

STUDY ON THE CURRENT SITUATION AND DEVELOPMENT TREND OF AGRICULTURAL PRODUCTS TRADE BETWEEN CHINA AND MONGOLIA

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Abstract: With the advent of global economic integration and the deepening of regional economic cooperation, trade in agricultural products occupies an important position in the field of international trade and plays a significant role in the optimal allocation of resources and the promotion of economic development. China and Mongolia are closely linked neighbors, and trade in agricultural products is key to economic and trade cooperation between the two countries, which has shown a trend of steady growth and development in recent years. The close cooperation between China and Mongolia in the field of agricultural products nowadays brings numerous development opportunities and economic benefits for both countries, playing a vital role in the healthy and sustainable development of agricultural trade between them. This paper analyzes the scale and structure of trade in agricultural products between China and Mongolia, the main trade ports and channels, trade policies and measures, market demand and supply, and identifies issues such as the single trade structure, quality and safety problems, high logistics and transport costs, trade barriers, and frictions in agricultural product trade between China and Mongolia. It proposes measures to optimize the trade structure, strengthen quality supervision, reduce logistics and transport costs, and enhance policy communication and coordination, exploring countermeasures to address problems in the agricultural products sector. The paper also delves into the development trend of agricultural trade between China and Mongolia, including the continuous expansion of trade scale, diversification of trade structure, increasing trade facilitation, agricultural cooperation, and mutual benefits. To enhance the level of Sino-Mongolian agricultural trade and promote the healthy development of this field, this study is expected to serve as a reference for the smooth progress of related research.

Keywords: China and Mongolia; Agricultural products; Trade status; Development trend

1 INTRODUCTION

Agricultural products trade is very important when China and Mongolia carry out economic and trade cooperation, with the effective adjustment of the economic structure of China and Mongolia and the change of market demand, agricultural products trade has become the highlight of economic and trade cooperation between China and Mongolia. In the early 1990's China and Mongolia began to carry out trade co-operation between China and Mongolia, through a long period after the development of the trade relations between the two countries from the relatively simple exchange of commodities to the multi-field and diversified depth of co-operation transition, especially for the field of agricultural products. Especially in the field of agricultural products, as the quality of life and living standards of the people of China and Mongolia are improving, and the consumption structure of the people is upgrading, the demand for agricultural products is increasing, which provides a very broad space and opportunity for the development of agricultural trade between China and Mongolia. Studying the current situation and development trend of agricultural trade between China and Mongolia is conducive to the deepening of cooperation between the two countries in agricultural trade, and promoting the smooth implementation and sustainable development of economic and trade cooperation. At the same time, the trade structure of China and Mongolia will be optimized, and the competitiveness and comprehensive power of trade will be enhanced.

2 CURRENT SITUATION OF AGRICULTURAL TRADE BETWEEN CHINA AND MONGOLIA

2.1 Trade Scale and Structure

In the context of agricultural trade between China and Mongolia, Table 1 presents the trade scale and structure.

Table 1 Scale and structure of agricultural trade between China and Mongolia

Year	Total trade (\$ billion)	China's exports to Mongolia (\$ billion)	Mongolia's exports to China (\$ billion)	Main agricultural products exported	Main agricultural products imported
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2020	6.5	3.8	2.7	Fruit, Vegetables, Cereals, etc.	Wool, Cashmere, etc.
2021	7.0	4.2	2.8	Fruit, Vegetables, Cereals, etc.	Wool, Cashmere, etc.
2022	7.6	4.6	3.0	Fruit, Vegetables, Cereals, etc.	Wool, Cashmere, etc.
2023	8.5	5.2	3.3	Fruits, Vegetables, Nuts, etc.	Wool, Cashmere, etc.

Examining the data presented in the table above reveals a consistent upward trajectory in the trade of agricultural goods between China and Mongolia in recent years, increasing from 650 million US dollars in 2020 to 850 million US dollars in 2023. A breakdown of the export composition indicates that China predominantly exports fruits, vegetables, and grains to Mongolia, suggesting an ongoing optimization of China's agricultural export portfolio[1]. Conversely, Mongolia's agricultural exports to China primarily consist of wool and cashmere, commodities that exhibit a steady demand within the Chinese market.

2.2 Major Trade Ports and Corridors

The primary trade ports and channels of China and Mongolia are examined, as presented in Table 2 below.

Table 2 Major trade ports and corridors for agricultural products trade between China and Mongolia

Name of port	Average annual exports (tonnes)	Average annual imports (tonnes)	Main agricultural products exported	Main agricultural products imported
Erenhot Port	10.0	3.0	Fruits and Vegetables (Bell peppers, Cucumbers, etc.)	Wool, Cashmere
Ganqimaodu Port	3.0	1.0	Fruits and Vegetables (Tomatoes, Apples, etc.)	Minerals (Indirect impact)
Manzhouli Port	5.0	2.5	Cereals, Nuts	Processed animal products
Other border ports	2.0	1.5	Diversified agricultural products	Diversified agricultural products

The table above indicates that Erenhot Port is the sole railway port shared by China and Mongolia, playing a crucial role in facilitating agricultural trade between the two countries, particularly in the export of fruits and vegetables[2]. The recently established Ganqimaodu Port has significantly reduced transportation distances for these perishable goods, thereby improving their freshness and reducing overall costs. Furthermore, in addition to the conventional import of livestock products, Manzhouli Port has diversified its exports to include nuts and grains.

2.3 Trade Policies and Measures

The trade policies and measures for China and Mongolia are examined, as presented in Table 3.

Table 3 Trade Policies and Measures on Agricultural Products between China and Mongolia

Year	Policies and measures	Effectiveness of implementation
2020	Opening a "green channel" for the export of agricultural products from China and Mongolia	Significant growth in fruit and vegetable exports and lower customs clearance costs
2021	Promoting mutual recognition of standards between China and Mongolia, and translating standards in the fields of planting and breeding.	Promoting trade facilitation and reducing systemic costs of market transformation
2022	Implementation of imported copper concentrate "quality project" inspection mode reform	Enhance the speed of inspection and release and shorten the inspection cycle to 2-3 working days
2023	Holding the "National Economic and Trade Fair for Opening Up to the North" to strengthen exchanges on opening-up policies.	Attracting more investment and promoting wider and higher levels of openness

The analysis of the table above indicates that the introduction of the green channel in 2020 led to a significant increase in the export speed of fruits, vegetables, and other agricultural products, thereby enhancing the level and efficiency of agricultural trade. In 2021, the mutual recognition of standards resulted in a notable reduction of trade barriers arising from differing standards, thereby facilitating the trade of agricultural products. Subsequently, in 2022 and 2023, the implementation of specific policies enhanced the clearance efficiency of agricultural products in China and Mongolia, leading to reduced operating costs for enterprises. The anticipated outcomes of the policies in 2022 and 2023 include improved customs clearance efficiency for agricultural products in China and Mongolia, as well as reduced operating costs for enterprises[3].

2.4 Market Demand and Supply

The analysis of market demand and supply in China and Mongolia is presented in Table 4 below.

Table 4 Market Demand and Supply of Agricultural Products Trade between China and Mongolia

Year	Total demand (tonnes)	Demand for fruits and vegetables (tonnes)	Main demand varieties
2020	20	10	Potatoes, Tomatoes, Carrots, Apples, Pears, etc.
2021	22	11.5	Potatoes, Tomatoes, Carrots, Apples, Pears, Citrus fruit needs
2022	24	12.8	Potatoes, Tomatoes, Carrots, Citrus, Bananas, etc.
2023	26	14.2	Potatoes, Tomatoes, Carrots, Citrus, Bananas, etc., Further diversifying demand

Based on the above table, Mongolia's demand for Chinese agricultural products shows a continuously rising trend, indicating that the trade relations between China and Mongolia are deepening and Mongolia's dependence on Chinese agricultural products is increasing. Especially for the demand for fruit and vegetable products, the growth trend is very obvious, mainly because of China's fruit and vegetable varieties, the quality is improving, and the Mongolian people's demand for fruit and vegetable products showed a rapid growth of the situation[4]. Fruit and vegetable demand for analysis of varieties, mainly in potatoes, tomatoes, carrots, oranges, apples and pears, etc., such fruits and vegetables are not only consistent with the Mongolian people's dietary habits but also have a relatively high nutritional value.

3 PROBLEMS OF AGRICULTURAL TRADE BETWEEN CHINA AND MONGOLIA

At this juncture, China and Mongolia encounter various challenges in the trade of agricultural products. The current trade structure is notably simplistic, with persistent concerns regarding quality and safety[5]. Additionally, the logistics and transportation expenses for agricultural products remain high, further compounded by trade barriers and friction between the two nations. These issues collectively contribute to the unfavorable nature of agricultural trade between China and Mongolia.

3.1 Single Trade Structure

In the process of agricultural trade between China and Mongolia, there is a single trade structure, Mongolia's exports of agricultural products to China, mainly in livestock products, and China's exports of agricultural products to Mongolia in the fruit and vegetable category. This trade structure is relatively single, resulting in the trade potential of China and Mongolia, and trade growth space is constrained. Due to geographical and climatic constraints, Mongolia's agricultural products are limited in variety, and although China's agricultural products are more abundant, this advantage is not reflected in its trade with Mongolia.

3.2 Quality and Safety Issues

As the scale of agricultural trade between China and Mongolia is gradually expanding, quality and safety problems are constantly highlighted. On the one hand, analyzed from the aspects of production, processing and stockpiling of agricultural products, Mongolia's supervision level and technical capacity are not high, resulting in the problem of substandard quality of certain agricultural products in the actual export, which does not only lead to the safety and health of the Chinese consumer group but also leads to the damage of the Chinese market's trust in Mongolia. On the other hand, when China imports agricultural products, the quality and safety requirements have been gradually improved, and the inspection and quarantine standards are very strict, so Mongolia should build a perfect quality and safety supervision system for agricultural products, and realize the significant improvement of quality and safety awareness.

3.3 Elevated Logistics and Transportation Expenses

In China and Mongolia in the process of trade in agricultural products, the logistics and transport costs are relatively high, Mongolia is inland, and transport facilities are lagging, especially for railway transport, it is difficult to meet the needs of agricultural trade[6]. At the same time, China and Mongolia need to improve the efficiency of the border crossing, due to the more cumbersome procedures, customs clearance time is longer, resulting in increased logistics costs, these factors cause China and Mongolia to in the process of trade in agricultural products in the logistics cost expenditure is higher, to pay attention to the construction of transport facilities.

3.4 Trade Barriers and Friction

Trade barriers and trade friction exist in the agricultural trade between China and Mongolia. On the one hand, Mongolia has used many protection measures to protect the legitimate interests of its farmers and to promote the development of the agricultural industry, such as quota restrictions and tariff barriers, etc., which affect the entry of Chinese agricultural products into the market of Mongolia due to the existence of these measures. On the other hand, the trade of agricultural products between China and Mongolia faces trade disputes, trade friction and other problems, which leads to the

increase of trade costs and trade uncertainty, resulting in the economic and trade relations between China and Mongolia being affected.

4 COUNTERMEASURES TO SOLVE THE PROBLEMS OF AGRICULTURAL TRADE BETWEEN CHINA AND MONGOLIA

To address the existing challenges in China-Mongolia agricultural trade, it is imperative to implement specific countermeasures. These measures should focus on optimizing the trade structure, strengthening quality supervision, reducing logistics and transportation costs, and improving policy communication and coordination. The successful implementation of these strategies will significantly enhance the efficiency and impact of agricultural trade between China and Mongolia.

4.1 Optimize Trade Structure

According to the current agricultural trade structure between China and Mongolia is a relatively single problem, we should pay attention to the implementation of specific measures to achieve the optimization of the trade structure, and effectively promote the sustainable development of trade diversification[7]. On the one hand, Mongolia should pay attention to the reasonable adjustment of the agricultural structure, improve the adjustment strength, and ensure the added value and richness of agricultural products through the application of advanced agricultural planting methods and technologies. On the other hand, Mongolia should pay attention to the exploration and development of specialty agricultural products and organic agriculture, to satisfy the needs of Chinese consumers. China and Mongolia should also enhance cooperation in the agricultural industry, pay attention to the joint research and development of new agricultural trade projects, and promote the sustainable optimization of the agricultural trade structure. Through the full implementation of the above countermeasures, the trade structure of agricultural products between China and Mongolia can be effectively transformed into a single problem, laying a good foundation for the sustainable development of trade between China and Mongolia.

4.2 Strengthening Quality Supervision

To better guarantee the quality and safety of agricultural products traded between China and Mongolia, the two countries should enhance the cooperation in quality supervision, pay attention to the construction of quality and safety supervision systems, for the production, processing and storage of agricultural products, and other aspects of supervision, to effectively enhance the quality and safety awareness of the relevant enterprises, to ensure that the agricultural products are in line with the international standards and China's standards. At the same time, Mongolia should learn from China's experience in agricultural quality and safety supervision, and technical methods, to achieve a specific level of supervision and supervision to strengthen. China should also strengthen the inspection and quarantine of imported agricultural products to ensure the reliability and safety of agricultural products. China and Mongolia should also build a perfect information-sharing mechanism, for quality problems promptly to inform and deal with, to better protect the legitimate rights and interests of consumers, and to ensure the reliability of the trade order between China and Mongolia and the order of order.

4.3 Minimize Expenses Related to Logistics and Transportation

In the process of agricultural trade between China and Mongolia, to achieve the reduction of logistics and transport costs, the two countries should strengthen joint efforts to effectively improve the conditions of logistics and transport, logistics and transport efficiency, and level of enhancement. On the one hand, China and Mongolia should pay attention to the construction of transport facilities, especially for roads and railways, to achieve interconnection and effectively improve the reliability and convenience of logistics transport[8]. On the other hand, China and Mongolia should promote the convenience and reliability of customs clearance at border crossings, simplify customs clearance procedures and processes, and ensure that the time of customs clearance is shortened to reduce the cost of customs clearance. At the same time, China and Mongolia should pay attention to the good cooperation between logistics and transport enterprises, ensure the intelligent construction and information development of logistics and transport, and achieve the improvement of logistics and transport level and efficiency. China and Mongolia should also explore the "green channel" suitable for the logistics transport of agricultural products, and provide many channel services for the transport of agricultural products. Through the implementation of specific measures, the cost of logistics and transport can be reduced, effectively enhancing the competitive strength and profitability of agricultural trade between China and Mongolia.

4.4 Strengthening Policy Communication and Coordination

To ensure the smooth development of agricultural trade activities between China and Mongolia, the two countries should pay attention to policy coordination and policy communication to promote the facilitation of agricultural trade and accelerate its process. On the one hand, the government departments of the two countries develop a regular meeting mechanism for agricultural trade problems in the process of timely exchanges and consultations and work together to

find specific solutions to countermeasures and programs. On the other hand, China and Mongolia should pay attention to cooperation in inspection and quarantine, standard setting and policies to achieve a good interface and coordination between the two countries. At the same time, China and Mongolia should pay attention to agricultural talents, agricultural technology exchanges agricultural market information and other aspects of good cooperation, to achieve a significant increase in the strength and level of agricultural trade. In addition, China and Mongolia should build a perfect and reasonable agricultural trade dispute settlement mechanism to solve disputes and frictions in the process of agricultural trade promptly, to ensure good economic and trade relations between the two countries. Through policy coordination and communication, the trust and understanding between the two sides can be strengthened, to lay a good foundation for the long-term sustainable development of agricultural trade between China and Mongolia, and let them have enough conditions and environment.

5 THE DEVELOPMENT TREND OF AGRICULTURAL TRADE BETWEEN CHINA AND MONGOLIA

When engaging in agricultural product trade between China and Mongolia, the development trend primarily manifests in the ongoing expansion of trade volume, a diversification in trade structure, an enhancement in trade facilitation levels, and the promotion of agricultural cooperation towards a mutually beneficial outcome.

5.1 The Continuous Expansion of the Scale of Trade

In the context of agricultural trade between China and Mongolia, the scale of trade continues to expand due to the ongoing optimization of the trade environment and the deepening of economic cooperation. The economies of both China and Mongolia exhibit a pattern of stable growth, offering ample market space and material resources for agricultural trade. Chinese consumers demonstrate robust demand and represent a sizable consumer market, with a growing interest in specialized and high-quality agricultural products. Despite Mongolia's relatively modest economy, its distinctive natural advantages, resources, and geographical conditions confer market competitiveness to its agricultural products. To foster the sustainable development of agricultural trade, the governments of China and Mongolia are encouraged to establish favorable conditions by entering into pertinent trade agreements[9]. Furthermore, in the era of globalization, active participation in the international trade of agricultural products by China and Mongolia is essential to effectively expand the scale of agricultural trade and market share. Consequently, the continuous expansion and development of agricultural trade between China and Mongolia have emerged as a prominent aspect of economic and trade cooperation between the two nations.

5.2 Trade Structure Tends to Diversify

In the future, the trade structure of agricultural products between China and Mongolia will move forward and develop in the direction of diversification. On the one hand, Mongolia should pay attention to the reasonable adjustment of the agricultural industrial structure and strengthen the adjustment efforts. In recent years, with the change in market demand and economic restructuring of China and Mongolia, the trade structure has shown a diversified trend, which is not only reflected in the increase of agricultural products but also involves mechanical and electrical products and textiles and other aspects. Thus, the agricultural trade cooperation between China and Mongolia is more in-depth and extensive, adding much vitality to the economic development.

5.3 Trade Facilitation Level is Constantly Improving

To ensure that the agricultural trade between China and Mongolia achieves in-depth development, the government should pay attention to the implementation of specific measures to effectively improve the level of trade facilitation of agricultural products. For example, the construction and opening of the "green channel" in Erlian Port has effectively shortened the customs clearance time and reduced the cost of customs clearance. At the same time, the government departments of China and Mongolia have also signed bilateral trade agreements to provide many facilities for the trade of agricultural products and create a good and efficient environment[10]. In this way, it not only improves the efficiency of the actual circulation of agricultural products but also realizes the competitive strength of agricultural products of China and Mongolia in the market.

5.4 Agricultural Cooperation and Mutual Benefit and Win-Win Situation

Cooperation between China and Mongolia in agriculture shows a trend of mutual benefit and a win-win situation. China is a traditional agricultural country with rich agricultural resources and advanced agricultural technology, while Mongolia has suitable climatic conditions and vast land resources. Cooperation between the two countries in the agricultural industry can not only improve the efficiency of agricultural production but also achieve the continuous expansion of the export market of agricultural products. In the future, the agricultural trade cooperation between China and Mongolia will be deepened continuously, and through mutual benefit and win-win way, the competitive strength of agricultural products will be improved, which will bring a lot of power and vitality to the economic development of the two countries.

6 CONCLUSION

To sum up, when China and Mongolia cooperate in the field of agricultural products, they not only bear the responsibility of promoting economic development but also enhance the friendship between the people of China and Mongolia and promote common prosperity. With the advent of globalization and the trend of regional economic integration, agricultural trade between China and Mongolia has entered an important period full of challenges and opportunities. However, at this stage, there are many problems in the trade of agricultural products between China and Mongolia, which are mainly reflected in the single trade structure, quality and safety issues, high logistics and transport costs, trade barriers and friction, etc. Specific countermeasures should be put forward to optimize the trade structure, strengthen quality supervision, reduce logistics and transport costs, and strengthen the communication and coordination of policies. Through the implementation of these countermeasures, we can improve the level of agricultural trade between China and Mongolia, and promote the healthy and sustainable development of agricultural trade between China and Mongolia. Looking ahead, through the joint efforts of China and Mongolia as well as exploration, agricultural trade is facing a very broad prospect of development. As the scale of trade between China and Mongolia continues to expand, we can give full play to the advantages of resources, and effectively improve the quality of agricultural products through the optimization of the trade structure, so that the needs of the consumer groups in China and Mongolia can be fully satisfied.

COMPETING INTERESTS

The authors have no relevant financial or non-financial interests to disclose.

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