NOMADS ARE JOINING COOPERATIVES IN MONGOLIA

INTERNATIONAL YEAR OF COOPERATIVES 2025 COOPERATIVES BUILD A BETTER WORLD

July 2025

Among the initiatives from around the world that the <u>International year of Cooperatives</u> website highlights, an article presents the online event *Nomads Are Joining Cooperatives in Mongolia*, planned to be held in July 2025.

The event was organized to present the initiative called the "New Cooperative Movement," which was launched by the Government of Mongolia in 2024, to empower nomadic herders, who have carried the legacy of nomadic civilization for centuries, to adapt to climate change and overcome risks through their participation in cooperatives.

Despite the obvious difficulties in integrating nomadic herders into cooperatives, who traditionally live and work independently, tending their livestock year-round, within just one year, approximately 30% of all herders have established cooperatives. Mongolia has a total of 308,730 herders, of whom 91,456 have become cooperative members.

The article undelights that "While this is a remarkable achievement, it also demonstrates that herders had both the desire and the need to cooperate economically. Herders have the full potential to voluntarily and collaboratively form cooperatives and develop infrastructure in various forms. If they succeed, they could potentially earn all the income they need for autumn, winter, and spring during the three summer months."

"This growing need has been significantly supported by the economic incentives of the "New Cooperative Movement." For instance, 23,108 herders have received investment loans totaling 783.4 billion MNT under this initiative. These loans should be viewed not merely as credit, but as investments. The loans provided to participating herders in cooperatives with a 6% annual interest rate and a five-year term have had a direct positive impact, enabling herders to increase livestock productivity, purchase processing equipment, build shelters, and acquire breeding animals. Moreover, the movement has fostered collaboration among herders, expanding their economic and social interactions, an outcome widely welcomed by the Mongolian public.

"The initiative also contributes to environmental protection, improved pasture management, and reduced greenhouse gas emissions. Since the launch of the movement, 9,689 new cooperatives with 95,118 members have been established across Mongolia. As these are all primary-level cooperatives, the priority is now to standardize operations and develop supply chains, potentially transitioning into secondary-level cooperatives. The Government of Mongolia is now focusing on this next phase, and









is initiating research and development for the "New Cooperative 2.0" program. This movement is backed by a dedicated law passed by Parliament and includes a plan to provide a total of 5 trillion MNT in low-interest loans through commercial banks by 2029. Policymakers and sector experts believe this provides a strong foundation for developing secondary-level cooperatives."

The Government of Mongolia, which together with Kenya sponsored the declaration of the International Year of Cooperatives 2025 by the United Nations General Assembly, will continue to support the cooperative movement in Mongolia and promote it as a key tool for improving the living conditions of nomadic pastoralists in the country.

The cooperative sector in Mongolia completed its 100th year in 2022. The Mongolia National Cooperative Alliance (MNCA) is the organization representing cooperatives in the country.

4,468 cooperatives are operating in Mongolia, integrating 234,633 members. First established in the 1920s, cooperatives in Mongolia have come a long way, from being state-controlled and managed enterprises for decades to being promoted as community-owned enterprises in recent years. The government recognises the role of cooperatives towards the achievement of Sustainable Development Goals (SDGs), thus ushering in a new era for cooperatives where national and international linkages are being forged in favour of their development. Cooperatives in Mongolia are present in diverse sectors including consumer (34%), agricultural (31%), worker (14%), services (12%), and savings and credit (9%). Cooperatives are present in all the 21 provinces of the country. A brochure published by the International Cooperative Alliance Asia and Pacific presents information about the cooperative movement in Mongolia and the important alliances of Cooperatives operating in the country: the National Association Of Mongolian Agricultural Cooperatives (NAMAC), the Mongolia Sustainable Cashmere Union (MSCU) and the Suun Dalai Tsaltsal Dairy Cooperative (SDTDC) producers group.

Furthermore, it should be emphasized that on 15 March 2022, the United Nations General Assembly declared 2026 as the International Year of Rangelands and Pastoralists IYRP. This Resolution, proposed by the Government of Mongolia in 2019, represents the success of an extraordinary movement that has grown to become today a global coalition of countries, organizations representing all regions of the world and various United Nations agencies. In particular 48 pastoralist, 232 civil society and 6 intergovernmental organizations participate in this coalition and 102 governments have co-sponsored the UN General Assembly Resolution. The role of promoter played by Mongolia for this initiative represents the country's commitment to the issues of the role played by pastoral activities in the economic and environmental development of the countries involved.

In 2019, the Mongolian Government began to petition the United Nations to declare an International Year of Rangelands and Pastoralists to increase global awareness of their importance for food security and ecosystem services. The proposal of the Mongolian Government highlighted that "The health, productivity and environmental sustainability of these lands are directly critical to the livelihoods and cultures of more than 500 million pastoralists, including agro-pastoralists, rangers, and animal keepers around the world. Billions more benefit from these systems for tourism, wildlife and biodiversity, meat and milk and other agricultural













products, mining, renewable energy and other uses"

The IYRP will also be an occasion to enhance initiatives in Mongolia in support of herders' cooperatives in order to improve their living and working conditions and contribute to the valuable services their organizations provide for the sustainable management of the country's environmental resources.

To know more

International Year of Cooperatives IYC 2025 website

Resolution A/RES/78289 United Nations Assembly

Article in dairynewstoday

Article in montsame.mn

Article in akipress.com

Brochure about cooperatives in Mongolia

Country Paper Mongolia about Cooperative Development

New cooperative movement presented at unmeeting.org

IYRP 2026 website









