

OFFICIAL TRANSLATION

FOREST LAW OF MONGOLIA

Adopted: March 31, 1995 Ulaanbaatar, Mongolia

CHAPTER ONE

GENERAL PROVISIONS

Article. 1 Purpose of this Law

The purpose of this law is to regulate the protection of forests, the proper utilization and regeneration of forests.

Article. 2 Legislation on Forests

The legislation on forests shall consist of the Mongolian Constitution, the Mongolian Law on Environmental Protection, the present and other legislative acts issued in conformity with them.

Article. 3. Possession and Utilization of Forests

1. Forest resources are the property of the State as stipulated in the Mongolian Constitution.
2. The State has the power to grant ownership rights of the forests to the capital city, aimags, and soums and the citizens' representatives khurals has the power to grant citizens, economic entities, and organizations the use of forests and forest side-line products for certain periods, costs, conditions on the basis of a contract or license.
3. According to legislation, contract and license, after paying the relevant charge, citizens, economic entities, and organizations shall have the right to own timber and other side-line products of the forests. If these citizens, economic entities, and organizations plant trees on land leased by them using their own money, then these trees will be their own property.

Article. 4. The Forest Fund, its Classification, and Lands with Forest Funds

1. The forest fund consists of the areas covered by forests including all species of trees and scrub, replanted forests, and saxauls.
2. The forest fund is divided into the following categories according to its ecological and economic importance:
 - 1/ Special forest zone
 - 2/ Protected forest zone
 - 3/ Industrial forest zone

3. Forest land, glades, logged areas, forest damaged by fire, harmful insects and disease, the area within 100 meters from the forest edge, seedlings, and nurseries all form the forest resource.

Article. 5. Forest Information Databank

1. The forest databank shall include the following information: Forest monitoring and evaluation, total forest territory, resources, composition, quality, assessment of value, assignment of forests to users according to contract, forest protection, utilization, indices of reforestation work in the country, capital, aimags and soums.

2. Compilation of the databank, registration and report forms and the rules applying to their recording shall be approved by the Central State Administrative Organization in charge of nature and environment (hereinafter referred to as “Central State Administrative Organization”).

3. The Mongolian Law on Environmental Protection shall regulate the formation of the forest information databank.

Article 6. Forest Inventory, Management, and Financing

1. Forest management shall consist of studies of forested lands, resources, expansion of forests, composition, quality, monitoring, changes, and defining grounds for the protection and rational usage of the forests and determining the need for reforestation.

2. Forest management shall be carried out by professional organizations as authorized by the Central State Administrative Organization.

3. Determination of the forest fund volume and forest inventory and management planning shall be carried out once every 10 years.

4. Forest management shall be financed in the following ways:

1/ Forest management concerning the determination of the extent of forest fund and its potential for development of the region, or forest management of special forest zone shall be financed from the State Central Budget.

2/ Forest management for establishing protective zones and forest management carried out at the discretion of governors of the capital city, aimag, soum and duureg centers shall be financed from the local budget.

3/ Citizens, economic entities or organizations shall finance the management of the forests which they use pursuant to contract.

5. Forest management procedures shall be approved by the Government.

Article 7. Forest Fund User’s Fee

1. Every citizen, economic entity and organization shall pay the forest resource users fee for the use of the forest, its trees, and side-line products.

2. The maximum and minimum fees, discount rates, and free use procedures shall be determined by law.

CHAPTER TWO
FORESTS WITHIN SPECIAL ZONES AND PROTECTIVE REGIMES

Article 8. Forests Within Special Zones

1. “Forests Within Special Zones” consists of sub-alpine forests, virgin zones and protected zones within National Conservation Parks.

2. To maintain the ecological balance of mountain ranges and to prevent soil degradation a sub-alpine forest borderline shall be established by the Central State Administrative Organization.

Article 9. Protective Regime for Forests within Special Zones

1. In forests within special zones, measures shall be taken only to maintain the wildness of nature and ecological balance, to protect from forest fire, and from harmful insects and disease.

2. In subalpine forests, all actions are forbidden except the gathering of fallen trees and branches and the use of side-line products stipulated in the list approved by the Central State Administrative Organization.

3. Protection regimes for forests within virgin zones, protected zones of preserve areas and the National Conservation Parks shall be regulated by the Mongolian Law Specially Protected Areas.

CHAPTER THREE

FOREST WITHIN PROTECTED ZONES AND RULES FOR THEIR PROTECTION AND USAGE

Article 10 Forests within Protected Zones

Forests within Protected Zones include forests of the specially protected areas (excluding forests specified in paragraph 1 of Article 8 of this law), the green zone, prohibited strips, saxaul forests, oases, forest areas covering up to 100 hectares, small tree groupings, scrub, sun-exposed forest areas and forests at slopes greater than 30 degrees. They do not include the forests which are listed in paragraph 1 of article 8 of this law.

Article 11. Forests within Special Protected Areas

Rules protecting the forests within special protected areas provided for in article 10 of this law shall be regulated by the Law of Mongolia on Specially Protected Areas.

Article 12. Green Zone Forest

1. Green zones shall be established around towns and villages in order to maintain the ecological balance and to provide a clean environment for the population.

2. The government shall determine the borderline of the green zone forest around the capital city.

3. The border of green zone forests around towns and villages (not the capital city) within a radius of 30 km shall be determined by the Citizens Representatives' Khurals of aimags and soums on the basis of the proposals of the Central State Administrative Organization.

Article 13 Prohibited Strip Forest

The following forests which prevent soil degradation and are important for regulating the balance of underground and surface water are classified as prohibited strip forests:

- 1/ forests which are located at a distance of up to 5 km around lakes and sources of rivers;
- 2/ forests which are located at a distance of up to 3 km along river banks and up to 3 km around sources of mineral water and springs.
- 3/ forests which are located up to 1 km along both sides of railways and roads of national importance.

Article 14. Forests within Other Protected Zones

Borders of forests within other protected zones, except those listed in articles 11, 12, and 13 of this law shall be established by the Citizens Representatives' Khurals of the capital city and aimags on the recommendation of the Central State Administrative Organization.

Article 15 Forest Regimes within Protected Zones

1. The forests shall be cleaned and cared for in order to protect them, maintain normal growth, and improve regeneration.
2. All other activities except those listed in article 27 of this law, such as the fuel wood collection for household use, and, in article 29 of this law, the utilization of side-line products from the forest, are prohibited.

CHAPTER FOUR INDUSTRIAL ZONE FORESTS AND ITS USE REGIMES

Article 16. Industrial Zone Forest

All other forests except those listed in articles 8 and 10 of this law are classified as industrial zone forests.

Article 17. Regime for Industrial Zone Forests

1. Citizens, economic entities, and/or organizations may harvest merchantable wood and fuel wood for industrial purposes within the permitted period according to applicable legislation upon the condition that they pay harvesting fees.
2. Citizens, economic entities and/or organizations possessing the appropriate license may harvest fuelwood and merchantable wood and utilize side-line products for household purposes within the industrial forest zone.

CHAPTER FIVE
PROTECTION AND REGENERATION OF FORESTS

Article 18. Measures for Forest Protection

1. Forest Protection Measures shall include care-taking, cleaning of forests, maintaining normal growth and regeneration of forests, and a positive genobank, as well as protection of forests from fire, disease and harmful insects, and from the negative impacts of human activity.

2. The Citizen's Representatives Khurals of the capital city, aimags and soums may prohibit the utilization of forests and their side-line products in their own territory for up to 3 years.

Article 19. Forest Fire Protection

1. Governors of the capital city, aimags, soums and duuregs shall design a fire prevention program and allocate the required financing from the annual local budget in order to implement the above mentioned activity.

2. Citizens, economic entities, and/or organizations using forests pursuant to contract shall finance fire prevention operations for such forests.

3. Determining the causes of fire outbreak and assessment of the damage and expense to put out the fire shall be carried out by a working group appointed by the governors of the capital city, aimags, soums and duuregs.

4. Citizens, economic entities and/or organizations shall abide by the following requirements for prevention and fighting forest fires:

1/ In the period from 20th of March until the 10th of June and from the 20th of September until the 10th of November -the period of the highest probability of fire outbreaks, it is forbidden to make camp fires. In unavoidable circumstances, they must properly extinguish burning cigarettes, sparks, hot cinders or lit matches.

2/ Before harvesting fuel wood, gathering side-line products, going on an excursion or picnic, or other activities within the dangerous period, they must inform the territory's ranger in advance and take measures for fire prevention.

3/ Fuel and exhaust systems for vehicles used either to pass through or work in the forest shall be equipped according to fire safety requirements.

4/ Abide by regulations on the storage and use of flammable materials, explosives, and lubricants.

5/ If they discover or receive information on forest fire danger, they shall immediately inform the relevant agencies and governors of the soums, duuregs, bags and khoroos and take measures to fight the fire using any means available to them.

5. Governors of all levels, pursuant to their competence, shall mobilize people, vehicles, and equipment to put out any fire immediately and the orders of the governors shall be executed by citizens, economic entities, and/or organizations.

6. Regulations for fire prevention in the forests shall be approved by the Government.

Article 20. Protection of Forests from Disease and Harmful Insects

1. A program to control damage caused by harmful insects and diseases shall be developed by the governors of the capital city, aimags, and soums. Financing for the implementation of the program shall be allocated from the annual local budget.

2. If harmful insect damage and disease epidemic cover the territory of several soums of more than one aimag, measures against the harmful insects and diseases shall be taken by a professional organization and financed by the state central budget.

3. Citizens, economic entities and/or organizations shall, with their own financing, carry out preventative measures against harmful insects and disease in the forest which they are using.

4. Research work on the prevention and fighting diseases and harmful insects shall be carried out by professional organizations.

5. It is forbidden to use chemical substances to fight diseases and insects, except those permitted by the Central State Administrative Organization.

Article 21. Caretaking and Cleaning of Forests

1. Caretaking and cleaning of forests in order to improve growth and protect them from fire, harmful insects and diseases shall be done by professional organizations and financed by the local budget.

2. Regulation of caretaking and cleaning shall be approved by the Central State Administrative Organization.

Article 22 Activities Prohibited in Forests

1. To provide for the normal growth and regeneration of the forest and to protect it from the negative impacts of human contact, the following activities are prohibited:

1/ to cut or violate forests up to the fifth age class, all species of young trees, as well as rare species such as: Siberian fir, rhamnus, asiatic poplar, elaeagnus, cornel, tamarisk, Siberian alder, mountain ash, sea-buckthorn, fruit bearing trees and certain shrubs.

2/ to cut and use cedar, spruce, and elm without a permit from the Central State Administrative Organization.

3/ to harvest trees using clear cutting technology.

4/ hay making in the forest fund area without a permit.

5/ to cut trees and to pasture livestock in the area where seedlings are planted.

Article 23. Regeneration of Forests

1. In order to enrich forest resources, to protect the genobank of the forests, and to ameliorate the climate, trees shall be planted in areas damaged by fire, diseases and harmful insects and in

deforested areas. These measures shall be financed by the local budget, citizens, economic entities and organizations on their initiative.

2. Citizens, economic entities and/or organizations who harvest timber for industrial purposes shall reforest the area and the reforestation shall be evaluated by forestry services. After 2 years, the planted forest must be returned to the Governors of the soums and duuregs. For each harvested tree, three to five seedlings must be planted.

3. The Central State Administrative Organization shall establish a program to reforest the treeless areas of the forest fund, steppe, gobizone and areas near the source of rivers, springs and streams, as well as to protect rangelands from soil erosion and degradation by setting up forest strips financed from the state budget or from other sources of funding.

4. Allocation from the state budget for protection of forests and regeneration of forests shall be not less than 70% of fees for the trees harvested in that year.

Article 24. Organization of Reforestation

1. The aimag and capital city governors shall establish one day each year and for reforestation work with their territory.

2. Governors of soums, duuregs, bags and khoroos, in cooperation with professional organizations, shall organize forestry work on the supply of seedlings, the location for tree planting, soil cultivation, watering and the care taking of newly planted trees involving local people in these activities.

CHAPTER SIX FOREST UTILIZATION

Article 25. Determination of the Volume of Harvest

1. The Central State Administrative Organization shall determine the maximum limit of available harvesting in the industrial forest zones for the aimag and capital city that year.

2. The Citizen Representatives' Khurals of aimags and the capital city shall determine the volume of permissible harvest on their territories according to the Central State Administrative Organization decision.

3. The Citizens Representatives' Khurals of soums shall determine the volume of permissible harvest on its territory according to the volume determined by the Citizens Representatives' Khurals of aimags.

Article 26. Timber Contracts

1. Citizens, economic entities and/or organizations who intend to harvest trees for an industrial purpose shall submit a request to the governors of the soum and capital.

2. The governors of the soum and capital city shall make a decision on the trees to be harvested at the request of a citizen, economic entity, or organization taking into consideration the economic efficiency of the activities of the citizen, economic entity or organization, the cutting technique and processing technology, level of utilization, amount of funding for the protection and regeneration of

the forest and evaluation by professional organizations, bearing in mind the volume of trees permitted for harvest.

3. On the basis of the decision provided for in paragraph 2 of this article, a citizen, economic entity or organization must enter into a contract with a professional organization for tree harvesting in a certain territory.

4. In the contract the following points shall be stipulated:

1/ Reason for the harvest (appropriate decision)

2/ Purpose of the cutting, species of trees, volume, and duration.

3/ Forest management, border of cutting area, standing volume of the harvest site in which work is to be done.

4/ Technological scheme, harvest proposal, and the implementation period.

5/ Tree harvest fees and payment deadlines.

6/ Program for protection of forests from fire, disease, harmful insects, and regeneration and the implementation expenses.

7/ Conditions for returning the deforested area.

8/ Responsibilities, obligations and rights of the parties to the contract.

5. Implementation of the timber contract shall be evaluated annually.

6. If the forest area used is taken under state protection or if the utilization of the forest stipulated in the contract is prohibited by paragraph 2 of article 18 of this law, the user shall be given another area to cut with the same permitted volume of wood as in the first contract.

Article 27. License for Cutting Trees

1. Citizens, economic entities and/or organizations may be given a license for cutting trees for household consumption by governors of bags and khoros. The license for cutting trees for fuel may be given by the forest ranger of the locality.

2. The license for tree harvesting, as provided in the first paragraph of this article, shall state the name and address of the licensee, the species of trees which are going to be cut, the volume of wood, the duration of cutting, transportation method, and the name of the location.

3. Citizens, economic entities, and organization are prohibited from transferring the license to cut trees to others under any circumstances.

Article 28. Obligations of the Forest User

1. Citizens, economic entities and/or organizations which use the forest shall assume the following obligations:

1/ abide by forest legislation

2/ use trees and sideline products of the forest according to contract and license provisions.

3/ pay fees for forest utilization on time as stated in the contract.

4/ cut and transport timber within the time fixed by the contract and license.

5/ return the harvest area to the professional organization after clearing pursuant to the established rules.

6/ The height of the stump must be not more than one third of the diameter of the tree.

Article 29. Utilization of Sideline Forest Products

1. To utilize side-line forests products, citizens, economic entities, and/or organizations shall obtain a license from the forest ranger of the locality.

2. The license shall state the name and address the licensee, the species of the sideline products, volume, utilization period and the name of the harvest area.

3. Local residents may utilize sideline forest products for household consumption free of charge within the volume determined by the Central State Administrative Organization.

Article 30. Tree Harvest in Territory of Other Aimags and Soums

1. Governors at the relevant levels shall agree in advance and create a contract with the concerned economic entity and/or organization on tree harvests, in accordance with article 26 of this law, to supply citizens, economic entities and/or organizations located in an aimag, soum, or the capital city without forest or with little forest resources.

2. Where governors are unable to agree regarding the tree harvest or there is national and important need for harvesting trees, the decision shall be made by the Central State Administrative Organization.

CHAPTER SEVEN MISCELLANEOUS

Article 31. Liability for Violation of Forest Legislation

1. For non-criminal offenses, the judge, environmental protection inspector, or ranger shall impose on the violator the following administrative punishments:

1/ For failure to clean the harvest area or violation of technological regimes in harvesting and utilization of side-line forest products, the responsible citizen shall be fined 500-5,000 tugriqs and an economic entity or organization -50,000 tugriqs.

2/ For failure to take preventative measures against forest fire, harmful insects and diseases, as stipulated by contract, an economic entity and/or organization shall be fined 50,000 tugriqs.

3/ For failure to follow forest fire prevention requirements as established in paragraphs 4 and 5 of article 19 of this law or for carrying out activities as prohibited in article 22, citizens shall be fined 1000-10000 tugriqs and economic entities or organizations from 50000 - 75000 tugriqs.

4/ For harvesting timber and fuelwood and for the harvest of side-line forest products without required licenses or for the violation of conditions stated in the license, all illegally harvested materials and illegal income shall be confiscated, and citizens shall be fined from 3000 - 10000 tugriqs and economic entities or organizations from 50000 - 75000 tugriqs.

5/ For harvesting timber or fuelwood for a industrial purpose without a contract or for violation of contract provisions and conditions, the illegally harvested materials and illegal income shall be confiscated and citizens shall be fined 5000 - 20000 tugriqs and economic entities or organizations 100000 - 150000 tugriqs.

6/ For engaging in actions prohibited by articles 12, 13, and 14 of this law, the illegally harvested materials and illegal income shall be confiscated and citizens shall be fined 5,000-20,000 tugriqs, economic entities and organizations 150,000 - 200,000 tugriqs.

7/ For engaging in prohibited actions in the sub-alpine zone forests, the illegally harvested material and illegal income shall be confiscated and citizens shall be fined 10000 - 25000 tugriqs and economic entities and organizations 200,000-250,000 tugriqs.

2. In the case of extreme loss caused by illegal tree cutting and damages due to violation of the forest legislation, guilty persons shall be penalized criminally according to the relevant legislation.

Article 32. Compensation for Losses Caused to the Forest Fund

1. in the case of damages caused by the illegal activity of citizens, economic entities and/or organizations, the loss shall be compensated by the guilty person.

2. The amount of compensation shall be five (5) times the tree harvest fees and the amount of compensation for side-line forest products shall be evaluated according to its monetary value.

Article 33. Effective Date of this Law

This law shall take effect on June 5, 1995.

Chairman of The State Great Khural of Mongolia
N. Bagabandi