LAW OF MONGOLIA

April 15, 2004

Ulaanbaatar city

on legal status of government agency

chapter one

General provisions

Article 1. Purpose of the law

1.1. The purpose of this law is to define the legal basis of organization and operation of the Government agency /hereinafter referred to as "the agency"/, and to govern relations related to them.

Article 2. Legislation on the agency

2.1. The legislation on the agency consists of the Constitution of Mongolia, Law of Mongolia on Government, Law of Mongolia on Civil service, Law of Mongolia on legal status of the Ministry, Budget law of Mongolia, General Administrative law of Mongolia, Labor law of Mongolia, this law and other legislative acts enacted in conformity with them.

/This paragraph was amended according to the law as of December 23, 2011/

/This paragraph was amended according to the law as of February 4, 2016/

Article 3. The agency, its duties

- 3.1. The agency is a state administrative body that is responsible to implement appropriate sectorial policies of Government operations nationwide.
 - 3.2. The Government may have agencies with regulatory and/or implementing duties.

Article 4. Principles of the agency's activities

4.1. In addition to fundamental principles of the activities of State stated in Paragraph 2 of Article One of Constitution of Mongolia, the agency shall adhere to the principles of uniform, quality, prompt and accessible civil services, transparency, professionalism, compliance with law and accountability for its activities.

Article 5. Establishment of the agency

- 5.1. Unless otherwise provided by law, the Government shall establish the agency on basis of the appropriate scope of activities and a proposal of Prime Minister and Minister /hereinafter referred as "the Minister"/, pursuant to the state administrative body's system and the general structure scheme approved by the State Great Khural.
 - 5.2. The Minister shall include the following grounds in his proposal to establish the agency:
 - 5.2.1. a ground that the agency shall perform necessary state functions and services;
 - 5.2.2. the activities of the agency shall be performed in the territory of Mongolia;
 - 5.2.3. the activities of the agency shall not overlap with the functions and services of other state administrative bodies.
 - 5.3. The following documents shall be attached to the proposal to establish the agency:
 - 5.3.1. a strategy of activities, a structure, a draft of structural program;
 - 5.3.2. an annual budget, an introduction of source of finance and related calculation and research;
- 5.4. The Government may establish a working group in order to make a conclusion on whether if it is necessary to establish an agency.
- 5.5. If the Government decides it is necessary to establish an agency, the proposal to make related amendments and changes to the system and the general scheme of structure of state administrative bodies shall be submitted to the State Great Khural.
- 5.6. The Government shall decide a location of the agency considering duties, services and a scope of the activities of the agency.

/This paragraph was added according to the law as of January 19, 2012/

Article 6. Reorganization and liquidation of the agency

6.1. The agency can be reorganized though a consolidation, merger, division, split, or transformation.

- 6.2. The agency can be liquidated in case of following grounds:
 - 6.2.1. duties and services performed by the agency are no longer belong to the state duties and services;
 - 6.2.2. other grounds stated in the law.
- 6.3. Unless otherwise stated in the law, the Government shall decide whether to reorganize and/or liquidate the agency pursuant to the system and the general scheme of structure of the state administrative bodies approved by the State Great Khural.

Chapter two

Functions of the agency, its management and operational structure

- Article 7. Common functions of the agency
- 7.1. The agency shall perform the following common functions:
- 7.1.1. to organize and to ensure the implementation of legislation, Presidential decrees, the Government and/or the Ministerial decisions within the scope and sector;
- 7.1.2. to advertise relevant legislation, Presidential decrees and the Government and ministerial decisions, to study the practice of their application, to make a proposal for improving them, and to present the proposal to the Minister;
 - 7.1.3.to prepare a proposal for the draft of the budget framework statement with reasonable grounds and estimates;
- 7.1.4. to develop the agency's long-term and medium-term strategic plans, guidelines and budget proposals in a timely manner, and to submit them to the general budget governor in accordance with the conditions and grounds specified in the law;
- 7.1.5. unless otherwise provided by law, to provide professional and methodological assistance to governors of province and/or capital city, structural units of the Governor's Office and relevant organizations under the control of the Governor in the field of its activities;
- 7.1.6. to determine needs of the human resource of the sector, to prepare personnel, to train them, to improve their skills, to take measures to ensure their working conditions and social security;
 - 7.1.7. to take measures to create economic, social, legal and other guarantees to ensure human rights and freedoms;
- 7.1.8. to develop proposals to implement international treaties to which Mongolia is a party, and to bring relevant legislation in line with them and to present them to the Minister;
- 7.1.9. to develop administrative normative acts in accordance with the legislation and monitor their implementation, if authorized by law;

/This paragraph was amended according to the law as of February 4, 2016/

- 7.1.10. other common matters specified in the legislation.
- 7.2. The specific functions of the Agency shall be determined by a decision of the Government, if authorized by the law or legislation.

Article 8. Management of the agency

- 8.1. The agency shall be headed by a head appointed pursuant to the paragraph 2 of Article 183 of the Law on Government.
- 8.2. The head of the agency shall manage the activities of the agency and report its results to the Minister.
- 8.3. The head of the agency has the following powers:
- 8.3.1. to organize the implementation of the legislation, decrees and decisions specified in the sub-paragraph 7.1.1 of this law and monitor its process and implementation;
- 8.3.2. to provide day-to-day management of the agency, to approve administrative normative acts in accordance with the legislation, to register and enforce them in accordance with the procedures set forth in the General Administrative Law, if authorized by law;

/This paragraph was amended according to the law as of February 4, 2016/

- 8.3.3. as the general budget manager of the agency, to enter into a performance agreement with the general budget governor and to ensure its implementation;
- 8.3.4. to determine the staffing and salary fund of the agency within the approved budget, an organizational structure and the maximum number of staff approved by the Minister;
- 8.3.5. to appoint, dismiss, demote, transfer to another position, rotate, reward, impose disciplinary sanctions, dismiss, temporarily release and fire from the civil service in accordance with the legislation;

- 8.3.6. to provide professional advice and relevant information to the Minister within its functions;
- 8.3.7. to spend the agency's budget in accordance with established procedures;
- 8.3.8. to open a bank account in the name of the agency in accordance with the established procedures;
- 8.3.9. to communicate with other organizations on behalf of the agency;
- 8.3.10. to obtain necessary estimates, studies, data and documents required for the establishment of sectorial data system, and the development and implementation of the state policies from relevant organizations and business entities, if it does not contradict the law;
 - 8.3.11. other powers granted by the law and/or transferred in accordance with paragraph 9.1 of this Law.

/This paragraph was amended according to the law as of August 17, 2012/

- 8.4. The head of the agency shall issue an order related to the powers granted by this law and other relevant laws.
- 8.5. The head of the agency shall be provided with working conditions and guarantees specified in the law on Civil Service and other legislation.
- 8.6. The head of the agency shall represent the agency at home and abroad. The agency may be represented by the head of an organizational unit by order of the head of the agency and pursuant to the internal labor regulations.
 - Article 9. Operational structure of the agency
- 9.1. The maximum number of staff in the agency shall be approved by the Government, and the Minister of Mongolia shall approve the agency's operational strategy, organizational restructuring program and organizational structure pursuant to the fundamental model of operational structure established by the Government.

/This paragraph was revised according to the law as of August 17, 2012/

9.2. The operational strategy of the organizational unit of the agency shall be approved by the head of the agency.

/This paragraph was amended according to the law as of December 7, 2017/

9.3. It is prohibited to make changes to the operational strategy, organizational restructuring program and organizational structure, except for changes in the functions of the agency by law.

/This paragraph was added according to the law as of December 7, 2017/

9.4. The head of the organizational unit of the agency shall manage the day-to-day operations of the unit, and be accountable to the head of the agency for the results.

/This paragraph was amended according to the law as of December 7, 2017/

Article 10. The organization of the agency work

- 10.1. The agency will have a long-term action plan to implement its functions, mission and strategic goals.
- 10.2. The agency's long-term action plan is an integral part of the general manager's performance agreement with the general budget governor.
- 10.3. The internal labor regulations approved by the head of the agency in accordance with the legislation shall be followed within the agency.
 - 10.4. The internal labor regulations shall include the following:
 - 10.4.1. procedures for planning and reporting the work of the agency;
 - 10.4.2. appointment, release and dismissal;
 - 10.4.3. rights and obligations of administration and employees;
 - 10.4.4. methods of calculating and evaluating the performance of organizational units and employees;
 - 10.4.5. to conduct internal inspections, to reward, and to impose disciplinary sanctions;
 - 10.4.6. other matters specified in the legislation to include in the internal regulations.
 - 10.5. Internal labor regulations must be introduced to each employee.

Chapter three

Communication of the agency to other organizations and officials

Article 11. Communication of the agency to other organization and officials

- 11.1. The agency shall communicate directly with the Minister of Mongolia, the Secretary of State, the head of the organizational unit of the Ministry and its staff.
- 11.2. Unless otherwise provided by law, the agency shall communicate with the President of Mongolia, members of the State Great Khural, courts, prosecutors and other bodies established by the State Great Khural and its offices, the Prime Minister and members of the Government through the Minister, and these organizations and staffs shall communicate with the agency through the Minister.
- 11.3. The Prime Minister's Agency shall communicate with the President of Mongolia, members of the State Great Khural, members of the Government, and the Government through the Head of the Cabinet Secretariat.
- 11.4. The agency shall communicate directly with the Cabinet Secretariat and other ministries and agencies, unless otherwise provided by law.
- 11.5. The agency shall communicate with local self-governing bodies through chairpersons of Citizens' Representatives Khural of aimag, soum, capital city and district.

/This paragraph was amended according to the law as of April 22, 2022/

11.6. The agency shall communicate with local administrative bodies through the Governors of aimags, soums, the capital city and districts.

/This paragraph was amended according to the law as of April 22, 2022/

11.7. The agency shall communicate directly with organizations, business entities and citizens, except those specified in this Article.

Chapter four

Finance and property of the agency

Article 12. Finance of the agency

12.1. The agency's operating expenses and investment expenses shall be financed from the state budget.

/This paragraph was revised according to the law as of December 19, 2008/

12.2. Procedures for developing, approving, disposing of and reporting on the agency's budget shall be established by law.

/This paragraph was amended according to the law as of December 19, 2008/

/The paragraphs 12.3-12.5 were considered as ineffective by the law as of December 19, 2008/

Article 13. Property of the agency

- 13.1. The agency shall have properties specifically granted by the state.
- 13.2. Pursuant to the procedures provided by law, the agency shall possess, use and dispose of the property allocated to it and the property generated by the income earned according to the law.

chapter five

Miscellaneous

Article 14. Publishing of the agency

- 14.1. The agency may issue a bulletin for the purpose of officially informing the public about the orders of the head of the agency and its activities.
- 14.2. The head of the management and organizational unit of the agency shall follow the policy of the Government and the Minister of Mongolia when making an official statement about its functions.

Article 15. Foreign affairs of the agency

- 15.1. The agency shall enter into agreements and negotiations with similar foreign organizations, international and other organizations on issues within its competence based on legislation, Government decisions, and procedures established by the Minister of Mongolia.
- 15.2. The Minister of Mongolia shall decide the head of the agency to study the experience of similar foreign organizations, international and other organizations, and/or to attend professional trainings, and/or to participate in meetings and conferences /hereinafter referred to as "official assignment"/.
 - 15.3. The head of the agency shall decide the head of the structural unit and an employee to do an official assignment.
 - 15.4. The Minister of Mongolia shall decide on inviting experts, guests and representatives from similar foreign organizations

and international organizations.

- Article 16. Seal, stamp and emblem of the agency
- 16.1. The agency shall use stamps, seals and letterheads made in accordance with established procedures.
- 16.2. The Government shall establish the procedure for using seals, stamps and letterheads specified in paragraph 16.1 of this Law.
 - 16.3. The agency may have an emblem that represents the concept of its activities and its historical traditions.
- 16.4. Unless otherwise provided by law, the head of the agency shall determine the design, definition and usage of the agency's emblem.
 - Article 17. Reward of the agency
 - 17.1. The agency may have the following types of reward:
 - 17.1.1. to write in the honorary book of the agency, and to issue a commemorative certificate;
 - 17.1.2. an honorary award of the agency.
- 17.2. The Government shall establish the fundamental procedure for rewarding specified in paragraph17.1 of this Law, and the definition and design of the award shall be approved by the head of the agency.
 - Article 18. Prohibited activities of the agency
 - 18.1. The agency is prohibited to perform the following activities:
 - 18.1.1. political and religious activities such as demonstrations, rallies, strikes, hunger strikes and sit-ins;
 - 18.1.2. to carry out income-generating activities in any form, except as provided by law;
- 18.1.3. to allow to place business entities and organizations in the agency premises, except for organizations and business entities that provide services related to its main activities, except as provided by international agreements and decisions of the Government of Mongolia;
 - 18.1.4. other activities prohibited in laws and by decisions of the Government.

SPEAKER OF THE STATE GREAT KHURAL OF MONGOLIA TUMUR-OCHIR.S