

## LAW OF MONGOLIA ON WATER

April 13, 1995

Ulaanbaatar, Mongolia

### CHAPTER ONE

#### GENERAL PROVISIONS

##### Article 1. Purpose of the Law

The purpose of the present law is to regulate the protection, effective use and restoration of water.

##### Article 2. Legislation on Water

The legislation on water shall consist of the Constitution of Mongolia, Law on Protection of Nature and Environment, this law and other legislative acts issued in conformity with them.

##### Article 3. Water Resources Fund

1. The Water Resource Fund shall consist of all surface, ground, and mineral water (hereinafter referred to as "water") within the borders of Mongolia.

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

3. Water resources and the amount of their usable potential in the territory of an aimag or capital city shall be determined by the Governor at the appropriate level **with financial means from the local budget** and assistance from a professional organization on the basis of water formation and ecological principles.

##### 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 resources for centralized water supplies in towns of state importance shall be financed from the state central budget and those for other urban water supplies and pasture irrigation shall be financed from the local budget.

3. Individuals, economic entities, and organizations shall finance with their own funding the exploration and research of water resources to use for running their production or services.

4. The State Administrative Central Organization in charge of nature and environment shall submit to the professional organization orders for water source exploration and research for centralized water supplies in towns of state importance on the basis of recommendations by the governor of an aimag or capital.

5. Water resource exploration and research shall be conducted by a professional organization according to the procedures set out in the Mongolian Underground Resource Law.

## Article 5. Water Monitoring Network

1. The network of water monitoring shall consist of regularly functioning stations and guards which identify water resources and changes in 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 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 resources, water quality and its changes, water utilization and waste water removal.

2. The Water Databank shall include:

- 1) data on water resources and water quality;
- 2) watersheds and the natural water balance in aimags and the capital city;
- 3) watersheds and water balance in economic utilization in aimag and capital city;
- 4) records on water utilization and waste water removal;
- 5) other necessary information.

3. The creation of the Water Databank shall be regulated by the Law on Protection of Nature and Environment.

## Article 7. Water Statistics

1. The number of water sources, quantity, quality, amount allocated to users according to contracts, waste water volume, and composition of water shall be reviewed and recorded every year on the decision of the Governor of appropriate level and shall be financed from the local budget. A national survey shall be conducted every five years by a professional organization on the decision of State Administrative Central Organization in charge of nature and environment and financed from the state central budget.

2. The procedures for the statistical survey on water shall be set by the Government.

3. Individuals, economic entities, and organizations shall comply with the decisions issued by competent organizations in relation to the statistical surveys on and provide required information.

## Article 8. Regulation of Water Utilization

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

2. In zones where water resources are not fully rehabilitated, water use may be limited by the governor of the aimag, capital city, soum or duureg for purposes other than drinking water, household use and watering pastoral 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 assembly of citizens' representatives of aimags or the capital city and comments by the State Administrative Central Organization in charge of nature and environment.

#### Article 9. Competence of the State Administrative Central Organization

For the protection and effective use of water, the State Administrative Central Organization in charge of nature and environment shall execute the following:

- 1/ conduct national water resource statistical survey;
- 2/ 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 resource 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 professional organization.
- 6/ regulate the water utilization of trans-aimag rivers.

#### Article 10. Competence of the Aimag and Capital City Governors

For the protection and effective use of water, an aimag and capital city Governor shall execute the following:

- 1/ submit for approval to the assembly of citizens' representatives plans for water collection within its territory, water resource restoration and effective 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, inter-district water utilization and allocation;
- 3/ prevent the depletion, degradation and pollution of water resources and water quality and undertake appropriate measures;
- 4/ provide drinking and household water to the local population which meets sanitary requirements.

#### Article 11. Competence of the Soum and Duureg Governors

For the protection and effective use of water, a Soum or Duureg Governor shall execute the following:

1/ submit for approval to the assembly of citizens' representatives plans for water collection its territory, water resource restoration and effective use, protection of water quality, prevention of water disasters and elimination of damages and an estimated budget for implementation of such plans;

2/ within its territory, regulate water resource allocation and issue decisions on water utilization under contract by individuals, economic entities and organizations;

3/ set waste water removal points in collaboration with professional organization and pursuant to regulations;

4/ in the event of water shortages, or where rivers, streams, lakes, springs, sources or well have dried out or become polluted, they shall rehabilitate, collect water, repair and improve sources of rivers, streams, springs, reforestate and plant;

5/ undertake measures for providing the population of the territory 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 or expansion;

7/ raise awareness for water resource protection, effective use and restoration.

#### Article 12. Competence of the Bag or Khoroo Governor

For the protection and effective use of water, the Bag or Khoroo Governors shall execute the following:

1/ enforce within its territory the implementation of the legislation on water protection, effective use and restoration and decisions issued by competent authorities;

2/ involve the public in the repair and improvement of rivers, streams, springs, forestation or other planting, increase of water provenance, and prevention of drying out or pollution.

3/ enforce compliance with water use, protection and sanitary requirements.

## **CHAPTER TWO**

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

#### Article 13. Protection of water resources and water quality

1. The volume of water required to keep a natural and ecological balance shall be maintained during the usage of a given water source.

2. An assembly of citizens' representatives may undertake local community protection of rivers, lakes, mineral water, springs or sources with special ecological importance.

3. Boundaries of protected zones to be created for the purpose of preventing reduction and pollution of water resources due to economic activities shall be set by the aimag, capital city, sum or duureg Governors on the basis of comments by a professional organization 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 regimes of protection and sanitary zones shall be set by the State Administrative Central Organizations in charge of nature & environment and health.

6. Any activities of production, service or property units with water use technology not consistent with international or national standards shall be prohibited.

#### Article 14. Protection against Water Resource Depletion

1. In the event the natural restoration and purification capacities of a given water source are reduced, the Soum or Duureg governor shall reset the permitted industrial water use amount and organize water collection on the basis of the comments by professional organizations.

2. In the event water resources are depleted and water quality degraded due to violations of the water law by water users, technical specifications for water facilities or technological procedures for water use, the governor of aimag, capital city, soum or duureg shall stop water utilization and require purification and restoration to be executed at the expense of the individuals, economic entities and/or organizations responsible.

3. Wood cutting and plant use for industrial purposes in prohibited areas indicated in the laws on forests and natural plants as well as extraction of sand, gravel or exploitation of mineral deposits in protected zones of water sources shall be prohibited without an approved project, drawings or authorization.

4. If it is necessary to change a water channel during the construction of facilities, appropriate expenses shall be included and implemented in the drawings and project for restoring it to its natural state, repairing and improving.

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. Citizens, economic entities and organizations shall cover and turn over control of pits or holes to the Soum or Duureg Governors.

3. In the event a water stratum is discovered during mineral exploration or extraction, 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. Individuals, economic entities and organizations using water shall locate live stock washing and agricultural production downstream from and beyond water source protected zones, decontaminate and remove waste water.

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

## CHAPTER THREE

### WATER UTILIZATION

#### Article 16. Purposes of water utilization

1. Water may be used for the following purposes.

1/ household

2/ industrial

2. Water use for household purposes means use of water for drinking and household needs and for watering pastoral livestock not for commercial purposes.

3. Water use for industrial purposes means use of water or water environment in production or service operation.

#### Article 17. Water utilization

1. Water shall be used by individuals, economic entities or organizations for industrial purposes pursuant only pursuant to a contract.

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

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

4. An individual, economic entity or organization in their soum or duureg or a landholder on his/her own land shall have preferential rights to use water for industrial purposes, but this right shall not become under any circumstances grounds for limiting others' rights to water use.

#### Article 18. Application for Water Use

1. Individuals, economic entities and organizations shall submit their application for water use for industrial purposes to the Soum or duureg governor.

2. The application provided for in paragraph 1 of the present article shall include the following items:

1) a map indicating the water source to use and its location;

2) amount of water to be used and duration of use;

3) environmental impact assessment;

4) drawings and project of water facilities;

5) production capacity, technical and economic indications.

#### Article 19. Authorization for water use

1. The Soum or Duureg governor shall decide on authorization for water use for industrial purposes by individuals, economic entities or 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 an industrial purpose, the governor of soum or duureg shall select among them taking into account conditions such as the administrative and territorial unit of residence or temporary location to which the applicant belongs, purpose of water use, economic efficiency of water use expected, the impact on the environment, the impact on water resources, as well as the paying capacity of the users.

3. An individual, economic entity or an organization may be granted authorization by the governor of an aimag or capital city to obtain water from the central water supply system in order to use it for industrial purposes and to discharge waste water into central removal system.

4. The decision on water use for an industrial purpose by an important enterprise or economic entity of state or local significance shall be made by the Government on the basis of proposals by the assembly of the citizens' representatives of aimag or capital city and comments by the State Administrative Central Organization responsible for nature and environment.

#### Article 20. Establishment of a Contract on Water Use

1. An individual, economic entity or an organization shall establish a contract on water use for industrial purpose with a professional organization on the given territory on the basis of the decision on water use issued by the governor.

2. A contract on water use shall include the following items.

1/ ground for water use (appropriate decisions);

2/ purpose of water use, amount to be used and duration of use;

3/ location of water source, drawings and project of water facility;

4/ amount of water to be discharge, purifying technology, cleansing level;

5/ water state, its qualitative composition;

6/ protection measures planned against depletion and pollution of water resources and their budget;

7/ rights, obligations and responsibilities of the parties to the contract;

8/ other necessary items.

#### Article 21. Basic Requirements of Water Use for an Industrial Purpose

1. An individual, economic entity or an organization that will use water for an industrial purpose shall abide by the following requirements:

1/ maintain waste water cleansing facility according to water use technological requirements;

2/ If the individual, economic entity or organization is not required to maintain a waste water cleansing facility according to water use technological requirements, they must have a point set for waste water removal, to transport and discharge there;

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 resources in the areas where water resources 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 amount of water spent per output of product unit.

3. Industrial water sources and pipelines shall be shut off while renewing or expanding sources or pipelines for central water supplies of state level towns.

4. It shall be prohibited to construct or utilize a water facility, reservoir, dam, or a manmade channel, lake or pond which has no protection amenity for fishes or could potentially **destroy or make the soil boggy or salinated**.

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

1. A citizen, economic entity or an organization 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. An individual, economic entity or an organization using water shall have the following duties.

1/ to comply with the legislation on protection, effective use and restoration of water resources, their quality as well as with the terms and requirements set out in the contract;

2/ to design and implement every year, at their own expense, measures to protect used water and its quality;

3/ to pay on time for water use;

4/ to keep records and reports on used and waste water and submit them to the governor of soum or duureg on regular basis;

5/ to not cause changes in natural water balance and quality, if the user is located upstream;

6/ according to the terms of the agreements established with individuals, economic entities or organizations, to deliver them water with the guaranteed quality;

7/ to ensure a normal functioning and timely maintenance of water pump and waste water cleansing facility;

## CHAPTER FOUR



## MISCELLANEOUS

### Article 23. Water Facility

1. An individual, economic entity or organization owning or possessing a water facility shall provide the water needs of others under the terms of multiparty contract. If this contract obligation is not fulfilled, the governor of sum or duureg may terminate the contract for given land with water source on possession or use to the individual, economic entity or organization.

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

### Article 24. Regulation of the Utilization of State Border Water

The utilization of state border water shall be regulated by the international agreements of Mongolia, the Law on State Borders and other legislation.

### Article 25. Prevention of Water Disasters

1. The governors of aimag, capital city, soum and duureg shall organize prevention measures against water disasters such as flood, freezing, ice drift, destruction of water facility, formation of boggy or salinated soil, and increase of the 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. Use of water for an industrial purpose by an individual, economic entity or an organization shall be subject to a fee.

2. The rules on determination of minimum and maximum fees for water utilization, exemption from and discount on fees shall be set 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 for the elimination of damages caused as well as for the encouragement and rewarding of water users which finance water resources and quality protection activities on their own financial means and apply environmentally benign technologies.

### Article 28. Liabilities for Violations of the Legislation on Water.

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

1/ a fine of 1,000 to 3,000 tugrigs for individuals, 50,000 tugrigs for a property unit or organization 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 tugrigs for individuals, 50,000 to 75,000 tugrigs for a property unit or organization in case of non-compliance with requirements of protection against water pollution according to the provision of the article 15 of the present law or violation of the regimes for water source protection and sanitary zones;

3/ a fine of 5,000 to 15,000 tugrigs for individuals, 75,000 to 100,000 tugrigs for a property unit or organization for failure to ensure normal functioning or maintenance of water pumping and waste water cleansing facility or 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 tugrigs for individuals, 100,000 to 150,000 tugrigs for a property unit or organization for suspending water supply to an individual, economic entity or an organization using water for an industrial purpose or delivering water with quality not conforming to sanitary requirements due to non-compliance with the provision set out in subparagraph 6 of paragraph 2 of article 22 of this law;

5/ a fine of 10,000 to 25,000 tugrigs for individuals, 100,000 to 200,000 tugrigs for a property unit or organization and confiscation of income illegally obtained in case of water use for an industrial purpose without any contract or authorization or use of water in the amount exceeding that indicated in the contract;

6/ fine of 20000 to 35000 tugrigs for individuals, 100000 to 250000 tugrigs for a property unit or organization and confiscation of income illegally obtained 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 the 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 responsible party.

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 enter into force as of June 5, 1995.