

LAW OF MONGOLIA ON LAND

7 June 2002

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CHAPTER ONE

GENERAL PROVISIONS

Article 1. Purpose of the Law

1.1. The purpose of this law is to regulate possession and use of state-owned land and other related issues.

Article 2. Legislation on Land

2.1. The legislation on land shall consist of the Constitution of Mongolia, this law and other legislative acts issued in conformity with them.

2.2. Issues related to use and protection of underground resources, forests, water, air, flora, fauna and other natural resources shall be regulated by relevant legislative acts.

Article 3. Legal Definitions

3.1. The following terms used in this law shall be interpreted as follows:

3.1.1. "land" means a piece of space including the land surface, its soil, forests, water and plants;

3.1.2. "to own land" means to be in legitimate control of land with the right to dispose of this land;

3.1.3. "to possess land" means to be in legitimate control of land in accordance with purpose of its use and terms and conditions specified in respective contracts;

3.1.4. "to use land" means to undertake a legitimate and concrete activity to make use of some of the land's characteristics in accordance with contracts made with owners and possessors of land;

3.1.5. "to vacate land" means to remove obstacles from returning the land to the owner by such actions as transferring buildings and other properties on the land, and rehabilitating the land as stipulated in laws and contracts, upon expiration of the right to possess or use the land, or upon [removal of the land] when it is used without authorization;

3.1.6. "pastureland" means rural agricultural land covered with natural and cultivated vegetation for grazing of livestock and animals;

3.1.7. "a license for land possession" means a document certifying rights given to Mongolian citizens, companies, organizations and companies with foreign investment to possess land, given in accordance with this law;

3.1.8. "a license for land use" means a document certifying rights given to foreign countries, international organizations, foreign legal entities, foreign citizens and stateless persons to use land, given in accordance with this law.

Article 4. Principles Pursued by the Government in Relation to Land

4.1. The government shall follow the following principles in relation to land:

4.1.1. the land shall be under government monitoring and protection;

- 4.1.2. the territory of land shall be unified;
- 4.1.3. fairness and equity shall be ensured with respect to ownership, possession and use of land;
- 4.1.4. following terms and procedures of the law, the land shall be used efficiently, rationally and for its main purpose, and shall be protected and rehabilitated;
- 4.1.5. any activities that may cause damage to human health, nature protection, or national security, or those that may cause ecological imbalance shall not be undertaken.

Article 5. Land Owners

- 5.1. Any land other than that given into ownership by citizens of Mongolia shall be the property of the government.
- 5.2. Land, excluding pastureland, land for common tenure land and land for special government use, may be given into ownership to citizens of Mongolia only.
- 5.3. Issues related to giving land into ownership by citizens of Mongolia shall be regulated by the relevant law.

Article 6. Land Possessors and Land Users

- 6.1. Mongolian citizens of 18 years and over (hereinafter referred to as "citizens"), companies, organizations and companies with foreign investment may possess or use land in compliance with this law.
- 6.2. The following [types of] land, regardless of whether they are given into possession or use, shall be used for common purpose under government regulation:
 - 6.2.1. pasturelands, water points in pasturelands, wells and salt licks;
 - 6.2.2. public tenure lands in cities, villages and other urban settlements;
 - 6.2.3. land under roads and networks;
 - 6.2.4. lands with forest resources;
 - 6.2.5. lands with water resources.
- 6.3. Foreign countries, international organizations, foreign legal entities, foreign citizens and stateless persons may become users of land for a specific purpose and a specific time period subject to contract conditions and in compliance with the law.

Article 7. Land Fees

- 7.1. Citizens, companies and organizations possessing or using land shall pay land fees in accordance with relevant laws and contracts.
- 7.2. The amount of land fees and regulations on partial waiver from land fees, exemption from land fees, and expending the income from land fees shall be regulated by the law.

Article 8. Maps of Borders, Names of Geographic Units and Land Classification

- 8.1. Each administrative/ territorial unit shall have maps showing their borders, names of geographic units and land classification.
- 8.2. Borders of territories and names of geographic units shall be approved by the State Ikh Khural. Maps showing land classification shall be approved by the government authority in charge of land issues (hereinafter referred to as "the government authority").
- 8.3. Territorial maps of each administrative/ territorial units showing their borders, names of geographic units and land classification shall be kept by the governors of corresponding

levels; and the full copies covering the national territory shall be kept by the corresponding government authority.

8.4. The government authority shall approve regulations on keeping and using maps that show borders of territorial units, names of geographic units and land classification, as well as regulations on making changes on these maps.

8.5. Only the State Ikh Khural can change official geographical names.

8.6. It shall be prohibited to use different geographical names, translate geographic names from Mongolian into other languages, or transcribe these names as pronounced in other languages when using geographic names in official documents and events.

CHAPTER TWO

THE UNIFIED LAND TERRITORY OF MONGOLIA AND ITS BASIC CLASSIFICATION

Article 9. The Unified Land Territory

9.1. Regardless of the form of ownership, all land within the borders of Mongolia constitutes a unified land territory.

9.2. The unified land territory shall be classified based on the general purpose of its use and the need for its use.

Article 10. Basic Classification of the Unified Land Territory

10.1. The unified land territory of Mongolia shall be classified as follows:

10.1.1. agricultural land;

10.1.2. land of cities, villages and other urban settlements;

10.1.3. land under roads and networks;

10.1.4. land with forest resources;

10.1.5. land with water resources.

Article 11. Agricultural Land

11.1. Agricultural land shall include pastureland, hayfields, crop lands, lands for cultivation of fruits and berries, fallow lands, lands under agricultural constructions and other land for agricultural production.

Article 12. Land of Cities, Villages and Other Urban Settlements

12.1. Land of cities, villages and other urban settlements shall include lands under urban constructions and buildings, industrial and mining sites and urban common tenure land.

12.2. Common tenure lands shall include urban streets, squares, roads, resorts not owned by individuals, companies and organizations, areas for entertainment and sports, parks, cemeteries, waste disposal and cleaning sites and other similar areas.

Article 13. Land Under Roads and Networks

13.1. Land under roads and networks shall include land outside cities, villages and other urban settlements given for the needs of energy supply, heating supply, water supply, transportation, communication and information [networks].

Article 14. Land With Forest Resources

14.1. Land with forest resources shall include forests, forest glades and logged areas, and forest strips, as well as land for growing forests and areas adjacent to forests to allow forest expansion.

Article 15. Land With Water Resources

15.1. Land with water resources shall include land under lakes, ponds, rivers, streams, torrents, springs, glaciers and iced riverbeds.

Article 16. Land for Special Needs

16.1. Mongolia shall have lands for special needs. The following land shall be considered as lands for special government needs:

16.1.1. lands under special government protection;

16.1.2. border strip lands;

16.1.3. lands given for ensuring national defense and security;

16.1.4. land given to foreign diplomatic missions and consulates, as well as resident offices of international organizations;

16.1.5. land for scientific and technological tests, experiments and sites for regular environmental and climatic observation;

16.1.6. aimag level reserve rangelands;

16.1.7. hayfields for government fodder reserves.

16.2. [Governments of] aimags, the capital city, and soums may take land for special needs of the local government for the purposes referred to in provisions 1.1, 1.6 and 1.7 of this article.

16.3. Land belonging to any classification of the unified land territory can be taken for special needs.

CHAPTER THREE

THE AUTHORITY OF GOVERNMENT AUTHORITIES

AND LOCAL SELF-GOVERNING ORGANISATIONS REGARDING LAND ISSUES

Article 17. The Authority of the State Ikh Khural

17.1. The State Ikh Khural shall have the following authority with respect to land issues:

17.1.1. to formulate the general government policy on land;

17.1.2. to make decisions on giving land for use to foreign countries, international organizations and foreign legal entities under lease and concession agreements for a certain period of time;

17.1.3. to take the [types of] land referred to in provisions 16.1.2 and 16.1.4 of this law into special government needs or to release from special government needs and to determine the size and boundaries of these lands;

17.1.4. to determine the size and location of land for implementation of regional international projects and events as well as land for special economic zones.

Article 18. The Authority of the Cabinet

- 18.1. The Cabinet shall have the following authority with respect to land issues:
- 18.1.1. to organize and ensure implementation of the general government policy on land;
 - 18.1.2. to take the [types of] land referred to in provisions 16.1.3, 16.1.5-16.1.7 into special government needs or to release from special government needs, to transfer it under control of relevant authorities and to approve regulations specifying its borders and use procedures;
 - 18.1.3. to pay compensation in the event of taking land for special government needs with or without replacement;
 - 18.1.4. to approve regulations for establishment and operation of land auction markets;
 - 18.1.5. to approve regulations on land management, certification of land characteristics and quality and [preparing and presenting] reports on the unified land territory;
 - 18.1.6. to determine boundaries for lands referred to in provision 17.1.2 of this law and approve their use procedures;
 - 18.1.7. to approve the National Land Management Plan.

Article 19. The Authority of the State Central Administrative Authority in Charge of Land Issues

- 19.1. The state central administrative authority in charge of land issues shall have the following authority:
- 19.1.1. to organize implementation of the general government policy and legislation on land;
 - 19.1.2. to submit reports on the unified land territory to the Cabinet;
 - 19.1.3. to grant licenses to companies and organizations giving them the professional rights to engage in land management and cadastral activities; to remove these licenses; to approve and ensure implementation of regulations and operational rules; to monitor and to evaluate their activities;
 - 19.1.4. to monitor disbursement of funds for land management, land protection and rehabilitation;
 - 19.1.5. to approve a methodology for determining starting prices for land license auctions;
 - 19.1.6. to take the [types of] land referred to in provisions 16.1.1 into special government needs or to release from special government needs, and to determine its size and borders;

Article 20. Common Authority of Citizens' Representatives Khurals and Governors of Aimags, the Capital City, Soums and Districts

- 20.1. Citizens' Representatives Khurals of aimags, the capital city, soums and districts shall exercise the following common authorities with respect to land issues:
- 20.1.1. to monitor enforcement of land legislation and enforcement of their decisions related to land issues, to discuss and assess reports of governors on land issues;
 - 20.1.2. to ratify general land management plans for aimags and the capital city and annual land management plans for soums, submitted by corresponding level governors;
 - 20.1.3. to take land for special needs of aimags, the capital city and soums upon [such proposals] by corresponding level governors; determine their size and boundaries and approve procedures for their use;
 - 20.1.4. to make decisions on giving compensation for the land taken from private use for special needs of aimags, the capital city and soums prior to expiration of their contracts, upon [such proposals] by corresponding level governors;
- 20.2. Governors of aimags, the capital city, soums and districts shall have the following common authorities with respect to land issues:
- 20.2.1. to organize and ensure implementation of the general government policy on land and enforcement of land legislation on their territory;

- 20.2.2. to monitor whether users and possessors of local lands make efficient and rational use of them and land resources, and whether they protect the land in compliance with the law and contracts; to make decisions to resolve conflicts between them and to organize enforcement of these decisions;
- 20.2.3. to submit drafts of general land management plans of aimags and the capital city, or annual land management plans of soums to Citizens' Representatives Khurals of corresponding levels and pursue approval of these plans;
- 20.2.4. to review and consolidate unified land territory reports for administrative and territorial units of their levels, to submit them to Citizens' Representatives Khurals for their discussion and evaluation, and to report to the higher level governors or the relevant government authority;
- 20.2.5. to submit proposals to Citizens' Representatives Khurals regarding taking land for special needs, upon prior agreement with the possessor of the land and the governor of the corresponding level;
- 20.2.6. to make decisions on eviction of persons who possess or use land without appropriate authorization, or who caused significant degradation of land; and to implement the decision;
- 20.2.7. to cancel inappropriate decisions of governors of soums and districts related to land possession and use issues, and to take measures to eliminate conflicts.

Article 21. The Special Authority of Citizens' Representatives Khurals of the Capital City and Governors of Aimags, the Capital City, Soums and Districts

- 21.1. The Citizens' Representatives Khural of the capital city shall have the following special authority with respect to land issues:
 - 21.1.1. to approve annual land management plans and city construction plans for the capital city upon submission of these plans by the Governor;
- 21.2. The governor of the capital city shall have the following special authority with respect to land issues:
 - 21.2.1. to develop drafts of annual land management plans and city construction plans for each district, and submit them to the Citizens' Representatives Khural of the capital city along with opinions of Citizens' Representatives Khurals of districts, district governors and the relevant government authority;
 - 21.2.2. to determine, each year, the location, purpose and total size of land to be given for use or possession according to the approved plan;
 - 21.2.3. to submit proposals to the relevant government authority on appointing and dismissing the head of the capital city Land Department;
- 21.3. Aimag governors shall have the following special authorities with respect to land issues:
 - 21.3.1. to give directions for drafting the annual land management plans of soums;
 - 21.3.2. to submit proposals to the relevant government authority on appointing and dismissing heads of aimag Land Departments;
- 21.4. Soum governors shall have the following special authorities with respect to land issues:
 - 21.4.1. to give comments on the draft general land management plan of the aimag;
 - 21.4.2. to submit draft annual land management plans for their territory in accordance with the approved general land management plan;
 - 21.4.3. to organize auctions for land use and possession licenses in accordance with approved land management plans for the current year;
 - 21.4.4. to receive requests for land use and possession from citizens, companies and organizations and to make decisions to grant land for use or possession in accordance with the annual land management plan.

21.4.5. to submit proposals to heads of soum Land Departments on appointing and dismissing land officials of soums.

21.5. District governors shall have the following special rights with respect to land issues:

21.5.1. to give comments on draft general and annual land management plans and city construction plans;

21.5.2. to submit draft annual land management plans for their territories in accordance with the approved general land management plan to Citizens' Representatives Khurals of districts;

21.5.3. to organize auctions for land use and possession licenses in accordance with the approved land management plan of the current year;

21.5.4. to submit proposals to the head of the Land Department on appointing and dismissing heads of the district Land Departments;

21.5.5. to develop comments and their justification for draft annual land management plans and city development plans of the capital city and to submit them to the Citizens' Representatives Khurals of districts for discussion;

21.5.6. to receive requests for land use and possession from citizens, companies and organizations and to make decisions to give land for use or possession in accordance with land management plans and city construction plans of the current year based on location, purpose and the general size determined by the governor of the capital city.

Article 22. The Authority of Public Khurals and Governors of Bags and Khorooos

22.1. Citizens' Public Khurals and governors of bags and khorooos shall have the following authority with respect to land issues:

22.1.1. to regulate use of common tenure land;

22.1.2. to ensure health and hygienic requirements on common tenure land on the territories of bags and khorooos;

22.1.3. to discuss reports of governors on land use and protection and to evaluate them;

22.2. Governors of bag and khoroo shall exercise the following authority with respect to land issues:

22.2.1. to ensure enforcement of land legislation and implementation of common requirements for efficient and rational land use and protection;

22.2.2. to ensure enforcement of decisions of higher level authorities and decisions of Citizens' Public Khurals of bags and khorooos on land use and protection;

22.2.3. to take the responsibility for use, protection, health and hygiene of common tenure land on their territory.

Article 23. The Structure and the Authority of the Government Authority

23.1. The government authority shall have Land Departments in each aimag, the capital city and district and land officers in each soum.

23.2. The government authority shall have the following authorities:

23.2.1. to organize implementation of the general land policy of the government;

23.2.2. to classify the unified land territory according to the general classification, and to move land from one classification to another;

23.2.3. to develop the general land management plan on the national level;

23.2.4. to undertake land management of special government needs land;

23.2.5. each year, to consolidate and submit land reports to the State central administrative authority in charge of land relations for discussion;

23.2.6. to appoint and dismiss heads of Land Departments upon consultation with respective Governors;

- 23.2.7. to organize land auctions following the relevant procedures;
 - 23.2.8. to undertake land management on the national level;
 - 23.2.9. to give comments on general land management plans of aimags and the capital city and to monitor implementation of these plans;
 - 23.2.10. to collect funds for land protection, rehabilitation and land management, to allocate these funds and to monitor them;
 - 23.2.11. to give proposals to cancel illegitimate land-related decisions of authorities and officials to governors of corresponding levels for their decision;
 - 23.2.12. to be in charge of policy on human resources proficient in land management matters and to provide technical guidance on land management issues;
 - 23.2.13. to approve regulations for giving licenses for land use and land possession and to ensure their implementation;
 - 23.2.14. to administer and organize cadastral activities on the national level, and to compile and maintain the land database;
 - 23.2.15. to conduct research on land management and land cadastral surveys.
- 23.3. Officials of aimags and the capital city in charge of land related issues shall exercise the following authorities:
- 23.3.1. to design general land management plans for aimags and the capital city;
 - 23.3.2. to propose changes or clarification of boundaries of local administrative and territorial units;
 - 23.3.3. to conduct land cadastral surveys, to establish the land database for aimags and the capital city, and to serve the public with this information;
 - 23.3.4. to prepare and submit land reports to governors in accordance with relevant procedures;
 - 23.3.5. to organize land management activities within their territory;
 - 23.3.6. to appoint or dismiss heads of district land departments in charge of land issues and land officials of soums upon consultation with the relevant level governor;
- 23.4. Land officials and district land departments shall have the following authority:
- 23.4.1. to prepare annual land management plans of soums and districts;
 - 23.4.2. to make agreements on land possession and use with citizens, companies and organizations based on Governors' decisions, and to issue licenses;
 - 23.4.3. to mark boundaries of land given for possession or use, to determine their longitude and latitude, to create their cadastral maps and to register them in the national land registry;
 - 23.4.4. to keep the land database;
 - 23.4.5. to request land fees according to relevant legislation, and to monitor them.

CHAPTER FOUR

LAND MANAGEMENT, LAND REGISTER AND THE UNIFIED LAND TERRITORY REPORT

Article 24. Land management and its financing

- 24.1. Land management is a set of activities aimed at implementing land legislation, maintaining a land register, ensuring efficient and rational use of land, protecting and rehabilitating land, increasing economic potential and resources of land and creating a favorable geographic and [land] market environment.
- 24.2. Land management shall be carried out by professional organizations authorized by the State central administrative authority in charge of land relations.
- 24.3. The government shall establish prices and tariffs for land management services.

24.4. Citizens, companies and organizations to whom this applies shall comply with decisions of the Cabinet, government authorities, Governors and Citizens Representatives' Khurals of all levels regarding implementation of land management.

24.5. Land management activities shall be financed as follows:

24.5.1. Funds for land management activities, including fixing boundaries of administrative and territorial units and making changes to them, developing the national land management plan, and other activities related to estimating prospects for regional development, shall be financed by the State central budget;

24.5.2. Funds for land management activities of aimags, the capital city, soums, district, cities, villages and other urban settlements shall be financed by respective local government budgets;

24.5.3. Funds for land management activities for land in use or possession of citizens, companies and organizations shall be financed by their own funds.

Article 25. Main Documents on Land Management and Their Requirements

25.1. The main documents on land management shall consist of the following:

25.1.1. the general national land management plan

25.1.2. general land management plans of aimags and the capital city

25.1.3. annual land management plans of the capital city and annual city development plans;

25.1.4. annual land management plans of soums;

25.1.5. charts related to constructing new towns and cities, acquiring new crop lands, establishing national protected areas, lands covering large industrial sites, mining pits, roads, networks and regional or special economic zones; their feasibility studies; and maps and drawing of land management plans;

25.1.6. cadastral maps, registers and survey and evaluation documents.

25.2. The general national land management plan shall be a set of maps and drawings with a view of the coming 16-20 years of Mongolia's socio-economic development upon maintaining a land management policy adapted to natural and geographic conditions, land resources, ecological and economic considerations, and spatial capacity and potential.

25.3. The general land management plan of aimags and the capital city shall be a set of maps and drawings developed taking into consideration conditions indicated in provision 2 of this article and to be implemented in 12-16 years.

25.4. Annual land management plans of soums and the capital city shall be a set of maps and drawings to be implemented within one year. The location of land to be used, possessed, protected and rehabilitated by citizens, companies and organizations shall be marked on them.

25.5. Cadastral maps, registers and survey and evaluation documents shall comply with the requirements of the relevant laws.

Article 26. Cadastral Registry and Unified Land Territory Report

26.1. Land cadastre shall be an integral part of land management activities.

26.2. The cadastral register shall include all data such as the national register of land in all classifications of the unified land territory, referred to in Article 9 to 16; quantitative registration information; quality of land; evaluation; fees; changes [of ownership, possession or use] and land protection measures, by each territorial unit.

26.3. The unified land territory report will show allocation of land [by owners, possessors and users], national registration, the state of use and protection of land by each administrative and territorial units. The report shall have attached drawings of changes to the above.

26.4. The Cabinet shall approve a format for the unified land territory report.

26.5. Governors of soums and districts shall prepare unified land territory reports for soums and districts by December 1 of each year and submit to governors of aimags and the capital city by December 15 of the same year. Governors of aimags and the capital city shall prepare unified land territory reports of aimags and the capital city and submit them to the government authority by 15 January the following year.

26.6. The government authority shall present the annual national unified land territory report to the Cabinet by the end of March of the following year.

26.7. The unified land territory report shall be based on results of land cadastre.

26.8. Issues related to land cadastre relations shall be regulated by the relevant laws.

CHAPTER FIVE

GIVING LAND FOR POSSESSION OR USE

Article 27. Giving Land into Possession

27.1. State owned land shall be given for possession for the purpose, and according to term and conditions stipulated in this Law, on the basis of a contract. Land may be given for possession only by a license.

27.2. The land possession license (hereinafter referred to as "the license") will be given only to Mongolian citizens, companies and organizations as well as entities with foreign investment

27.3. Each land unit shall have a license.

27.4. Possessing land without a valid license is prohibited.

Article 28. Types of Land Possession Licenses

28.1. Land possession licenses shall be of the following types:

28.1.1. for household needs;

28.1.2. for government organizations;

28.1.3. for companies and organizations.

Article 29. Size and Location of Land Which May Be Possessed by a License

29.1. Land to be given for possession to citizens for fenced areas with their private gers and houses [residential lots] for their household needs shall not exceed 0,07 hectares.

29.2. In addition to land referred to in provision 1 of this article, land not exceeding 0,1 hectares may be given for possession to citizens for cultivating vegetables, fruits, berries and fodder plants.

29.3. Citizens Representatives' Khurals of respective soums and districts may establish the maximum size and location of land to be possessed by citizens for purposes referred to in provisions 1 and 2 of this article, taking into consideration density of the population, land resources and the number of family members.

29.4. Land for cultivating vegetables, fruits and berries may be located next to the residential lots or in a location specifically designated for this purpose.

29.5. The Cabinet shall establish the maximum size of land to be given for possession with a license to companies for production and service purposes.

Article 30. Duration of Land Possession

30.1. The state-owned land may be given possession with a license to Mongolian citizens, companies, and organizations as well as entities with foreign investment for duration of 15 to 60 years. The land possession license may be extended for not longer than 40 years at a time.

30.2. In the event of death or announcement of death of the possessor of land or if the land possessor is announced as missing, the legitimate heir, if he/she wishes, may transfer the land possession license to register himself/herself, and may possess that land until the original expiration date of the license.

Article 31. Requirements for Acquiring License

31.1. Applicants for a land possession license may be Mongolian citizens, companies and organizations, as well as entities with foreign investment.

31.2. The location of the land requested for possession shall have been marked in the annual land management plan of the capital city or soum as available for giving into possession to citizens, companies and organizations.

31.3. The land requested for possession shall not overlap in any way with land territory that is already in possession under a valid license.

Article 32. A Request for Land Possession License

32.1. Citizens, companies and organizations shall submit their requests for a land possession license to governors of respective soums and districts, made according to a format approved by the relevant government authority.

32.2. Citizens shall have the following [information] in their requests referred to in provision 1 above:

32.1.1. family name and first name, permanent resident address, the identification card (ID) number and registration number;

32.1.2. the code of the territorial unit(s) requested which shows the territorial and administrative jurisdiction to which the land belongs, its size and location;

32.1.3. purpose and duration of land possession.

32.3. Companies and organizations shall have the following [information] in their requests referred to in provision 1 above:

32.3.1. name of the company or organization, jurisdiction to which the company belongs, address and location and a copy of the state registration certificate.

32.3.1. the code of the territorial unit(s) requested which shows the territorial and administrative jurisdiction to which the land where the company intends to undertake production and services belongs, its size and location;

32.3.4. purpose and duration of land possession.

32.4. Citizens, companies and organizations shall attach a proof of creditworthiness to their request for land possession with a license.

32.5. On receiving an application along with attached documents referred to in provisions 2 and 3 of this article, the land officials of Land Departments of soums or districts shall register the application according to the procedures approved by the government authority. Upon receipt of the application, the year, month, date, hour and minute of the receipt shall be recorded in the registry, and a certificate of receipt shall be given to the applicant.

32.6. Land officials of soum or district Land Departments shall carefully review the request with the attached documents. If they do not meet the requirements, the official shall give the applicant a notification with appropriate justifications and delete the application from the records.

Article 33. Giving Land Possession Licenses

33.1. The issue of giving land possession licenses to Mongolian citizens, companies and organizations, as well as to entities with foreign investment shall be decided as follows:

33.1.1. Governors of soums and districts shall make decisions to give land into possession in accordance with provisions 29.1 and 29.2, as well as to give land in order to enable state budgetary organizations to fulfill their duties.

33.1.2. Governors of soums and districts shall solve the issue of giving licenses for land possession to citizens, companies and organizations for purposes other than those referred to in provision 1.1 of this article, or land exceeding the size stipulated in 29.1, 29.2 of this Law through a land auction process. The highest bidder in the auction shall be given a notification to make due payments.

33.2. If the person who received the notification for the license payment does not pay it within the time required, the right to possession of that land with a license shall be automatically passed to the next highest bidder, be it a citizen, a company or an organization. If the next highest bidder refused, or an auction did not take place, the license shall be auctioned again.

33.3. Any disputes related to decisions to give land for possession shall be settled as referred to in provision 63.1.1 of this Law.

33.4. It shall be prohibited to give land into possession other than that marked as available for possession in the annual land management plan.

Article 34. A Contract of Land Possession and Procedures for Making the Contract

34.1. Land officials of soum or district Land Departments shall, on the basis of the decision on land possession referred to in provision 33.1.1 of this Law, make a contract with the citizen, company or organization; issue the license; and register it in the national registry.

34.2. Citizens, companies and organizations who have acquired the right to possess land for undertaking production and services shall have a general environmental assessment test made within 90 working days after receiving that right. After the assessment test, a contract on land possession shall be made, the license issued, and a record made in the national registry.

34.3. If the general environmental assessment test made on the land to be possessed by a citizen, a company or an organization shows negative results, this person shall not be given a land possession license. Then a notification to have an assessment test done shall be sent to the next highest bidder in the auction, and the auction bid price shall be returned to the first person.

34.4. If activities of all citizens, companies and organizations who participated in the auction showed negative results in the assessment test, another auction shall be organized.

34.5. The records in the national registry shall include date of issue of the license, the name of the possessor, the code of the possessed land unit, its size and location. There shall be a separate appendix designated for marking any changes or amendments related to licenses.

34.6. A contract on land possession shall have the following [information]:

34.6.1. justification for giving land for possession ([reference to] the relevant decision);

34.6.2. the purpose of land possession;

34.6.3. a map showing the size, location, and boundaries of the land;

34.6.4. characteristics of the land and its quality;

34.6.5. duration of land possession;

34.6.6. the amount of land fee and terms of payments;

34.6.7. rights and responsibilities of the parties to the contract;

34.6.8. an agreement on handling constructions and other property on the land upon termination of the land possession right;

34.6.9. terms and procedures for compensation in case the land is taken back or is replaced;

34.6.10. actions to be taken for land protection and rehabilitation;

34.6.11. other issues considered necessary.

34.7. A state certificate on characteristics and quality of land given for possession with a license and [a document of] assessment of impact on nature and environment shall be attached to a contract on land possession.

34.8. The license of land possession shall be valid if together with the contract. Parties to the contract shall review its implementation each year.

34.9. In the event of joint possession of land, only one contract may be made.

34.10. A license on land possession of citizens, companies and organizations shall serve as a proof for registering their immovable property with the State registration.

Article 35. Rights and Duties of License Holders

35.1. License holders shall enjoy the following rights:

35.1.1. to use the land according to the purposes set forth in the contract;

35.1.2. to obtain the State Certificate on the land characteristics and quality from the owner;

35.1.3. to damages compensated by the guilty person in accordance with established procedures;

35.1.4. to transfer the license or put it as collateral upon approval of the person who made the decision on giving the land possession license;

35.1.5. to have the license extended upon expiration of the license, provided that the license holder will have been duly meeting his/her obligations per land legislation and the contract on land possession;

35.1.6. to participate in the land exchange.

35.2. The rights stated in provisions 1.4 and 1.6 of this article shall not apply to budget organizations.

35.3. License holders shall have the following duties:

35.3.1. to meet terms and conditions set forth in the land possession contract;

35.3.2. to use land efficiently and rationally and to protect the land, to comply with legislation on protection of nature and environment, and meet common requirements related to land use, made by relevant government authority;

35.3.3. to pay land fees in a timely manner;

35.3.4. to have the state certification on characteristics and quality of the land made according to established procedures;

35.3.5. not to infringe rights and legitimate interests of others that are related to land possession;

35.3.6. to have registered at the national registry if the license is to be transferred or put as a collateral.

Article 36. Auction Price of a Land Possession License

36.1. Soums and districts governors shall set the starting price at auctions of land possession licenses, according to a formulae approved by the Central administrative organization in charge of land issues.

36.2. The price set during the land auction shall be considered the real value of the license.

36.3. A service fee set by the State central administrative authority in charge of land issues shall be paid for extension of the term of a license term.

36.4. The Cabinet shall determine the amount of fees to be charged for transfer of licenses to others.

36.5. The fees for transfer of licenses and for extension of licenses shall be paid to the land protection and rehabilitation fund.

Article 37. Extension of a License

37.1. A license holder shall submit a request for extension of the term of the license to the governor of the relevant soum or district at least thirty days prior to its expiration, with the following documents attached:

37.1.1. the land possession license;

37.1.2. documents proving that land fees had been paid on a timely basis;

37.1.3. status of implementation of the recommendations made upon the environmental impact assessment test.

37.2. On receiving a request for extension of a license, governors of soums or districts shall review them and determine, within 15 days, whether or not that person will have been meeting conditions to preserve the right to hold the possession license. If conditions will have been met [consistently], the governor shall extend the license and register it.

Article 38. Transfer of a License to Others

38.1. License holders may transfer their licenses or put them as collateral in a legally allowed manner. Such transfers and pledges may be undertaken only between Mongolian citizens, companies and organizations.

38.2. Each transfer of a license shall be registered with governors of soums and districts; such registry shall make the transfer valid.

38.3. Parties to a license transfer transaction shall submit the request with the following documents attached:

38.3.1. a contract or a will certified by the notary;

38.3.2. a proof that a person receiving the license agrees completely with rights and obligations arising from receiving the license;

38.3.3. documents proving that license transfer fees have been paid.

38.4. On receiving a request to transfer a license, governors of soums and districts shall verify the following:

38.4.1. whether the request meets the requirements of provision 3 of this article;

38.4.2. whether the license requested to be transferred is valid;

38.4.3. whether the legal person to receive the license has the right to possess that license

38.5. Governors of soums and districts shall make a [corresponding] decision within 15 days from receiving the request to transfer the license.

38.6. License holders may pledge their licenses as collateral in compliance with the Civil Code; in this case they have to have the pledge registered with the land official of the soum or district Land Department.

Article 39. Expiration of a Land Possession License

39.1. Licenses may expire in the following circumstances:

39.1.1. if, upon expiration of the land license, no request has been made for its extension;

39.1.2. if a license holder - a natural person has died, announced dead or missing, and the license holder has no legitimate successors; or if a license holder - a legal person has been dissolved or liquidated;

39.1.3. if a license holder requested to terminate his license possession rights

39.1.4. if a compensation has been paid in full to the license possessor for the land taken for special government needs.

Article 40. Termination of License Possession Rights

40.1. Governors of soums and districts shall terminate licenses in the following circumstances:

40.1.1. if the license holder has consistently or seriously violated obligations set forth in the land legislation, and provisions and conditions of the land possession contract;

40.1.2. if it was established that the land has been used to detriment of human health, nature protection, and interests of national security interests;

40.1.3. if a license received from others is not registered, and a new contract is not made;

40.1.4. if recommendations made upon the general environmental assessment are not implemented;

40.1.5. if the license holder has not paid land fees payable according to the law, on time and in full.

40.2. In case circumstances set forth in provision 1 of this article are proven, governors of soums and districts shall issue an order terminating the license and notify of this the license holder or the person who has taken it as a collateral.

40.3. If the license holder or the person who has taken the license considers the governor's decision illegitimate, he/she shall have the right to appeal to court within 10 working days after the date of the governor's order.

40.4. Governors of soums or districts shall notify the government authority of their decision to terminate a license and shall have the changes made to the national registry.

40.5. If the license holder or the person who has taken the license as a collateral appeals to court, a new land possession license for this land shall not be issued until the valid [final] court decision is made.

Article 41. Vacating the Land upon Expiration of the Land Possession License

41.1. Citizens, companies and organizations possessing land shall vacate the land within 90 days of expiration of the license unless otherwise stipulated in the law or in the land possession contract, and transfer the land into the jurisdiction of the governor of soum or district.

41.2. In cases stated in provisions 39.1.1-39.1.3 and 40.1 of this Law the former land possessor shall pay for all expenses related to the land release.

41.3. If, based on a statement made by a professional organization that the land is no longer suitable for its initial purpose due to natural disasters or emergencies, the land possessor submits a request to terminate the land possession contract, land rehabilitation expenses may be financed by the central or local government budget. However, expenses of transferring constructions, buildings and other property shall be borne by the person who possessed the [damaged] land.

41.4. If the land has not been vacated within the period specified in provision 1 of this article, governors of soums or districts shall organize a forceful eviction process according to relevant procedures in accordance with legislation.

Article 42. Removing Land Possessed by Others with Compensation or with Replacement Before Expiration of the Contract

42.1. The relevant government authority may, after an agreement with the land possessor on removing his/her land with or without replacement, with compensation, fully or partially for special needs of government, submit such proposal to the Cabinet.

42.2. Upon consideration of the proposal of the government authority on removing land with or without replacement, in whole or in part, and with compensation from the land's possessor, and consideration of the agreement with the land possessor the Cabinet shall make an appropriate decision.

42.3. Governors of soums or districts shall, on the basis of the Cabinet decision referred to in provision 2 of this article, make a contract with the land possessor citizen, company or organization and remove the land from their possession with or without replacement and with compensation.

42.4. If residential land is removed with or without replacement, vacation of this land may take place only between 15th of May and 15th of September.

42.5. Disputes arising in relation to removing land possessed by persons with or without replacement and with compensation shall be resolved according to provisions 62.1.1 and 63.1.4 of this Law.

Article 43. Giving a Compensation for Removing Land in Possession With or Without Replacement Prior to Expiration of the Contract

43.1. Unless otherwise stated in the law or a contract, citizens, companies and organizations possessing land shall vacate it and transfer the concerned land into the jurisdiction of governors of soums and districts within 90 days of entering into the contract referred to in provision 42.3 of this law.

43.2. The decision of removal of land in possession with or without replacement and with compensation shall take into account the prior agreement with the land possessor, the value of immovable constructions, other properties and the costs to vacate the land estimated at current prices.

43.3. Compensation to be paid to the land possessor shall be transferred from the State central budget to governors of soums or districts when the contract referred to in provision 42.3 of this law is signed.

43.4. Governors of a soum or a district shall pay the compensation to the citizen, the company or the organizations who possessed the land, within 60 days after the contract is signed, unless stated otherwise in the contract referred to in provision 42.3 of this Law.

43.5. The land possessor shall vacate the land within 30 days after receiving the compensation in full, unless stated otherwise in the contract referred to in provision 42.3 of this Law.

43.6. The compensation shall not apply to citizens, companies and organizations using the land.

Article 44. Giving Land for Use

44.1. The issue of giving land for use to foreign countries, international organizations and foreign legal entities shall be dealt with in the same manner as that in provisions 17.1.2 and 18.1.6 of this Law.

44.2. The principle of reciprocity shall be applied if it is necessary to establishing the size of land and the amount of fees for land to be used by foreign diplomatic missions and consulates, as well as resident offices of international organizations.

44.3. Conditions and procedures for use of land by foreign diplomatic missions and consulates, as well as resident representatives offices of international organizations shall be established by international treaties of Mongolia.

44.4. Governors of soums and districts shall make decision on giving land for use to foreign citizens and stateless persons permanently residing in Mongolia (for more than 183 days) through land auctions for household needs only.

44.5. Citizens referred to in provision 4 of this article may be given land for use not exceeding 0,05 ha for a residential lot, and not exceeding 0,1 ha for cultivating vegetables, fruits and berries. Land may be given for use for up to 5 years through a contract. Land use contract may be extended by up to 5 years at a time.

44.6. Foreign citizens and stateless persons shall obtain a certification from the relevant authority in charge of foreign citizens' issues before submitting their requests for land use.

44.7. Procedures of provisions 32, 33.1.2, 33.2, 34.1-34.5, 34.6.1-34.6.8, 34.6.10, 34.6.11 and 34.7-34.10 of this Law shall be followed in making requests for land use, reviewing requests and making decisions on the requests, determining contents of land use contracts, and making such contracts.

Article 45. Rights and Obligations of Land Users

45.1. Land users shall enjoy the rights and obligations of provisions 35.1.1, 35.1.2, 35.1.5 and 35.3.1-35.3.5 of this Law, as well as rights and obligations according to other legislation.

Article 46. Using Land in Possession or in Use for Common Tenure and Special Needs

46.1. The Cabinet and governors of aimags, the capital city, soums and districts may use state-owned land already in possession or use for common tenure and special needs with or without payment, upon such prior agreement with the land possessor or user.

46.2. The Cabinet, due to inevitable social needs, may make a decision to use land in possession or in use for common tenure or special needs with or without payments through administrative orders until such needs disappear.

Article 47. Transfer of Rights on Property Located on Land upon Expiration of Rights of Land Possession and Use

47.1. Unless otherwise stipulated in the Law and contracts, the rights of the owner to use their constructions, other properties on the land shall also expire upon expiration of rights to possess or use that land.

47.2. Unless otherwise stipulated in the Law and contracts, citizens, companies or organizations who possessed or used the land shall return this land to its initial condition upon expiration of rights to possess or use the land.

47.3. Disputes arising in relation to constructions and other property on the land upon land expiration of land possession or use rights shall be resolved according to provision 63.1.4 of this Law.

Article 48. Entering and Crossing Land in Possession or in Use

48.1. If land in possession or in use is not specifically protected by erected fences or posted warning signs prohibiting entering and crossing, any person may enter or cross this land without causing damage to the land.

48.2. The government authority in charge of land issues shall determine the design, of warning signs referred to in provision 1 of this article as well as procedures for their use.

Article 49. Limited Use of Land in Possession or in Use

49.1. To use and protect their property, owners of immovable property shall have the right to demand a limited use of land possessed or used by others in order to construct roads, power, communication and engineering lines through that land, transit points and for other purposes.

49.2. The limited right to use land shall be established by an agreement between the possessor or user of land and the person demanding to use the land with limited rights.

49.3. Possessors and users of land shall have the right to demand the person using the land with limited rights to terminate their land use if it makes the land unusable for its purposes

49.4. Disputes arising in relation with using land with limited rights shall be resolved according to provision 63.1.4 of this Law

Article 50. Preserving the Right of Limited Use of Land

50.1. If land possession or use rights are transferred to another legal person, the limited rights of persons to use land shall be preserved.

50.2. It shall be prohibited to transfer the limited land use rights to persons other than owners of the property referred to in provision 49.1 of this Law.

Article 51. Expiration of Property Rights upon Expiration of Land Use Rights of Certain Persons

51.1. Upon expiration of land use rights of bodies described in articles 44 and 45 of this Law, the rights of property owners to use their constructions, other property on that land shall expire unless otherwise stipulated in the law.

CHAPTER SIX

EFFICIENT AND RATIONAL USE OF LAND AND LAND PROTECTION

Article 52. Common Requirements for Efficient and Rational Land Use and Its Protection

52.1. Possessors and users of land shall meet the following requirements for efficient and rational land use and its protection:

52.1.1. to take measures at their expense to preserve land characteristics and quality, to prevent deterioration of soil fertility, deterioration of vegetation cover, soil erosion, degradation, soil becoming arid, marshy, soil salinization, its pollution and poisoning (chemical pollution) due to natural causes and human factors;

52.1.2. to restore and maintain at their expenses the land eroded and damaged due to digging it for mining purposes, preparing building materials, building rail and motor roads, mineral exploration and surveying, testing, research works and other activities;

52.1.3. not to cause an adverse impact on the environment and the land when using land, its resources and common mineral resources;

52.1.4. to preserve and protect lands with forests, rare and endangered animals and plants, historical and cultural monuments;

52.1.5. not to undertake activities which may cause an adverse impact on the environment, and the state-owned land as well as land possessed or used by other persons.

Article 53. Hygienic Requirements for Land Use

53.1. Citizens, companies and organizations shall, at their own expense, have the environmental assessment tests made by relevant professional organizations [prior to] producing maps related to land use, introducing new technology, or applying chemical elements or fertilizers which have not been tested in Mongolia previously.

53.2. Citizens, companies and organizations shall undertake activities such as constructing buildings or installing equipment with a negative effect on the ecological balance, human health, health of livestock and wild animals, air, forests, water and plants; storing or burying underground industrial wastes, sewage, waste water, toxic and other substances upon a permission of the relevant professional organization.

53.3. Prior to undertaking the works referred to in provision 2 of this article, citizens, companies and organizations shall notify governors of aimags, the capital city, soums and districts, inform local residents of their operations, have the boundaries of the work area and limits marked and post permanent warning signs at their own expense prior to commencement.

Article 54. Pastureland, Its Rational Use and Protection

54.1. Soum and district Governors, in cooperation with a relevant professional organization and taking into consideration land use traditions, rational land use and conservation

requirements, shall initiate land management activities according to the general schedule of pasture separation for winter, spring, autumn and summer settlements and reserve rangelands, and take measures on protecting pastureland and on regulating its capacity.

54.2. Summer and autumn settlements and rangelands shall be allocated to baghs and hot ails and shall be used collectively. Winter and spring pastures shall be prevented from livestock grazing during summer and autumn, and shall be carefully protected with public efforts.

54.3. Land with forest resources may be used as a pasture in accordance with relevant legislation.

54.4. Governors of aimags, the capital city, soums and districts may establish pastoral or settled livestock breeding areas within their territories, taking into consideration their environmental, social and economic conditions.

54.5. Pastureland fenced for purposes of developing intensive settled livestock breeding or farming of tamed animals can be given for use to citizens, companies and organizations regardless of the season.

54.6. The maximum size of land referred to in provisions 4 and 5 of this article shall be determined by Citizens Representatives Khural, who also approves regulations for its use.

54.7. Citizens of Mongolia may jointly possess land under winter and spring settlements through their hot ail communities.

54.8. In the event of a need of evacuation or a movement to territories of other aimags or soums due to natural disasters or other emergencies, the relevant level governors shall make a decision to reach an agreement. Where an agreement between these governors can not be reached, the case shall be resolved by a higher level governor or the Cabinet.

54.9. Citizens Representatives' Khurals of aimags shall determine soum-level reserve rangelands to be used in the events of natural disasters, dzud and droughts, including its boundaries and limits. The Cabinet shall determine aimag-level reserve rangelands, including their boundaries and limits upon requests of [aimags or soums].

54.10. Disputes arising in relation with use of pastureland shall be resolved by discussing them on Bag Public Khurals based on traditional land use practices and customs of herders. If an agreement can not be reached, the issue shall be resolved by governors of soums.

Article 55. Rational Use and Protection of Hayfields

55.1. Governors of soums and districts, in cooperation with relevant professional organizations, shall undertake land management activities on hayfields and ensure their implementation.

55.2. Each year, governors of soums and districts may allocate territories available for hay cropping to citizens, companies and organizations for their use based on proposals of Bagh or Khoroo Public Khural, and shall ensure their proper implementation.

55.3. It is prohibited to graze livestock on hayfields registered in the unified land territory classification starting from May 15 until the end of the hay harvesting season.

55.4. Citizens, companies and organizations may use pasture lands with appropriate yields like hayfields upon agreement with governors of soums and districts.

55.5. Land improved for haying purposes and land where hay has been grown may be given for possession to citizens, companies or organizations.

Article 56. Rational Use and Protection of Crop Lands

56.1. The relevant government authority shall make a decision on creating new crop cultivation areas except those cases stipulated in the provisions 29.2 and 29.4 of this Law.

56.2. If citizens, companies or organizations obtain a crop land license and do not use it for its intended purpose during 3 years after obtaining a license, their licenses shall be terminated, and offered on a closed auction.

56.3. Persons possessing or using land for crop cultivation shall regularly take measures on protecting the soil, and preventing decrease of its fertility; they shall also have the government certification on land characteristics and quality made in accordance with terms and procedures established by legislation.

56.4. It shall be prohibited to graze livestock and animals on crop lands from planting until the harvest season, unless land has been specially allocated for livestock or animal grazing.

56.5. Possession or use licenses of crop lands shall be given only through a closed auction.

Article 57. Rational Use and Protection of Subsoil

57.1. Activities related to use of subsoil shall have been included in national, aimag, and the capital city general land management plans, as well as annual land management plans of soums and the capital city.

57.2. Users of subsoil shall have the environmental assessments done, and shall have planned land protection and rehabilitation projects.

57.3. Users of subsoil shall have environmental assessments done by a professional organization authorized by the State Central Administrative Authority for Nature and the Environment, prior to commencement of their activities.

57.4. [They] shall have land protection and rehabilitation projects, as well as annually developed plans developed on the basis of the project approved by the State Central Administrative Authority for Nature and the Environment.

57.5. Implementation in accordance with land protection and rehabilitation plans shall be discussed and assessed by Citizens Representatives Khurals of soums and districts. If necessary, Citizens Representatives Khurals of soums and districts may make decisions to stop the use of subsoil, and may take measures for correcting incompliance.

Article 58. Rational Use and Protection of Lands Under Cities, Villages and Other Urban Settlements and Their Surrounding Areas

58.1. Land in cities, villages and urban other settlements may be given for possession or use to citizens, companies and organizations only according to general development plans of those cities and villages developed and approved according to the annual general land management plan of the administrative or territorial unit to which this city or village belongs, and as well as according to partial and phased implementation plans developed on the basis of the former plan, and according to procedures set forth in this Law.

58.2. The issue of giving licenses for possession or use of land in cities, villages and other urban settlements where the general construction plan has not been developed shall be dealt with based on the land management plan of the administrative or territorial unit and in accordance with procedures set forth in this Law.

58.3. Such factors as infrastructure, development perspectives, hygienic, health, ecological and fire safety requirements, city development policy and perspectives shall be considered when giving land in cities, villages and other urban settlements for possession or use.

58.4. Relevant level governors shall treat the land in cities, villages and other urban settlements which is not in anyone's possession or use by taking it under protection including posting signs showing the purpose of land use, date when land use is planned to be started, other conditions and requirements in accordance with the general land management plan; erecting fences around the plot; and putting guards for it.

58.5. If the relevant government authority or an official gives a notification to vacate land to citizens, companies or organizations whose land possession or use licenses expired or who have erected constructions and buildings without appropriate permits, the concerned citizens, companies and organizations shall be obliged to vacate the land within a set time period.

58.6. If land is not released within the set time, forceful eviction from land shall take place in accordance with a decision of governors of soums or districts.

58.7. Land possessors shall keep not less than 10% of their land covered by vegetation in order to improve the appearance of the city or village, to meet proper health and sanitary conditions and to protect the land.

Article 59. Government Monitoring the Unified Land Fund

59.1. The Cabinet, the government authority, Citizens Representatives Khurals, Presidium and Governors of aimag, the capital city, soums and districts shall monitor implementation of legislation on ownership, use and protection of the Unified Land Fund and land legislation in accordance with their rights set forth in this Law.

59.2. Technical control over implementation of land legislation shall be carried out by legally authorized environment monitoring agency and professional organizations including those on vegetation, quarantine, hygiene, geology, mining, etc.

Article 60. The State Certification on Land Characteristics and Quality and Its Issuance

60.1. The State Certification on land characteristics and quality is a comparative evaluation of basic indicators of land characteristics and quality determined at time intervals required in legislation, with basic indicators of the initial state of land when it was taken under government control; this evaluation is made in order to ensure continuous government control over efficient and rational use of land and protection of land.

60.2. The state certification on land characteristics and quality shall be made based on the following indicators:

60.2.1. thickness fertile layer of soil;

60.2.2. soil humus content (decomposition);

60.2.3. soil pollution and intoxication;

60.2.4. changes in characteristics of the land surface;

60.2.5. changes in the vegetation cover;

60.2.6. changes in composition of fauna of pastureland and hayfield.

60.3. The Cabinet shall determine indicators additional to indicators of land characteristics other than those in provision 2 of this article, depending on specific features of the land. The government authority in charge of land issues shall establish a methodology of determining indicators for the State certification of land characteristics and quality.

60.4. A professional organization authorized by the State central administrative authority in charge of land related issues shall issue the certification of land characteristics and quality and make an assessment.

60.5. State certification on land characteristics and quality shall cover all land within the classifications of the Unified Land Territory once every 5 years and shall be conducted on land upon termination of land possession and use rights of citizens, companies and organizations.

60.6. Land possessors and users shall be responsible characteristics and quality of their land; the relevant government authority and governors of aimags, the capital city and soums shall be responsible for characteristics and quality of state-owned land not granted for possession or use, as well as of land of special needs of aimags, the capital city and soums; and governors of soums and districts shall be responsible for characteristics and quality for the rest of land.

60.7. Land possessors and users shall finance the expenses for state certification on their land characteristics and quality, while expenses for state certification of characteristics and quality of the land to be given for possession and use to citizens, companies and organizations for the first time as well as that for the rest of land shall be financed by central and local government budgets.

60.8. The Cabinet shall establish the tariff for State certification of land characteristics and quality.

CHAPTER SEVEN MISCELLANEOUS

Article 61. Responsibilities of the Police Related to Land

61.1. The police shall have the following responsibilities regarding vacation and eviction from land:

61.1.1. to implement the Governor's decision on eviction if land possession or use rights have expired, or land had been possessed or used with no appropriate permit, or land fee has not been paid within the due time, pursuant to the its authorities and procedures stipulated in the land Law and contract

61.1.2. to take due measures in accordance with relevant procedures if enforcement of land vacation, confiscation or eviction actions were met by force, opposition, or organized obstacles.

Article 62. Responsibilities of the Court Decision Enforcement Agency Related to Land

62.1. The Court Decision Enforcement Agency shall be responsible for implementing decisions of governors of soums and districts, and the relevant government authority to resolve land conflicts.

Article 63. Settlement of Land Related Disputes

63.1. The following [types of] land related disputes shall be settled by the following organizations and officials:

63.1.1. disputes over the State owned land related to its possession and use between citizens, companies or organizations and governors shall be settled by a governor of the higher level;

63.1.2. disputes between citizens, companies and organizations regarding land use and possession, as well as disputes between land possessors and users regarding contract terms and conditions of land use shall be settled by the governor of the corresponding level;

63.1.3. disputes on land characteristics and quality, efficient and rational land use or land protection shall be settled in accordance with legislation by an official in charge of inspection of an appropriate professional organization or the governor of the corresponding level;

63.1.4. disputes over limited use rights for land possessed or used by others as well as over property disputes related to the land shall be settled by the court.

63.2. If citizens, companies or organizations disagree with the decision on land disputes made by the authority or the official referred to in paragraphs 1, 2 and 3 of provision 1 of this article, the dispute shall be settled either by the authority or the official of a higher level, or the court.

63.3. If not dealt with in contracts, disputes related to land use by companies with foreign investment shall be settled in accordance with procedures set forth in this article.

Article 64. Cancellation of Illegitimate Decisions and Termination of Illegitimate Actions

64.1. If a decision or action (inaction) of the relevant government authority violates land legislation and legitimate interests of land possessors and users, the organization or the official themselves, or an organization or official of a higher level or the court shall cancel the illegitimate decision and terminate the action.

Article 65. Compensation for Damages

65.1. Persons culpable for causing damage to land shall, regardless of whether they are charged with an administrative or criminal actions, [be obliged to] take measures on elimination of the damages at their expense, or finance the total costs if a professional organization repairs the damage.

65.2. Person culpable for causing irreparable damages to land shall, regardless of whether they are charged with an administrative or criminal actions, shall compensate or finance all costs necessary for land improvement works.

65.3. Citizens, companies and organizations who acquired land into possession despite clearly visible damage on land shall repair the damages at their own expense.

Article 66. Sanctions for Violation of Legislation

66.1. Persons violating the land legislation shall be sanctioned with administrative or criminal charges depending on the nature and extent of violation and the volume of damage.

66.2. Criminal penalties shall be imposed in the following cases of violation of land legislation:

66.2.1. if nature, environment and human health have been badly damaged or a real threat to them arises due to infringement of procedures on producing, exporting, importing, storing, trading, transporting, utilizing and destroying chemicals;

66.2.2. if, after administrative measures penalizing for infringement of land legislation were taken, the same infringement has been made repeatedly or a serious violation has taken place;

66.2.3. if a significant damage is caused to land by polluting the nature and environment with hazardous and other wastes and by damaging the soil;

66.2.4. criminal penalties shall be imposed on officials infringing decisions of the state environmental control inspectors to suspend or fully terminate activities of plants and companies.

66.3. State environmental control inspectors shall impose the following administrative sanctions if the following cases of violations of land legislation is not a subject to criminal sanctions:

66.3.1. on officials, for using multiple geographic names, translating the official geographic names from Mongolian to other languages or using phonetic transcription of these names into other languages in official documents, a fine of Togrog 25000-50000;

66.3.2. for entering and crossing [trespassing] specially protected land in possession or use of persons with erected fences surrounding it and posted warning signs, a fine of Togrog 100000-250000;

66.3.3. for deliberately preventing a person with rights of limited use of land in possession or use, from using this land for purposes described in provision 49.1 of this Law, a fine of up to Togrog 100000 on citizens and a fine of up to Togrog 1 million on organizations and companies;

66.3.4. for failure to vacate land upon expiration of land possession or use rights by the time set out in the legislation and relevant contracts, a fine of Togrog 300000-500000 on citizens,

and a fine of Togrog 1-2 million on organizations and companies along with measures on their eviction;

66.3.5. for failure to register a land use or possession contract with the national registry or for possession or use of land after the contract expired, a fine of Togrog 100000-200000 on citizens, and a fine of Togrog 0.5-1 million on organizations and companies along with confiscation of the land;

66.3.6. for failure to have the state inspection on certification of land characteristics and quality made for their possessed or used land in due time, a fine of up to Togrog 100000 on citizens, and a fine of Togrog 300000-500000 on organizations and companies;

66.3.7. for failure to vacate the land removed with or without replacement and with compensation by the time specified by the legislation or contract, a fine of Togrog 300000-500000 on citizens and a fine of Togrog 1-2 million on organizations and companies;

66.3.8. for creating a new crop cultivation area without an authorizing decision of the relevant authority, a fine of Togrog 200000-300000 on citizens and a fine of Togrog 1-2 million on organizations and companies, along with confiscation of land and having the guilty person compensate the caused damage;

66.3.9. for deliberately grazing livestock or harvesting hay in winter and spring pastures, reserve rangelands, cultivated areas, cultivated pastures and hayfields, a fine of up to Togrog 100000 on citizens, and a fine of Togrog 500000 on organizations and companies along with having the guilty person to compensate the damage;

66.3.10. for use and disposal of land without an permission or decision of the relevant authority or authorized officials, a fine of Togrog 400000-500000 on citizens, and a fine of Togrog 2-2.5 million on companies and organizations, along with confiscation of illegally obtained profits and the land;

66.3.11. for causing serious damages to land or violating articles 52, 53 of this Law, a fine of Togrog 0.5-1 million on citizens, and a fine of Togrog 2-2.5 million on organizations and companies, along with confiscation of the land;

66.3.12. for using land possessed or used by other persons without an agreement with its possessors or users, a fine of Togrog 100000-500000 on citizens, and a fine of Togrog 0.5-1 million on organizations and companies, along with confiscation of illegally obtained profits;

66.3.13. for undertaking unauthorized activities without appropriate permission on land granted for possession and use of persons that is being used for government special needs, a fine of Togrog 300000-500000 on citizens, and a fine of Togrog 2-2.5 million on organizations and companies;

66.3.14. for unauthorized use of land on territory not covered by the land management plan, a fine of Togrog 250000-500000 on citizens, and a fine of Togrog 1-2 million on organizations and companies, along with compensation of the land;

66.3.15. for giving land on a territory not covered in the land management plan, a fine of Togrog 100000-250000 on officials, along with cancellation of their decisions and confiscation of the land;

66.3.16. for transferring their land possession license to a foreign legal or natural person or a stateless person, a fine of Togrog 300000-500000 on citizens, and a fine of Togrog 1-2 million on organizations and companies, along with confiscation of illegally earned profits and the land;

66.3.17. for transferring their land possession license without having it registered in the national registry, a fine of Togrog 500000 on citizens, and a fine of Togrog 1.5-2 million on organizations and companies, along with confiscation of illegally earned profits;

66.3.18. if it has been proven that an official abusing his/her authority caused damage to characteristics and quality of the land, a fine of Togrog 300000-500000 on the official concerned, along with having the official compensate for damages and being barred from holding that position for up to 2 years;

66.3.19. for a failure to comply with obligations stipulated in provision 47.2 of this Law, a fine of Togrog 100000-250000 on citizens, and a fine of Togrog 1.5-2 million on organizations and companies;

66.3.20. for a failure to comply with legal obligations stipulated in provision 58.8 of this Law, a fine of Togrog 50000-100000 on citizens, and a fine of Togrog 0.5-1 million on organizations and companies.

Article 67. The Effective Date of the Law

67.1. This Law shall be in effective from the date of its enactment.

Chairman of the State Ih Hural of Mongolia

S. Tumur-Ochir

