LAW OF MONGOLIA ON ENVIRONMENTAL IMPACT ASSESSMENT
REVISED VERSION of 22nd November 2001

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Article 1. Purpose of this Law
1.1. The purpose of this law is to regulate the interrelations of conducting Environmental Impact Assessment (EIA), preventing any damage of ecological balance, regulating proper use of natural resource reserves, and decision-making on project implementation.

Article 2. Legislation on EIA
2.1. The legislation on EIA shall consist of the Constitution of Mongolia, the Law of Mongolia on Environmental Protection, the present Law and other legislative acts issued in conformity with them.
2.2. If the international treaties to which Mongolia is a signatory differ, then the provisions of the international treaties shall be applied.

Article 3. Terminology of the Law
3.1. The following terms used in the present Law shall be understood as:
3.1.1 “Environmental Impact Assessment” means the prior identification of any possible adverse effects from production and service activities by citizens, economic entities and organizations to human health and the environment, as well as determination of the measures to minimize and mitigate such adverse impacts;
3.1.2 “Project” means any activities to use natural resource reserves by currently functioning and to be newly established productions, services or constructions, by renovating and promoting them or by other types of forms;
3.1.3 “Project proponent” means legal citizen or economic entity responsible for implementing the project;
3.1.4 “Risk assessment” means identification and prediction of the possible emergency cases that could occur during the production process or natural disasters, and the elimination and mitigation of their consequences;
3.1.5 “Assessment analysis” means the conclusion done by auditory Experts assigned by the organization conducted the screening, to the report of Detailed Environmental Impact Assessment of the project;
3.1.6 “Expert” means a legal person obtained a license of conducting impact assessment and making a conclusion on it;
3.1.7 “Assessment specialist” means a person, who has a right to participate in the activities of Detailed Environmental Impact Assessment, by conducting research investigation, impact assessment and evaluation;
3.1.8 “Project customer” means a citizen, legal person, financing the project.
CHAPTER TWO – Environmental Impact Assessment

Article 4. Screening of projects

4.1. The subjects for Screening are new projects, as well as renovation and expansion of existing production or services, construction activities and use of natural resources, whereby estimating the impact of the project in advance within the impact assessment.

4.2. Screening shall be done prior to starting the implementation of the project, and before obtaining the license on using mineral resources, owning and using the land.

4.3. The Citizen Representative Khural of the capital city, aimag, soum and district, and their Presidium, as well as local environmental inspectors shall do the control on project implementing citizens, economic entities and organizations, whether they had impact assessment conducted.

4.4. According to the classification stated in the Attachment of this Law, the project proponents shall submit for Screening the project description, the technical decision of the project, its technical and economical documentation and other related documents to the State Administrative Central Organization in charge of nature and environment.

4.5. The State Administrative Central Organization in charge of nature and environment shall approve the methodological guidelines of the Screening.

4.6. The Expert shall conduct the Screening within 12 working days and shall make one of the following conclusions:

4.6.1 It is possible to implement the project without having a Detailed EIA;

4.6.2 It is possible to implement the project with certain conditions;

4.6.3 It is necessary to have a Detailed EIA;

4.6.4 It is necessary to return the project, which does not meet the requirements of the relevant laws and legislation, the techniques and technology of which are harmful for the nature and environment, which is not stated in the organizational plan.

4.7. The Expert is appointed by the State Administrative Central Organization in charge of nature and environmental problems to conduct impact assessment, depending on the Expert's professional abilities, working skill and experience. If necessary, related specialists could be involved into the impact assessment.

4.8. If necessary, the State Administrative Central Organization in charge of nature and environmental problems shall extend the period of time stated in Article 4.6 of the present Law.

Article 5. Detailed Environmental Impact Assessment

5.1. Terms of reference for a Detailed Environmental Impact Assessment (Detailed EIA) shall be defined in the statement on Detailed EIA that comes under Article 4.6.3 of the present Law.

5.2. A Detailed EIA shall be conducted by the economic entity which obtained the license according to the statement in Article 9 of the present Law.

5.3. The certified economic entity shall develop the report on the Detailed EIA.

5.4. The Detailed EIA shall include the following items:

5.4.1 Environmental baseline data and indices;

5.4.2 The optimal alternative of the project and technology;

5.4.3 Recommendation on measures to mitigate and eliminate potential and significant adverse impacts;

5.4.4 Analysis and calculation, which determined the amount, spreading and consequences of the project;
5.4.5 Risk Assessment;
5.4.6 Environmental Protection Plan;
5.4.7 Environmental Monitoring Programme
5.4.8 Opinions of local citizens, the Presidium of the Citizens’ Representative Khural of soum and duureg;
5.4.9 Other issues interconnected with the cultural strata of the locality where the project is to be implemented, and the peculiarities of the project;
5.4.10 Restoration project.

5.5. The opinion of the project proponent shall be officially submitted in the report project of the Detailed EIA.

5.6. The required costs for conducting the Detailed EIA and decision-making shall be born on the base of the contract signed with the licensed economic entity which is considered the project customer.

5.7. The economic entity which conducted the Detailed EIA shall keep the original document of the investigation conclusion conducted by the assessment specialist, and shall prepare three copies of the paper for the State Administrative Central Organisation in charge of nature and environment, for the project proponent, and for itself, and the copies shall have the same legislative effect as the original one.

Article 6. Environmental Protection Plan and Environmental Monitoring Programme

6.1. The project proponent shall develop the Environmental Protection Plan and Environmental Monitoring Programme for the purpose of implementing the recommendations and conclusion of the EIA and to monitor and control its own process and performance.

6.1.1 The Environmental Protection Plan shall include the measures to reduce, mitigate or eliminate the adverse impacts which were identified during the Detailed EIA and determine the date and estimated budget for the implementation of those measures.

6.1.2 The Environmental Monitoring Programme shall conduct the monitoring investigation on the changes in the environmental condition caused by the production activities, report the result, determine the methodology and form of implementation, state the required property and expenses, and the required period of time.

6.2. The organisation which conducted the Screening of the EIA shall approve the annual Environmental Protection Plan, the Environmental Monitoring Programme, and the amount of required property and expenses for their implementation.

6.3. The project proponent, implementing the project, except for projects regarding mineral resources, shall centralise the cash equal to not less than 50% of the costs required for the Environmental Protection measures in the bank account of the soum or duureg as a guarantee of completing the bearing responsibility on the environmental protection, and shall report the result of the plan annually. Costs of environmental protection measures related to mineral resources shall be regulated by the Law on Mineral Resources.

6.4. The Environmental Protection Plan and Environmental Monitoring Programme shall be controlled by the local State Environmental Inspectors, Citizens’ Representative Khurals and their Presidiums of aimag, soum, and duureg.

6.5 The organization conducted the Screening of the Environmental Impact Assessment, shall decide the problem on returning the guarantee cash of the project proponent according to the relevant guidelines, basing on the conclusion of the monitoring, stated in Article 6.4, and the report of the completion of the Environmental Protection Plan.

6.6. The Environmental Protection Plan, Environmental Monitoring Programme, as well as guidelines and methodology of restoration, shall be approved by the State Administrative Central Organization in
Article 7. Analysis on Detailed Environmental Impact Assessment

7.1. The economic entity that conducted the Detailed Environmental Impact Assessment, shall deliver the report of the impact assessment to the organization that conducted the Screening of the Environmental Impact Assessment with the other related documents.

7.2. The Expert who receives the report of the Detailed EIA, shall do the assessment analysis during 18 working days. If necessary, the State Administrative Central Organization in charge of nature and environment shall extend this time interval. If necessary, confidence laboratory of the environmental analysis shall do the conclusion of the assessment analysis.

7.3. Considering the suggestions of the citizens of the locality where the project is to be implemented, and basing on the conclusion of the Expert on the report of the Detailed EIA, the State Administrative Central Organization in charge of nature and environment shall decide the problem of the project implementation.

7.4. The procedure of the assessment analysis, and methodology of the impact assessment shall be approved by the State Administrative Central Organization in charge of nature and environment.

7.5. The organization received the report of the Detailed EIA, shall organize the work on introducing it to the public.

7.6. The relationship connected with the forming of information data fund of the Environmental Impact Assessment shall be regulated with the Law on Environmental Protection.

Article 8. Expertise

8.1. The economic entity that is implementing a project on the basis of having the Detailed EIA done, shall do the Expertise if the activities of the organization have been causing or cause the harm of human health and environment, in order to determine whether the assessment is true.

8.2. The work group, which shall do the Expertise, shall be assigned by the State Administrative Central Organization in charge of nature and environment with the present of related professional officials.

8.3. The State Administrative Central Organization in charge of nature and environment shall deal with the finance required for conducting the assessment analysis, and shall prosecutively take the costs from the abnormal body.

8.4. The economic entity that conducted the Detailed EIA, and the project proponent, shall collect the required documents for the Expertise without any obstacles.

8.5. The State Administrative Central Organization in charge of nature and environment shall determine the end of the Expertise on the basis of the agreement with the related sides.

8.6. If the Expertise determines that the Detailed EIA was conducted wrongly, the work is to be returned to be done correctly, and during the period of time, the right of conducting a Detailed EIA on other projects shall be suspended by the State Administrative Central Organization in charge of nature and environment.

8.7. If it is estimated to be done additional work with the Expertise, the economic entity that conducted the Detailed EIA shall bear the related expenses.

Article 9. Licensing and invalidating the right to conduct Detailed EIAs

9.1. An economic entity of Mongolia requesting to obtain the right to conduct Detailed EIAs shall apply to the State Administrative Central Organization in charge of nature and environment.
9.2. The following documents shall be attached with the application for obtaining the right to conduct Detailed EIAs:

9.2.1 Brief introduction of the activities of the economic entity;

9.2.2 The transcript of the assessment specialist;

9.3. The ability of conducting an impact assessment by an economic entity that has submitted an application according to paragraph 9.1 of this Article, shall be checked up by a Commission during 26 days and concluded.

9.4. The Commission shall be assigned by the State Administrative Central Organization in charge of nature and environment.

9.5. An economic entity that has obtained a license for conducting Detailed EIAs shall dedicate its basic activities to the conducting of Detailed EIAs.

9.6. The economic entity shall obtain its license to conduct Detailed EIAs on the basis of Article 7.5 of the Law on Environmental Protection1.

9.7. The right of conducting Detailed EIAs shall be given to the economic entity with a two-year guarantee on the basis of the conclusion of the Commission appointed according to the Article 9.4 of this Law.

9.8. At least two months before the deadline of the expiry of the license, the economic entity shall submit an application for the extension of its license and report of its activities to the State administrative Central Organization in charge of nature and environment.

9.9. After conducting the monitoring on the received application and report, the Commission shall decide the problem on whether to extent the duration of the license on conducting Detailed EIAs.

9.10. Basing on the conclusion of the Commission, the State Administrative Central Organization in charge of nature and environment may extend the valid period of the license for a further 2 years at one time.

9.11. If the fact that a Detailed EIA was conducted wrongly by the licensed economic entity is confirmed with the monitoring investigation, then the State Administrative Central Organisation in charge of nature and environment shall require the economic entity to bear the administrative responsibility for its amenability, and render invalid the right of the entity for conducting impact assessments. If the fact that the assessment specialist has not completely conducted the assessment, is proved with the assessment analysis and monitoring investigation, then the specialist's right to conduct impact assessment can be made invalid for until 2 years by the State Administrative Central Organization in charge of nature and environment.

9.12. The State Administrative central Organization in charge of nature and environment shall give the right of conducting the impact assessment to the assessment specialist or make it invalid.

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1 Paragraph 5 of Article 7 of the Law on Environmental Protection states:

“Economic entities and organizations meeting the following requirements may be certified to conduct such assessments:
1. Staffed with adequately qualified personnel;
2. Have the necessary measuring and research tools, instruments and equipment;
3. Have approved methods and procedures for carrying out such assessments;
4. Have databank for conducting the assessments.”
CHAPTER THREE – Rights and Responsibilities of Participants in the Environmental Impact Assessment

Article 10. Rights and responsibilities of the project proponent
10.1. The project customer and proponent shall have the following rights:
   10.1.1 to apply for getting the right of conducting the impact assessment to the legislative organization;
   10.1.2 to choose the economic entity to conduct the Detailed EIA;
   10.1.3 to require from the economic entity to have the Detailed EIA conducted, to keep some data information related to the technique, technology and business of the project in secret.

10.2. The project proponent shall bear the following responsibilities:
   10.2.1 to give the document related to the impact assessment of the project to the legislative organization or officials;
   10.2.2 to have the Environmental Protection Plan and the Environmental Monitoring Programme approved and to implement them, to report the completion in estimated time.

Article 11. Rights and responsibilities of the licensed economic entities
11.1 The economic entity which has a license of conducting the Detailed EIA, shall have the following rights:
   11.1.1 to request the project proponent to provide it with the documents required for conducting the impact assessment;
   11.1.2 to enter the work place, to take tests and samples, if necessary in order to conduct the Detailed EIA;
   11.1.3 to control the completion of the Environmental Protection Plan and Environmental Monitoring Programme constantly, and if necessary, to apply its conclusion on whether to continue the project, to the related State Administrative Central Organization in charge of nature and environment.

11.2. The economic entity which has a license for conducting the Detailed EIA, shall bear the following responsibilities:
   11.2.1 to used the conclusion of the impact assessment and investigation conducted previously;
   11.2.2 to add changes into the report of the Detailed EIA;
   11.2.3 to bear the responsibility for the fact that the result of the impact assessment is true;
   11.2.4 to keep secret the information related to the project technique, technology and business;

11.3 The economic entity which has a license for conducting the Detailed EIA, shall regulate the risk insurance related to the impact assessment with the laws and legislation.
CHAPTER FOUR - Other Issues

Article 12. Liabilities for Violation

12.1 Violators of the Law and legislation on Environmental Impact Assessment shall be the subject of criminal or administrative penalties depending on the capacity of the harm and nature of the violation.

12.2. If the violator of the Law and legislation on Environmental Impact Assessment is not the subject of the Criminal Code, then a judge or a legislative State Environmental Inspector shall impose the following administrative penalties:

12.2.1. If the project has been implemented without conducting an EIA and appropriate permission or decision on that, then illegal income shall be confiscated by the State and transferred to the Soum or Duureg budget.

12.2.2. If the project implementation does not meet the requirements defined in the report of the EIA, then the activities of the project implementation shall be suspended until the elimination of the violation and a fine of (up to) 50,000 MNT imposed on a guilty official, and (up to) 250,000 MNT for the economic entity.

12.2.3. If the project is implemented and operated without an Environmental Protection Plan and an Environmental Monitoring Program, or does not fulfil the Environmental Protection Plan and Environmental Monitoring Programme, or if the report is not completed in time, then the authority concerned shall impose a fine of 25,000-50,000 MNT on a guilty official, and 200,000-250,000 MNT on a guilty economic entity.

12.2.4. If the fact that the Detailed EIA was done wrongly because of its own activities, is proved with the assessment analysis and monitoring investigation, the economic entity that conducted the impact assessment shall be fined 150,000-250,000 MNT.

Article 13. Compensation for Damages

13.1. If human health or property suffered from the conducting project implementation not having the impact assessment done, or due to the non-compliance with the requirements stated in the EIA, then the harm shall be eliminated and confiscated by the guilty party.

13.2. If the fact is proved that the economic entity with a license for conducting Detailed EIAs, conducted a Detailed EIA, then the costs on impact assessment and directly caused harm shall be confiscated.

SPEAKER OF THE STATE GREAT KHURAL OF MONGOLIA

S. TUMUR-OCHIR

Note of highlights:

Oooooo – new amendment
Ooooooo- change