current Progress


✓ 2026 – 80% Project Progress

★ 2027.04 Expected Commissioning

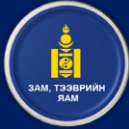
Future Actions:
Construction of the following cross-border railway connections will be implemented in phases:
Shiveekhuren–Sekhee, Khangii–Mandal, Bichigt–Zuunkhatavch

 **0.8%** Annual GDP Growth Increase

 **2.5** Billion. USD Export Revenue Growth

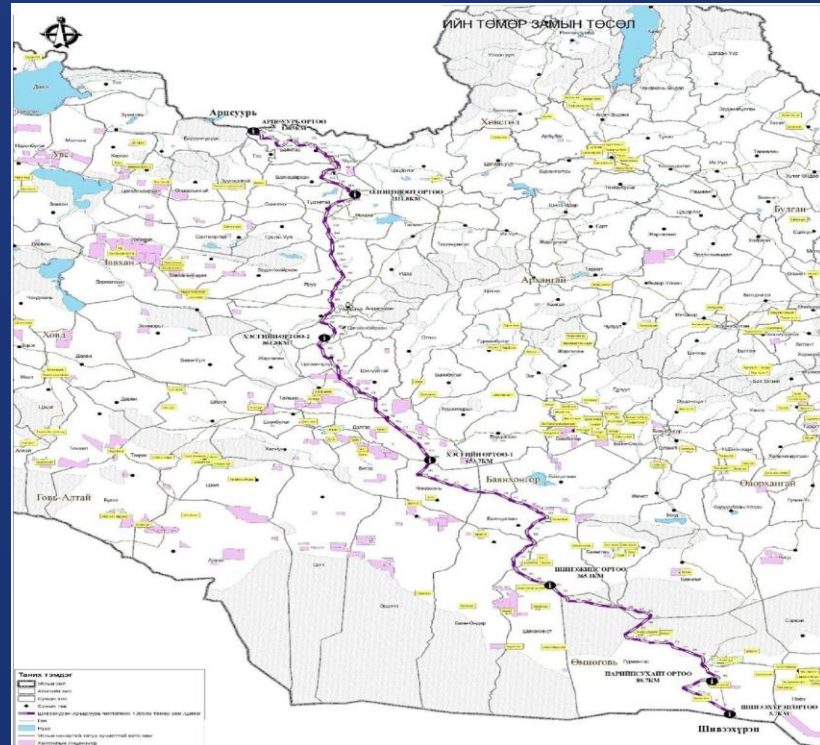
 **30** Million. tons Export Capacity Increase

 **300** Million. USD Railway Transport Revenue



PLANNED RAILWAY PROJECTS

ARTSSUURI-NARIINSUKHAIT-SHIVEEKHUREN RAILWAY PROJECT



Estimated Cost:

USD 5.5 Billion / Subject to FS /

Financing:

Public-Private Partnership / PPP /

Project Proponent:

Essenz Supplies LLC

CONSTRUCTION AND PLANNING

Phase I

SHIVEEKHUREN – SHINEJINST /366.7 km/

2026-2028



Phase II

SHINEJINST – OLON OVOO /746.7 km/

2029-2033



Phase III

OLON OVOO – ARTSSUURI /1,191.6 km/

From 2034

Parameter	Specification
Railway Classification	Class III
Main Line Length	1,305 km
Total Track Length	2,038 km
Tunnel Length	21 Tunnels /21,890 m/
Axle Load	25 tons
Track Gauge	1,520 mm
Number/Length of Bridges	74 /48,608m/
Culverts	1,426 pcs
Capacity	30 million tons

The railway is planned to include 7 major stations and 25 passing loops, with an average distance of 40.7 km between stations and passing loops. Reception and dispatch tracks ranging from 3 to 10 tracks will be constructed. The railway will traverse the territories of Umnugovi, Bayankhongor, Govi-Altai, and Zavkhan provinces.

SOCIAL AND ECONOMIC BENEFITS



15.0
Permanent Jobs

Creates permanent jobs and reduces unemployment.



13.2
trillion. MNT

Increase in Western Regional GDP



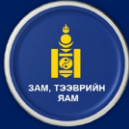
30
million. tons

Export Capacity Increase



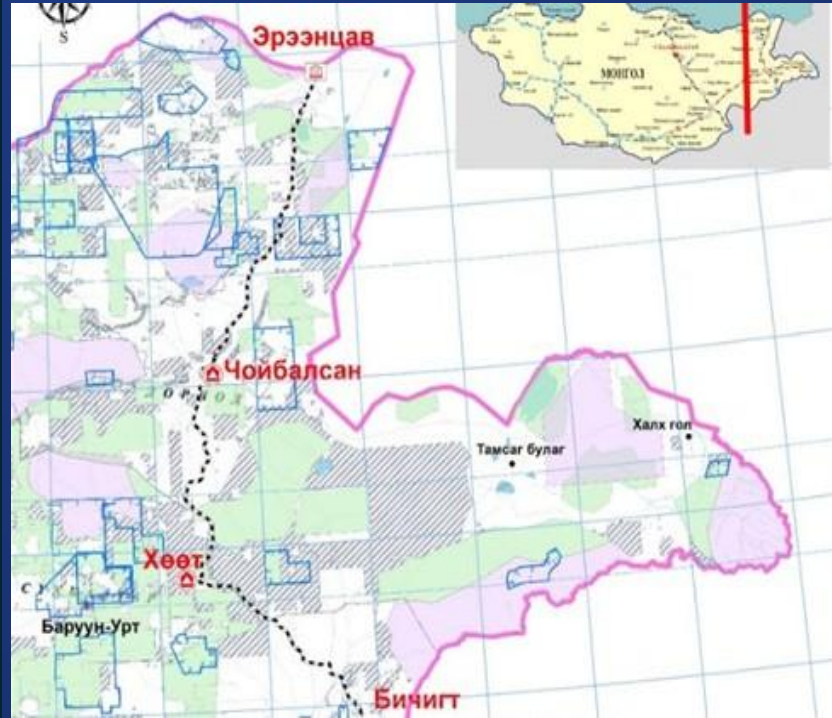
13.7
billion. USD

Railway Transport Revenue Increase



PLANNED RAILWAY PROJECTS

EREENTSAV-CHOIBALSAN-BICHIGT RAILWAY PROJECT



Estimated Cost:

USD 1.9 Billion /subject to refinement through the FS/

Financing:

Public – Private Partnership /PPP/

Project Owner:

Ministry of Road and Transport

CONSTRUCTION AND PLANNING

Upon completion, the project will establish the Borzya – Solovyovsk – Ereen Tsav – Choibalsan – Khuut – Bichigt - Xilinhot (Zuunkhatavch) – Ulaanhad – Chaoyang - Jinzhou/Panjin Economic Corridor.

Parameter	Specification
Railway Classification	Class III
Main Line Length	Choibalsan - Bichigt - 415 km EreenTsav-Choibalsan-238 km
Stations and Passing Loops	7
Axle Load	25 tons
Track Gauge	1,520 mm
Bridges and Culverts	28 bridges, 181 culverts
Capacity	12-15 million tons
Signaling System	Computer-Based interlocking System
238 km railway line currently exists between EREENTSAV and CHOIBALSAN under Ulaanbaatar Railway JVC (UBTZ).	

SOCIAL AND ECONOMIC BENEFITS



4.0
Jobs

Permanent
Jobs Created



12
billion. USD

Shortest
Corridor
Connecting
China and
Russia



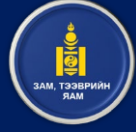
25
million. tons

Export Capacity
Increase



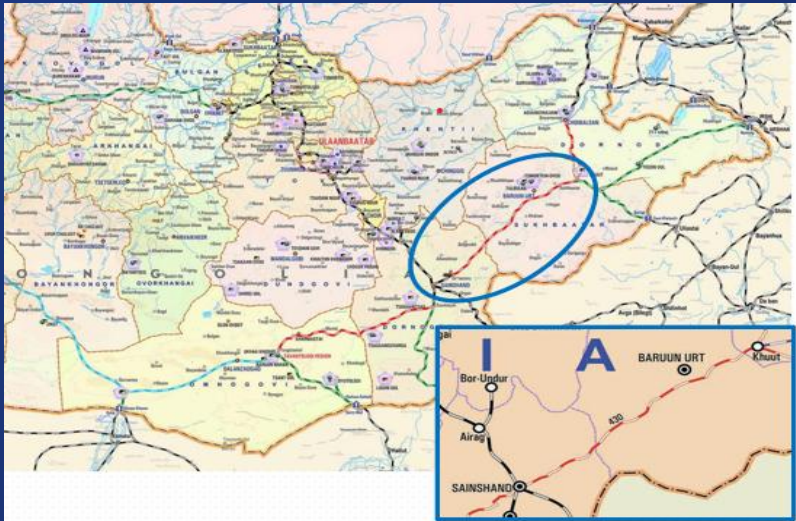
200
million. USD

Railway
Transport
Revenue
Increase



PLANNED RAILWAY PROJECTS

SAINSHAND–BARUUN-URT–KHUUT RAILWAY PROJECT



LEGAL AND REGULATORY FRAMEWORK

- The State Policy on Railway Transport, approved by Resolution No. 32 of the Parliament in 2010, includes:
 - Section 3.2.2.2: Sainshand–Baruun-Urt Railway
 - Section 3.2.2.3: Baruun-Urt–Khuut Railway
- The Government Action Program of Mongolia for 2024–2028, approved by Parliament Resolution No. 21 of 2024, provides for the implementation of the Sainshand–Baruun-Urt–Khuut–Bichigt Railway Project.

PROJECT PLANNING

Parameter	Specification
Railway Class	Class III
Railway Length	Main Line Length- 390.5 km Total Track Length– 486.6 km
Stations and Passing Loops	3 stations, 7 passing loops
Axle Load	15 tons
Track Gauge	1520 mm
Bridges and Culverts	15 bridges , 472 culverts
Capacity	30 million tons
Signaling System	Semi-Automatic

Project Cost:

USD 985.8 Million

Financing Model:

Public – Private Partnership /PPP/

Project Owner:

**Ministry of Road and Transport,
Railway Authority**

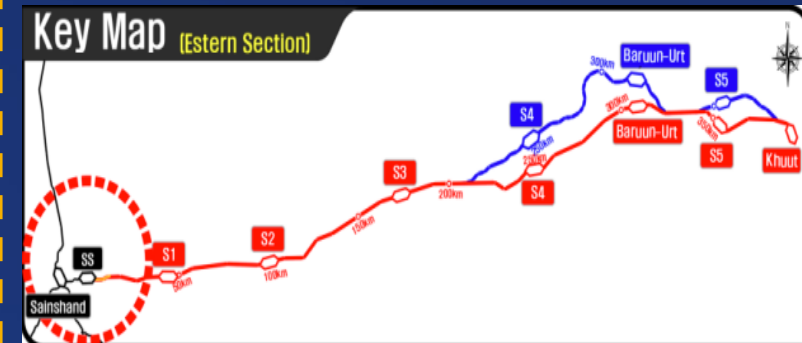
Implementing Entity:

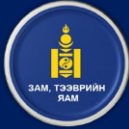
To Be Determined

	Provinces Traversed	3
	Soums Traversed	5

SOCIAL AND ECONOMIC BENEFITS

- The railway will generate approximately MNT 55 billion in annual tax revenues for the state and local budgets.
- The project will create new permanent jobs and increase employment opportunities for local communities.
- Railway accessibility for domestic enterprises will be improved.
- Mineral deposits and mining projects located along the railway corridor will be integrated into economic activity.





PLANNED RAILWAY PROJECTS

FEASIBILITY STUDY FOR THE ULAANBAATAR–KHARKHORUM RAILWAY PROJECT

SOCIAL AND ECONOMIC BENEFITS



2.0
Thousand job
Permanent job jobs will be created.



265
thousand people
Moving from the capital city to a new settlement area.



2,5
times
Travel time from UB to Kharkhorin will be reduced.

Financing:

Korea National Railway (KNR)

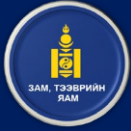
Consultant:

Soosung Engineering Co., Ltd. (Republic of Korea)

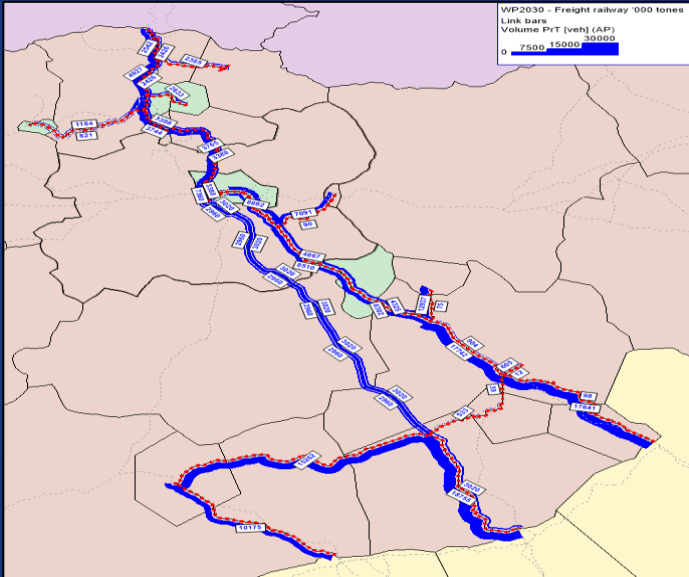
Cooperation:

Mongolian Railway SOJSC (MTZ) and Korea National Railway (KNR) signed a Memorandum of Understanding to cooperate on the preparation of the feasibility study for the Ulaanbaatar–Kharkhorum Railway Project.

Parameter	Option 1	Option 2	Option 3
Railway Type	High-Speed Rail	High-Speed Rail	High-Speed Rail
Route Length	354.782km	350.965km	406.931km
Bridges	12 Bridges 39.5km	10 Bridges 19.9km	18 Bridges 59.9km
Stations, Passing Loops	4	4	4
Construction Cost	USD 2.544 billion	USD 2.499 billion	USD 3.202 billion



SUKHBAATAR–KHUSHIG VALLEY–NOMGON RAILWAY PROJECT



LEGAL AND REGULATORY FRAMEWORK

The Government of Mongolia Action Program for 2024–2028 provides for the implementation of: the second railway corridor along the Khangai–Nomgon–Khushig Valley–Sukhbaatar route, the north–south railway corridors Artssuuri–Nariinsukhait–Shiveekhuren and Choibalsan–Bichigt, and the first-class freight and passenger railway between Ulaanbaatar and Kharkhorum, with the objective of expanding the national railway network and initiating approximately 3,200 km of new railway construction.

PROJECT PLANNING

Parameter	Specification
Location	Traverses Tuv, Dundgovi and Dornogovi provinces.
Main Line Length	504 km
Total Track Length	562.2 km
Railway Class	Class II, passing-loop railway
Axle Load	25 tons
Capacity	40 million tons per year
Track Gauge	1520 mm
Stations and Passing Loops	3 stations, 17 passing loops
Signaling and Communications	Traverses Tuv, Dundgovi and Dornogovi provinces.



Provinces Traversed **3**



Soums Traversed **9**

SOCIAL AND ECONOMIC BENEFITS

- The project can attract investment from China through a public–private partnership model and facilitate railway construction.
- The Khushig Valley Transport and Logistics Center will have significant opportunities for future expansion and development, becoming Mongolia’s primary freight transport hub.
- Imports of consumer goods, construction materials and other commodities from China will become more efficient, reducing the risk of congestion at border crossings.
- The project will provide the foundation for the future development of the Ulaanbaatar (Khushig Valley)–Kharkhorum railway and other east–west railway corridors.
- It will enable the future expansion of the railway network toward eastern provinces, including Khentii and Dornod, through the development of passenger and freight railway services.

Project Cost:

USD 3.97 Billion

Financing Type:

Public – Private Partnership /PPP/

Project Owner:

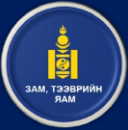
**Ministry of Road and Transport,
Railway Authority**

Feasibility Study Financer:

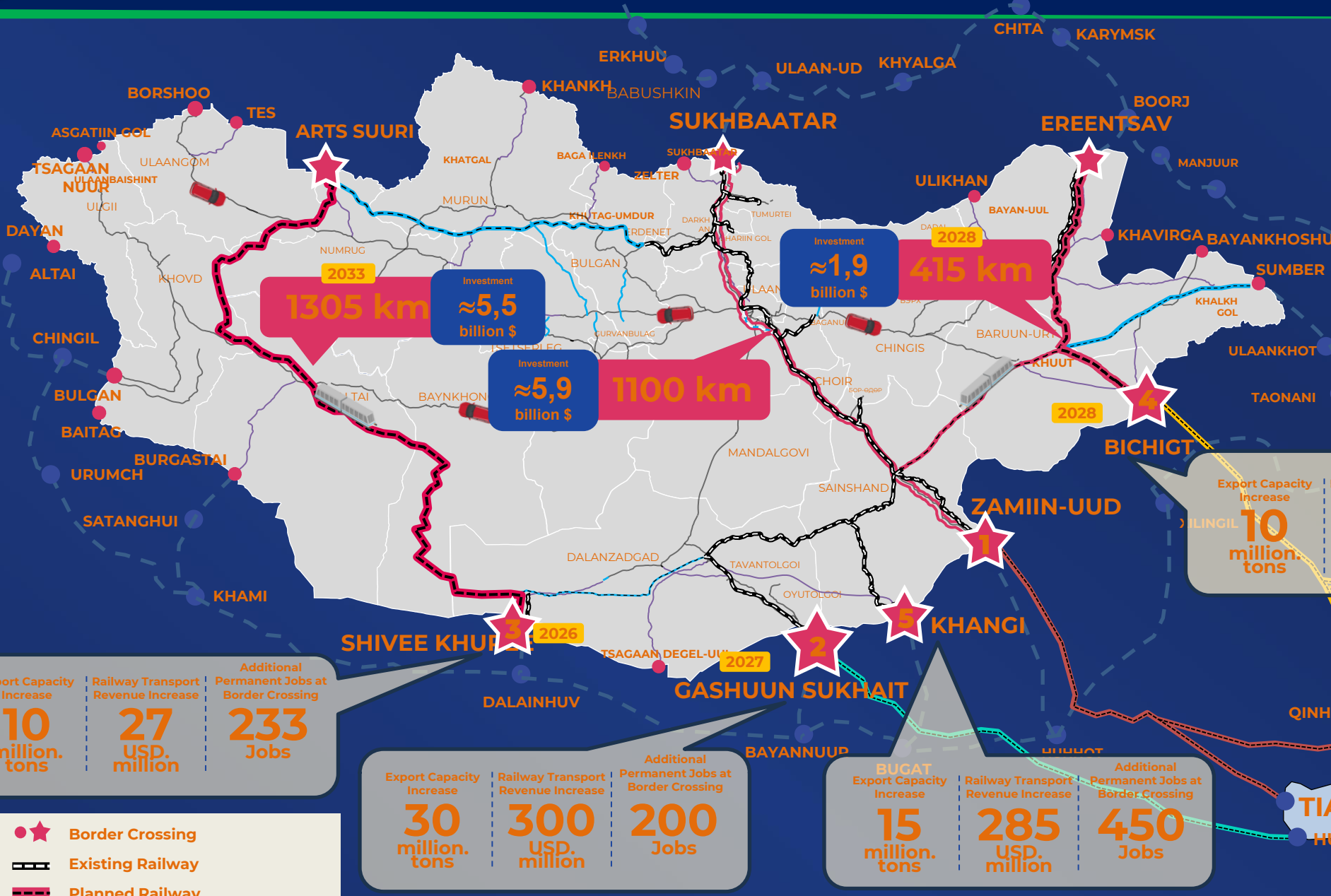
Asian Development Bank /ADB/

Feasibility Study Consultant:

ADB Working Group



DEVELOPMENT OF RAILWAY NETWORK AND RAILWAY BORDER CROSSINGS



CURRENT	ADDITIONAL	TOTAL
Railway Network Length		
2,881 km	2,770 km	5,651 km
Freight Transport Volume		
50 m.tons	135 m.tons	185 m.tons
Railway Export Capacity		
12 m.tons	65 m.tons	77 m.tons
Railway Transport Revenue		
300 million \$	≈1,4 billion \$	≈1,7 billion \$
Jobs Created		
18,000	20,000	38,000

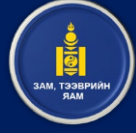
Export Capacity Increase	Railway Transport Revenue Increase	Additional Permanent Jobs at Border Crossing
10 million tons	27 USD million	233 Jobs

Export Capacity Increase	Railway Transport Revenue Increase	Additional Permanent Jobs at Border Crossing
30 million tons	300 USD million	200 Jobs

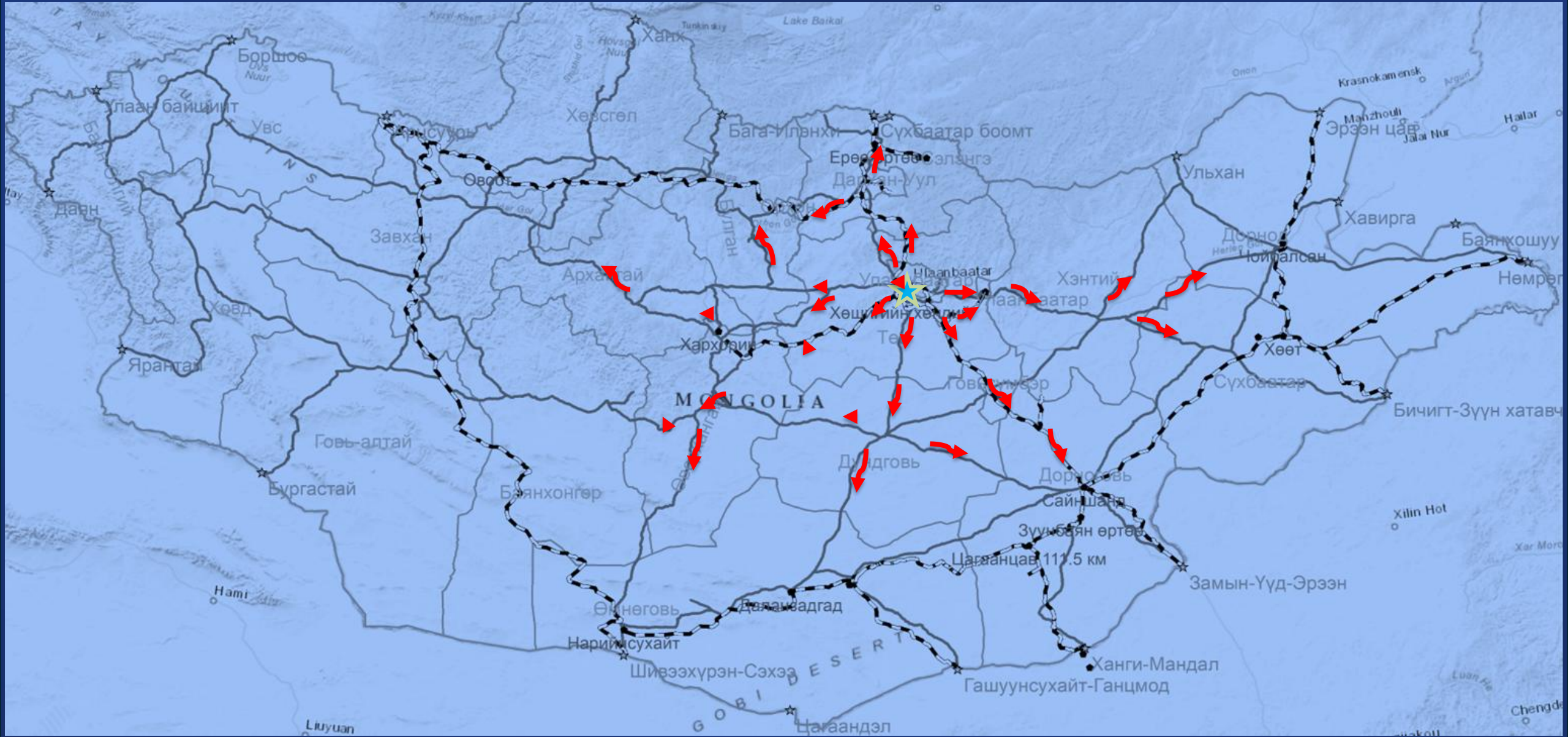
Export Capacity Increase	Railway Transport Revenue Increase	Additional Permanent Jobs at Border Crossing
15 million tons	285 USD million	450 Jobs

Export Capacity Increase	Railway Transport Revenue Increase	Additional Permanent Jobs at Border Crossing
10 million tons	800 USD million	350 Jobs

- ★ Border Crossing
- Existing Railway
- Planned Railway



MONGOLIA'S FREIGHT TRANSPORT NETWORK





THANK YOU FOR YOUR
ATTENTION