

**THE MONGOLIAN LAW ON WATER**

13 APRIL 1995

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**CHAPTER ONE****GENERAL PROVISIONS****Article 1. Purpose of this Law**

The purpose of this Law is to regulate the protection, proper use, and restoration of water.

**Article 2. Legislation on Water**

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

**Article 3. Water Reserves Resource**

1. Water Reserve Resources shall consist of all surface, ground, and mineral water (hereinafter referred to as “water”) within the borders of Mongolia.

2. The potential use of Water Reserve Resources shall be determined by the maximum quantity of water that may be taken from nature for a specific period without affecting the natural water balance.

3. Water resources and the amount of their usable potential in the territory of Aimag or the Capital City shall be determined by the Governor at the appropriate level financed by the local budget and with assistance from a Certified Organization on the basis of precipitation and water circulation.

**Article 4. Hydrological Exploration and Research**

1. Water resources and their usable potential shall be determined by hydrological exploration and research.

2. Exploration and research of Water Reserve Resources for centralized water supplies in towns of state significance shall be financed from the State Central Budget and those for other cities and villages water supplies and pasture irrigation shall be financed from the local budget.

3. Citizens, economic entities, and organizations shall finance the exploration and research of Water Reserve Resource use required for their production and services.

4. The State Administrative Central Organization in charge of nature and environment shall submit to the Certified Organization orders for water resource exploration and research for centralized water supplies in towns of state significance on the basis of the proposal of Aimag or Capital City Governor.

5. Water Reserve Resource exploration and research shall be conducted by a Certified Organization according to the procedures set out in the Mongolian Law on Underground Resources.

**Article 5. Water Monitoring Network**

1. The water monitoring network shall consist of regularly functioning stations and guards which identify changes in Water Reserves and water quality.

2. The State Administrative Central Organization in charge of nature and environment shall determine the number and location of water monitoring stations, guard posts, types of research and measuring equipment, methodology, and programs for their work and provide professional management.

3. The supply and financing of the equipment for the water monitoring network shall be financed from the State Central Budget. The expenses related to network operation shall be provided from the local budget.

#### **Article 6. Water Databank**

1. The Water Databank shall consist of reports, information, and data on measurements, surveys and studies concerning water collection areas, water reserves, water quality and changes, water use and waste water removal.

2. The Water Databank shall include:

- 1/ records on water reserves and water quality;
- 2/ the natural water balance of watersheds in Aimag and the Capital City;
- 3/ the natural water balance of watersheds used for commercial purposes in Aimag and the Capital City;
- 4/ records on water use and waste water removal;
- 5/ other necessary information.

3. The creation of the Water Databank shall be regulated by the Mongolian Law on Environmental Protection

#### **Article 7. Water Records**

1. Records on the number of water sources, water reserve, quality, amount allocated to users according to contracts, waste water volume, and composition shall be conducted every year at the Aimag, Capital City, Soum, and Duureg level pursuant to the decision of the respective Governor and shall be financed from the local budget and shall be conducted every five (5) years by a Certified Organization at the national level pursuant to the decision of the State Administrative Central Organization in charge of nature and environment and financed from the State Central Budget.

2. The procedures for conducts water records shall be established by the Government.

3. Citizens, economic entities, and organizations shall comply with the decisions issued by the competent organization in relation to conducting water records and provide required information.

#### **Article 8. Regulation of Water Use**

1. Water may be used for any purpose in any area where water reserves are fully rehabilitated.

2. In zones where water reserves are not fully rehabilitated, water use may be limited by the Aimag, Capital City, Soum or Duureg Governor for purposes other than potable water, household use, and for livestock.

3. The construction of a reservoir greater than 100 square kilometers in surface area must be approved by the State IKh Khural.

4. The transfer of water resources and flow from one territory to another and regulating flow for major rivers or streams shall be decided by the Government on the basis of the proposals by the Aimag or the Capital City Citizen Representative Khurals and recommendations by the State Administrative Central Organization in charge of nature and environment.

#### **Article 9. Plenary Rights of the State Administrative Central Organization**

For the protection and proper use of water, the State Administrative Central Organization in charge of nature and environment shall exercise the following plenary rights:

- 1/ conduct State record on water reserves;
- 2/ annually consolidate and summarize reports and data on water use, waste water removal and water pollution;
- 3/ develop water use limits and standards;
- 4/ provide management for water reserves protection, restoration, prevention of water disasters, and elimination of damages to nature resulting from them;
- 5/ approve and enforce the procedures for setting waste water removal points in cooperation with the appropriate Certified Organization.
- 6/ regulate the water use of trans-Aimag rivers.

#### **Article 10. Plenary Rights of Aimag and Capital City Governors**

For the protection and proper use of water, Aimag and Capital City Governor shall exercise the following plenary rights:

- 1/ submit to the Citizen Representative Khural for approval plans for water collection, restoration, proper use, water quality protection, prevention of water disasters and elimination of their damages, and an estimated budget for implementation of such plans;
- 2/ regulate inter-Soum and inter-Duureg water use and allocation;
- 3/ undertake measures to prevent the depletion, degradation, and pollution of water resources and water quality;
- 4/ undertake measures to provide drinking and household water to local residents which meet sanitary requirements.

#### **Article 11. Plenary Rights of Soum and Duureg Governors**

For the protection and proper use of water, Soum and Duureg Governor shall exercise the following plenary rights:

- 1/ submit to the Citizen Representative Khural for approval plans for water collection, restoration, proper use, water quality protection, prevention of water disasters and elimination of their damages, and an estimated budget for implementation of such plans;
- 2/ regulate water reserve allocation in their territory and issue decisions on water use under contract by citizens, economic entities and organizations;
- 3/ set waste water removal points in collaboration with Certified Organizations pursuant to adopted procedures;
- 4/ in the event of water reserve shortages, or where rivers, streams, lakes, springs, ponds or wells have been depleted or become polluted, they shall rehabilitate, collect water, repair and improve the sources of rivers, streams, springs, and ponds, as well as reforest and plant;
- 5/ undertake measures for providing local residents with water sources meeting sanitary requirements;
- 6/ implement and finance from the State Central or local budget supervision over exploitation of State owned water facilities, their maintenance and expansion;
- 7/ popularize work on water resource protection, proper use, and restoration.

#### **Article 12. Plenary Rights of Bag and Khoroo Governors**

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For the protection and proper use of water, Bag and Khoroo Governors shall exercise the following plenary rights:

- 1/ enforce within its territory the implementation of the legislation on water protection, proper use, and restoration, as well as decisions issued by competent authorities;
- 2/ involve citizens in the repair and improvement of the sources of rivers, streams, springs, and ponds, cultivation of trees and seedlings, planting, increasing ground water quantity, and prevention of water depletion or pollution.
- 3/ enforce compliance with water use, protection, and sanitary requirements within their territory.

## **CHAPTER TWO**

### **PROTECTION AND RESTORATION OF WATER**

#### **Article 13. Protection of Water Reserves and Water Quality**

1. The volume of water required to keep a natural and ecological balance shall be maintained during the usage of water source reserve.
2. Aimag, Capital City, Soum and Duureg Citizen Representative Khurals may take rivers, lakes, mineral water, springs or ponds with special ecological importance under local community protection.
3. The boundaries of Protected Zones to be created for the purpose of preventing the depletion and pollution of water sources due to economic activities shall be set by Aimag, Capital City, Soum and Duureg Governors based on the recommendations of Certified Organizations taking into account land, soil, and rock formations.
4. Sanitary Zones shall be set not less than 100 meters from the water sources for centralized water supplies.
5. The Protected and Sanitary Zones regimes shall be established by the State Administrative Central Organizations in charge of nature & environment and health
6. Establishment and operation of production, services or economic entities with water use technology inconsistent with international or national standards shall be prohibited.

#### **Article 14. Protection against Water Reserve Depletion**

1. In the event the natural restoration and purification capacities of a given water source are reduced, the Soum and Duureg Governors shall reset the amount of water to be used for commercial purposes and organize water collection on the basis of recommendations by Certified Organizations.
2. In the event water resources are depleted and water quality degraded due to violations of the water legislation, technical specifications for water facilities, or technological procedures for water use by a water user, the Aimag, Capital City, Soum or Duureg Governors shall stop water use and require purification and restoration to be executed at the expense of the citizen, economic entity and/or organization responsible.
3. Wood cutting and plant use for commercial purposes in prohibited areas indicated in the Laws on Forests and Natural Plants, as well as the extraction of sand and gravel, or the exploitation of mineral deposits in water source Protected Zones shall be prohibited without an approved proposal, drawings or authorization.

4. Where it is necessary to change a water channel during the construction of facilities, appropriate expenses for restoring it to its natural state shall be included and implemented in the drawings and proposal preparations and improvements.

5. It is prohibited to permanently alter natural and original river channels.

#### **Article 15. Safeguards Against Water Pollution**

1. It is prohibited to discard wastes, garbage or polluting substances into and around water sources, riverbeds, channels, dry ravines, and in Protected Zones.

2. Upon completion of use, citizens, economic entities and organizations shall cover wells and return possession of them to the Soum and Duureg Governors.

3. In the event a water stratum is discovered during natural resource exploration or mining, protection measures against its pollution shall be undertaken and the information on it shall be directed to the Governor at the appropriate level and included in the Water Databank.

4. Citizens, economic entities and organizations using water shall locate chemical washing of livestock and agricultural production downstream from and outside water source Protected Zones, as well as decontaminate and remove waste water.

5. Economic entities, organizations and residents of towns, villages or other settled areas shall line, improve, and use their waste disposal points in conformity with the regulations established by the State Administrative Central Organizations in charge of nature and environment and health.

### **CHAPTER THREE WATER USE**

#### **Article 16. Water Use Purposes**

1. Water shall be used for the following purposes:

- 1/ household;
- 2/ commercial.

2. Water use for household purposes means use of water for drinking and household needs and for watering livestock excluding commercial purposes.

3. Water use for commercial purposes means use of water or the water environment in production or service operations.

#### **Article 17. Water Use**

1. Water shall be used by citizens, economic entities and organizations for commercial purposes pursuant to contract.

2. A contract on water use may be established for a period of 40 years, but extension of this duration shall not be for more than 20 years at a time.

3. A water source may be shared and used by citizens, economic entities or organizations pursuant to contract.

4. Citizens, economic entities and organizations shall have preferential rights to use water for commercial purposes in the Soum or Duureg where they reside and land possessors shall have

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preferential rights to use water for commercial purposes in the land they possess, but this right shall not be grounds for restricting the rights of others to use water.

#### **Article 18. Requests for Water Use**

1. Citizens, economic entities and organizations shall submit their requests for water use for commercial purposes to the Soum and Duureg Governors.

2. The request provided for in paragraph 1 of this Article shall include the following items:

- 1/ a map indicating the water source to be used and its location;
- 2/ the amount of water to be used and duration of use;
- 3/ an environmental impact assessment;
- 4/ drawings and proposals for water facilities;
- 5/ production capacity, as well as basic technical and economic indications.

#### **Article 19. Authorization for Water Use**

1. Soum and Duureg Governors shall decide on the authorization of water use for commercial purposes by citizens, economic entities and organizations after considering the items indicated in paragraph 2 of Article 18 of this Law.

2. Where two or more users submit applications for using one water source for a commercial purpose, the Soum and Duureg Governors shall select among them taking into account conditions such as the applicant's place of residence, administrative and territorial jurisdiction, the purpose of the water use, the expected economic efficiency of the water use, the impact on the environment, the impact on water reserves, and the paying capacity of the users.

3. Aimag and Capital City Governors shall grant permission to citizens, economic entities and organizations to obtain water from the central water supply system in order to use it for commercial purposes and to discharge waste water.

4. The decision on water use for commercial purpose by an enterprise of economic entity which has significant state or regional importance shall be made by the Government on the basis of proposals from the Aimag and Capital City Citizen Representative Khural and the recommendations of the State Administrative Central Organization in charge of nature and environment.

#### **Article 20. Establishment of Water Use Contracts**

1. Based on the decision on water use issued by the Governor, citizens, economic entities and organizations shall establish a contract for water use for commercial purposes with the Certified Organization in charge of water in the territory.

2. Water use contracts shall include the following:

- 1/ justification for water use (appropriate decision);
- 2/ purpose of water use, amount to be used and duration of use;
- 3/ location of water source, drawings and proposals for water facilities;
- 4/ amount of water to be discharged, purifying technology, and treatment level;
- 5/ water characteristics and water quality composition;
- 6/ the budget and protection measures planned against depletion and pollution of water reserves;
- 7/ rights, obligations, and responsibilities of the parties to the contract;
- 8/ other necessary items.

#### **Article 21. Basic Requirements for Commercial Use of Water**

1. Citizen, economic entities and organizations which use water for commercial purposes shall comply with the following requirements:

- 1/ maintain waste water treatment facility according to water use technological requirements;
- 2/ if the citizen, economic entity or organization is not required to maintain a waste water treatment facility according to water use technological requirements, they must establish a point source for waste water removal, transport, and discharge;
- 3/ apply technology for reusing and saving water;
- 4/ assign a sum equal to not less than 10% of the water use fee to spend on undertakings such as reforestation and planting with a view to increasing water reserves in the areas where water reserves are not fully rehabilitated.

2. The water use fee amount for enterprises or economic entities without clean and waste water meters shall be fixed on the basis of the capacity of the water using equipment, facility, or the amount of water spent per output of product unit.

3. Commercial water supplies and systems shall be separated from the central water supply system when renovating or expanding water supply systems in towns of State significance.

4. It shall be prohibited to construct or use a water facility, reservoir, dam, or a manmade channel, lake or pond which has no protection amenity for fish or may potentially degrade, saturate or salinize the soil.

#### **Article 22. Rights and Duties of Water Users**

1. Citizens, economic entities and organizations using water under contract shall have the following rights:

- 1/ to use water according to the amount and purpose set out in the contract;
- 2/ to continue to use water by extending the contract after its termination, if the user has fully complied with his/her duties set forth in the legislation and water use contract.

2. Citizens, economic entities and organizations using water pursuant to contract shall have the following duties:

- 1/ to comply with the legislation and the terms and requirements set out in the contract on the protection, proper use and restoration of water reserves and quality;
- 2/ to design and implement every year at their expense measures to protect the reserve and quality of the water used;
- 3/ to pay on time the water use fee;
- 4/ to keep records and reports on water used and waste water and submit them to the Soum and Duureg Governor at a fixed time;
- 5/ upstream water users shall not cause changes to the natural water balance and quality;
- 6/ to deliver water with the guaranteed quality according to the terms of the contract established with citizens, economic entities and organizations;
- 7/ to ensure a normal functioning and timely maintenance of water pumps and waste water treatment facilities;

## **CHAPTER FOUR MISCELLANEOUS**

#### **Article 23. Water Facility**

1. Citizens, economic entities and organizations owning or possessing a water facility shall provide the water needs of others under the terms of a multiparty contract. If this contract obligation is not

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fulfilled, the Soum and Duureg Governor may terminate the contract on possession or use of land with water sources.

2. A water construction or facility designed for centralized water supplies to local residents shall be the property of the State.

#### **Article 24. Regulation of the Use of State Border Water**

The use of state border water shall be regulated by the international treaties to which Mongolia is a signatory, the Law on State Borders, and other legislation.

#### **Article 25. Prevention of Water Disasters**

1. The Aimag, Capital City, Soum and Duureg Governors shall organize prevention measures against water disasters such as floods, freezing, ice drift, destruction of water facilities and riverbanks, saturation or salinization of soil, and increasing the ground water table.

2. Urgent measures to be taken during a flood and those for elimination of damages caused shall be fulfilled in conformity with the law on civil defense and other related legislation.

#### **Article 26. Water Use Fees**

1. Commercial use of water by a citizen, economic entity or organization shall be subject to a fee.

2. The procedures on determination of minimum and maximum fees for water use, exemption and discount on fees shall be established by law.

3. A certain percentage of the income obtained from the fees and compensation shall be allocated to the protection and restoration of water resources and water quality.

#### **Article 27. Encouragement for Water Protection and Restoration Activities**

The local budget income obtained from compensation for water law violations shall be spent on the elimination of damages caused, as well as for the encouragement and rewarding of water users which finance water reserves and quality protection activities with their own financial means and apply environmentally safe technologies.

#### **Article 28. Liabilities for Violation of the Water Legislation**

1. A judge or an inspector for environmental protection shall charge violators of the legislation on water with the following administrative penalties depending on the seriousness of the infringements and size of the damages caused:

1/ a fine of 1,000 to 3,000 Tugrig for citizens and 50,000 Tugrig for economic entities and organizations for failure to timely deliver records and information on water use and waste water to competent organizations or officials;

2/ a fine of 5,000 to 15,000 Tugrig for citizens and 50,000 to 75,000 Tugrig for economic entities and organizations for non-compliance with requirements of protection against water pollution according to the provisions of Article 15 of this Law or violation of the regimes for water source Protected and Sanitary Zones;

3/a fine of 5,000 to 15,000 Tugrig for citizens and 75,000 to 100,000 Tugrig for economic entities and organizations for failure to ensure normal maintenance of water pumps and waste water treatment facilities or for non-compliance with the requirements indicated in subparagraph 4 of paragraph 1 of Article 21 and paragraph 4 of Article 14 of this Law;



4/ a fine of 1,000 to 20,000 Tugrig for citizens and 100,000 to 150,000 Tugrig for economic entities and organizations for suspending water supply to a citizen, economic entity or organization using water for commercial purpose or delivering water with quality not conforming to sanitary requirements due to non-compliance with the provisions set out in subparagraph 6 of paragraph 2 of Article 22 of this Law;

5/ a fine of 10,000 to 25,000 Tugrig for citizens and 100,000 to 200,000 Tugrig for economic entities and organizations and confiscation of illegally obtained income for water use for a commercial purpose without a contract or authorization or use of water in an amount exceeding that indicated in the contract;

6/ a fine of 20,000 to 35,000 Tugrig for citizens and 100,000 to 250,000 Tugrig for economic entities and organizations and confiscation of illegally obtained income for conducting any prohibited activity as set out in paragraph 6 of Article 13, paragraph 3 of Article 14, and paragraph 4 of Article 21 of this Law.

2. A ranger shall be entitled to charge a violator with the administrative penalties indicated in subparagraph 2 of paragraph 1 of this Article.

#### **Article 29. Compensation of Damages**

1. Damages caused as a result of a violation of the legislation on water shall be compensated by the violator.

2. The amount of compensation shall be fixed in the monetary assessment of water by the Government.

#### **Article 30. Effective Date of this Law**

This Law shall take effect on June 5, 1995.