

MINING THREATENS MONGOLIA'S TOURISM



Mining has concealed tourism and cause the economic growth of Mongolia. Indraa Bold, director of the Mongolian National Tourism Organisation (MNTTO) said that mining took the place of agriculture as Mongolia's tourism's competitors.

13.4 per cent of Mongolia's GDP was accounted for tourism last 2004. The number is gradually falling and is currently at 10 per cent of the country's GDP as of today. Mean while, the mining sector is responsible for 30 per cent of the Mongolia's GDP. This number is expected to rise some more according to Resource Investment Capital, a consultancy in Ulaanbaatar.

Bold said that no matter what the tourism sector does, growth will be directly affected by mining. She also said that mining companies were able to acquire land-use rights in, unfortunately, places of historic interest including the Bichigt Khad Valley, the Darkhad Valley and the sacred meditation sites of Danzanravjaa among others. It is sad to see the irreversible changes being done.

The universal question is why Mongolia can't enjoy growth with both tourism and mining running. Industry insiders say that human resources also have a significant impact on tourism. Enebish, owner of Tseren Tours, says that the unskilled workers hired are trained for language and management skills and once they are competent, they leave to apply for higher paying mining jobs. Ebenish has seen this right before her eyes as 5 of her best employees left Tseren Tours for the mining industry. Even hospitality and transport industries offer their services to the mining sector. Though Hyatt and Radisson opened recently in Ulaanbaatar, it did not do the tourism sector any good.

Most people that go to Mongolia are there for business purposes. In 2011, 43 per cent of the 457,514 people who visited Mongolia were Chinese. This is why the data is quite skewed. Most of these Chinese people are businessmen according to Stephen Kreppel, the director of the Mongolian National Marketing Coordination Office (MNMCO) from the Ministry of Foreign Affairs. Only 90,000 of the said number are tourists that are actually looking for leisure. Kreppel questions government policies regarding building tourist complexes to entertain tourists.

Surprisingly, some tourism operators say that mining has nothing to do with this problem. In their defense, mining projects are localized ones in areas that do not have tourism going on. On the other hand, Gantemur Damba from the Sustainable Tourism Development Center has not come into a conclusion yet and plants to watch what happens.

Despite all these opinions regarding this issue, Damba bravely said that Mongolia is big enough for all industries including mining and tourism. However, because of the issues regarding government policies on land protection, the situation is reversed. The suggested solution is for the government to make a clear policy regarding land-use-rights so that it lets residents and the tourism department meet in the middle. Hopefully, in the next few years, the mining company will be able to continue and prosper and Mongolia's historic and amazing places to attract tourists.

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