

Czech ambassador sees Mongolia as her second home

Ambassador's background becomes a conduit for advancing relations



Czech Ambassador Ivana Grollova presenting her credentials to President Elbegdorj

By B.Indra,
The Mongol Messenger

The Mongol Messenger interviewed IVANA GROLLOVA, the new Czech Ambassador about connections she sees between the Czech Republic and Mongolia. Her in-depth knowledge of Mongolia's history and culture has allowed her to settle in like a local – so much so that she sees Ulaanbaatar as her second home.

-MM: The Czech Republic recently celebrated its National day. How significant was it for you here in Mongolia?

-IG: October 28, 1918 was the foundation day for the new Republic – at that time Czechoslovakia. It seems so far back in history – but we can still draw interesting connections even with Mongolia of those days. At that time, Mongolia (as well as China) was travelling towards the development of a new independent state after the

Manchurian rule period. Although geographically very distant, we already knew much about each other thanks to trade and Czech industry. While further to the North-East, around the railway in today's PRC, Czech engineers built power stations and Bata was selling his shoes, here in Mongolia, Czech Jawa motorcycles were popular throughout the '20s and '30s. So even if bilateral diplomatic relations between Czechoslovakia and Mongolia were only formalized 61 year ago, the relationship between our people through trade has much longer tradition.

-MM: What did the two countries mean to each other in the Soviet era?

-IG: Interestingly enough, we were in a quite similar position at the time. I see it simply as both countries on a path to some sort of natural capitalistic development in the 1920s. We were both deeply influenced by the geo-political interests of our strong neighbours by the end of the '30s and later had fallen into the Soviet 'orbit' for several

decades while both formally remaining independent. As one of the industrially developed countries of that time in the COMECom economic partnership, Czechoslovakia sent engineers and workers to set up the first shoe factories and a brewery in Mongolia. Czech and Slovak geologists were searching for geological resources here - for example, our experts discovered the copper basin in Erdenet. At the same time, Mongolian students used to come and not only learn language, but also technological skills in Prague, Zlin, Brno and many other Czech cities, as well as in Bratislava or Zilina in Slovakia. We have quite a lot of mixed marriages from those times and definitely many great memories and friendships.

From my own field of expertise, linguistic studies, I like to remember the friendship of the oriental studies expert Pavel Poucha (who translated the Secret History of the Mongols into Czech language for the first time) and academician B. Rinchen (who, on the other hand, translated our Old Czech Legends into Mongolian). After his visit to Karlovy Vary, B. Rinchen, in his typical deal, is said to have been walking the ancient streets of Prague in a foggy autumn morning during his visit to Poucha in 1953. A little Czech girl suddenly approached him, walking hand in hand with her grandma from around the corner. She looked up at Rinchen's white beard and barely breathing out of astonishment she asked him passionately, "Good morning, sir, are you God?"

Those were also the times of expeditions of Czech archeologist and Buddhistologist Lumir Jils into the Mongolian steppe. His findings, I hope, will soon be marked in an exhibition of his extremely interesting original photos here in Ulaanbaatar.

But the Czechs and Mongolians also shared "revolting" spirits in different periods of the Soviet era. In the Tsagaandarium modern arts gallery-museum, I recently realized that the first modern art movement here in the 1960s was in fact lead by several Mongolian art students who graduated in Czechoslovakia (and,

like our 'Prague spring' idealists, they were soon 'called back to order' by the ruling regime). The ordinary youth of Czechoslovakia in the '70s and the '80s were exactly like the youngsters from the Ulaanbaatar's unified blocks of flats. They were all hungry to listen to the forbidden Western pop-music, listening to Radio Luxembourg each night and trying to copycat the Beatles' music on their cheap guitars.

After the so-called Velvet Revolution in 1989, several leaders from the Mongolian democratic movement visited Prague and were inspired by the peaceful social changes there. When we were commemorating the 15th anniversary of the tragic death of MP S. Zorig on October 2, I realized how similar he was to our leader of the Civic Forum, our ex-president Vaclav Havel. He was a philosopher and humanist who appeared at the top of the democratic movement because of his unshakable moral credit, always respectful to other persons' opinions, always ready to fight for other people's right to express their views, even though he himself may have not share the same views.

-MM: How can today's Czech Republic and Mongolia enrich each other?

-IG: Again, our situation is similar or complimentary in many ways. Mongolia wants to boost its economy - we have excellent experts and technologies the Mongolians can use. For many Czech small and medium-sized enterprises Mongolia can become a re-discovered market. Czech companies are not after your mineral riches. It is too far and expensive to import them from here. We can, however, help you to make sure you do not destroy your most precious resources - your water and your natural environment. Our companies can help you to set plans for water use, protect water resources, drill wells, decontaminate soil and water, desalinate and clean it, and show to you how to use clean water for further purposes. We help to modernize your power plants and to switch to use of renewable energy, too. In our development projects we have set up several mobile hospitals in remote areas and are ready to participate

in modernization of the big ones in urban areas – not forgetting that the famous 1st Central Hospital was built by Czechoslovakia in the '60s. We offer reliable machinery parts and complete industrial lines. Czech agricultural technologies, public lights, kitchen equipment as well as luxury goods – including the famous Moser or Bohemia glass and Petrof pianos - can make your new houses and apartments more beautiful. Our pilot projects served as basis for the national system of marking livestock - now we can build on it by insemination, immunisation or meat and felt processing, either bilaterally or within the EU projects. We offer European-standard technologies and even cooperate with your experts on very important setting of standards. That would help you to make sure your exported 'tonnes and metres' are real measurements for that you get good prices and your exports would really meet the requirements of your foreign clients. We are preparing some vocational training courses and the Prague ZOO, financed by the state Development Cooperation project in Takhin Tal, brings Takhi – the Przewalski horse - back to its original motherland in wild nature.

Last but not least, there are plenty of entertaining cultural events – be it a photo exhibition, afternoon with the Little Mole and other cartoon characters, opera, big-beat and jazz music concerts, films or even a musical performance - we would like to organize here together. The Czechs and Mongolians share quite similar tastes and sense of humour sharpened by similar historical experiences.

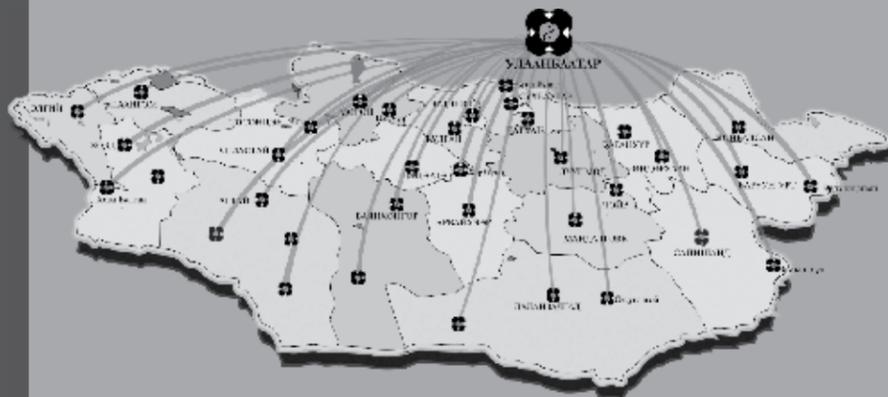
-MM: You were recently appointed the new Ambassador but you are not new to Mongolia at all, is that correct?

-IG: I graduated in Mongolian studies at Charles University in Prague in the beginning in the '80s. My family bonds may bring me back here many times after my official engagement as Ambassador. Therefore, I feel personally devoted to the idea of a greener, cleaner and safer Ulaanbaatar – after Prague, my second home.

So, let us work together!



Thank you to our 1.8 million customers



310 ATM
100% ONLINE
500 BRANCHES

The only bank reaching every corner of Mongolia

KHAN BANK FINANCIAL STATEMENTS OF 3RD QUARTER, 2012

	/Thousand MNT/	
Assets	9/30/2012	
Cash and cash equivalents	363,053,126	
Deposits at BOM	259,310,675	
Financial investments / net/	165,524,130	
Mongolbank bills	102,464,248	
Loans and advances to customers	1,696,206,008	
Non-performing loans	22,067,692	
Allowance for impairment losses	(28,956,788)	
Due from Banks	160,325,917	
Other Real Estate Owned	62,016	
Reserve for Probable Losses for OREO	(62,016)	
Fixed Assets / net/	70,657,084	
Other assets / net/	30,052,814	
Total assets	2,456,862,291	
Liabilities		
Current account	514,523,597	
Deposits	1,262,228,819	
Time deposits	809,532,308	
Debt issued and other borrowed funds	125,777,540	
Due to banks	120,283,573	
Government deposits	42,711,643	
Other liabilities	94,928,366	
Total liabilities	2,160,453,538	
Equity	296,408,754	
Ordinary shares	13,198,012	
Preferred Stocks	-	
Share premium	14,140,923	
Other reserves	14,802,451	
Current year's earnings	48,943,340	
Retained earnings	146,756,287	
Sub debt	58,567,740	
Total liabilities and Equity	2,456,862,291	
Interest income	195,599,176	
Interest expense	93,382,764	
Fees and commission income	17,536,730	
FX Trading & Adjustment income	14,170,596	
Other operating income	1,620,978	
Other operating expenses	26,456,071	
FX Trading & Adjustment expense	879,917	
Personnel Expenses	40,853,636	
Loan loss provision expense	3,276,976	
Net Profit Before Taxes	64,078,115	
Prudential ratio	Requirement / Performance	
Capital adequacy	>12.5%	14.77%
Liquidity ratio	>25%	31.64%
Loan concentration risk	<20%	18.82%
Related one borrower exposure of total equity	<5%	3.44%
Foreign currency risk:		
Single foreign currency position	< ± 40%	6.12%
Total foreign currency position	< ±15%	2.87%