

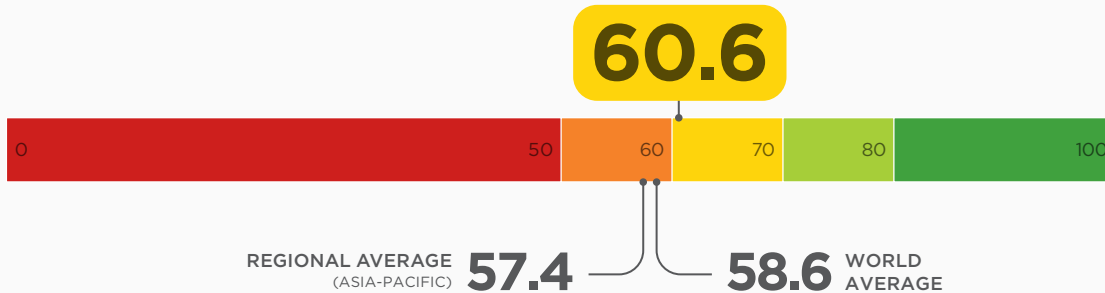
WORLD RANK:	REGIONAL RANK:
76	15
ECONOMIC FREEDOM STATUS: MODERATELY FREE	

MONGOLIA

Mongolia's economic freedom score is 60.6, making its economy the 76th freest in the 2024 *Index of Economic Freedom*. Its rating has decreased by 1.1 points from last year, and Mongolia is ranked 15th out of 39 countries in the Asia-Pacific region. The country's economic freedom score is higher than the world and regional averages. Mongolia's economy is considered "moderately free" according to the 2024 *Index*.

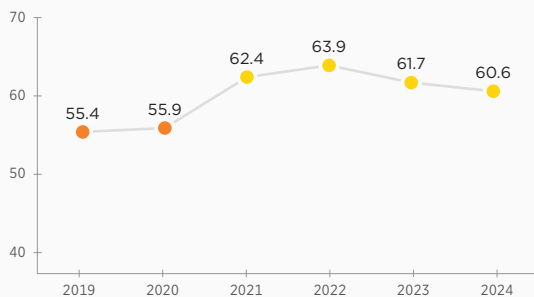
Mongolia's entrepreneurial sector benefits from a relatively open trade regime, and reforms have supported economic expansion and reductions in poverty. However, corruption and the weak rule of law discourage economic development. Judicial reforms and more streamlined public administration would help to sustain economic growth and broaden the improvement of living standards. The regulatory framework is evolving slowly. Employment regulations are relatively flexible, but the labor market lacks dynamism. Inflation has been volatile, and the most recent available rate is slightly above 15 percent.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +12.8

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
3.3 million

GDP (PPP):
\$48.4 billion
5.0% growth in 2022
5-year average growth rate: 3.1%
\$13,996 per capita

UNEMPLOYMENT:
7.1%

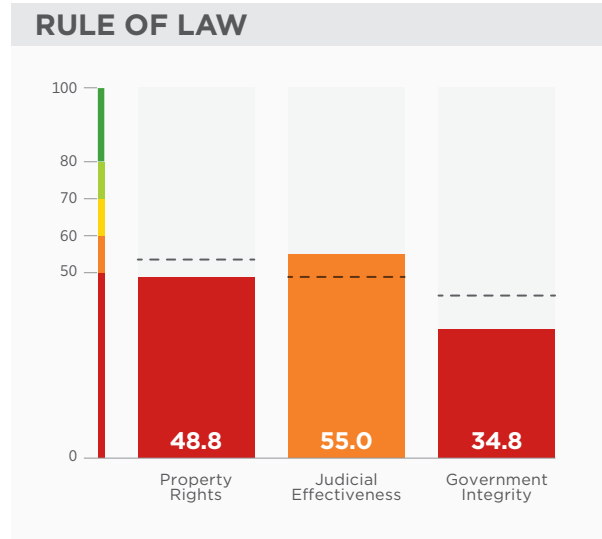
INFLATION (CPI):
15.2%

FDI INFLOW:
\$2.5 billion

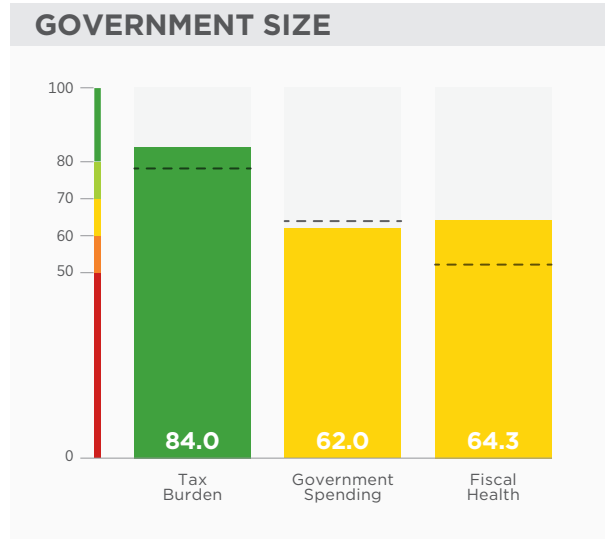
PUBLIC DEBT:
76.3% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

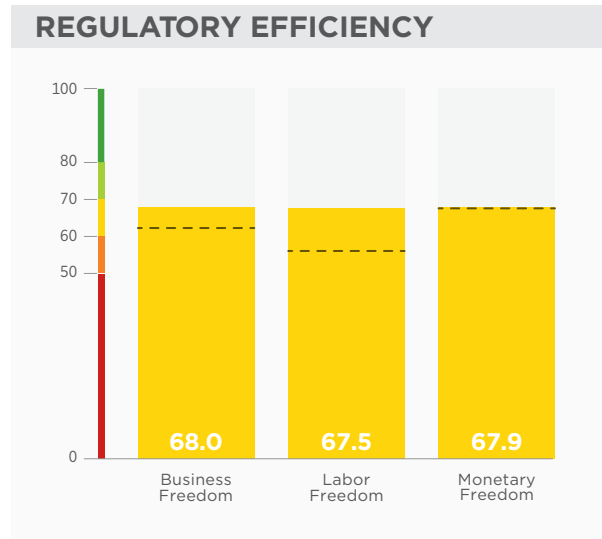
12 ECONOMIC FREEDOMS | MONGOLIA



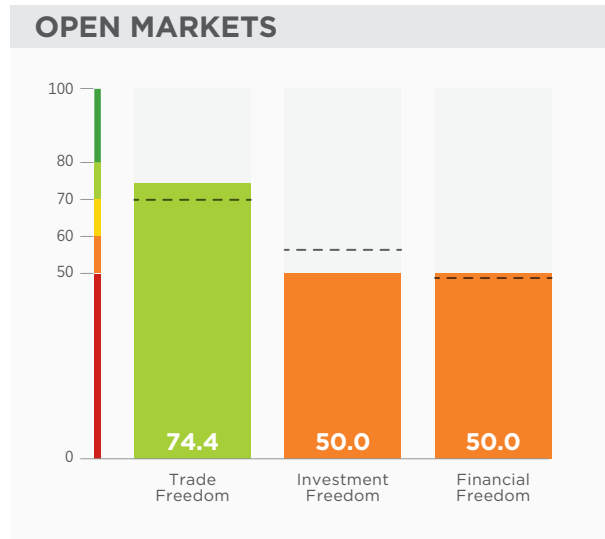
The overall rule of law is weak in Mongolia. The country's property rights score is below the world average; its judicial effectiveness score is above the world average; and its government integrity score is below the world average.



The top individual income tax rate is 20 percent, and the top corporate tax rate is 25 percent. The tax burden equals 24.0 percent of GDP. Three-year government spending and budget balance averages are, respectively, 35.6 percent and -3.9 percent of GDP. Public debt amounts to 76.3 percent of GDP.



Mongolia's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is above the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 5.3 percent, and other barriers to trade undermine trade flows. In an effort to attract more dynamic investment, Mongolia has pursued measures to liberalize markets and develop a competitive financial sector, but progress has been uneven.