

# **TOURISM LAW OF MONGOLIA**

## **CHAPTER ONE**

### **General Provisions**

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

1.1 The purpose of this Law is regulate relations between the State, citizen, economic entity and organization with regards to tourism promotion, engagement in tourism activities and provision of tourism services on the territory of Mongolia.

#### **Article 2. Tourism Legislation**

2.1. Tourism legislation shall comprise Civil Code, Land law, Environmental Protection law, Law on the State Strictly Protected Areas, Tourism Law and other relevant legislation enacted in conformity therewith.

2.2. Should provisions of international treaties to which Mongolia is a party provide otherwise, provisions of the international treaties shall prevail.

2.3. Relations arising from engagement in tourism business on the State Strictly Protected Areas shall be coordinated in accordance with law on the State Strictly Protected Areas.

#### **Article 3. Definitions of the Law**

3.1. In this Law, the terms provided in the following sub-paragraphs shall be understood respectively as laid down in the sub-paragraphs concerned:

3.1.1. "tourism" shall mean travelling of individuals outside their permanent residence for between one and 183 days for familiarization, relaxation and resuperation, as well religious and business purposes;

3.1.2. "tourism organization" shall mean a profit-making legal unit engaged in the provision, the promotion, the sale and the purchase of tourism products, and the organizing of complex and individual tourism services;

3.1.3. "tourism region" shall mean an area with historical, cultural and natural resources compatible for tourism development in Mongolia;

3.1.4 "tourism product" shall mean a service rendered, with remuneration, by tourism organizations to provide tourists travel conveniences and to induce the interests there of;

3.1.5. "tourist" shall mean a Mongolian citizen, foreign citizen or a stateless person travelling for tourism purposes;

3.1.6. "tourist service organization" shall mean an entity rendering hotel, tourist camp, dining, relaxation and recuperation, transportation, communications or leisure services to tourists;

3.1.7. "guide-interpreter" means an individual accompany to guide and to provide interpretation and explanation to tourists according to the tour program. */This subparagraph was amended by the Law of November 30, 2001/*

3.1.8. "high level hotel" means a service entity which fulfilled obligations required for upkeeping of complex hotel services levelled with 3 stars and up. */This subparagraph was added by the Law of November 30, 2001/*

## **CHAPTER TWO**

### **Tourism Organization**

#### **Article 4. Tourism organization and its classification**

4.1 The tourism organization shall perform the following activities:

4.1.1. to plan, provide, promote and carry out the whole and the retail sales of tourism products and services, and organize tours;

4.1.2. to compile visa application and travel related documents;

4.1.3. to book, sell and purchase air, railroad and other transportation tickets;

4.1.4. to make hotel, tourist camp, accommodation and leisure reservations;

4.1.5. to make tourist arrival, service and departure arrangements.

4.2. The tourism organization shall be classified into the tour operator and the tour agency;

4.2.1. the tour operator shall perform activities provided in sub-paragraphs 4.1.1-4.1.5 of this Article;

4.2.2. the tour agency shall perform all or part of the activities mentioned in sub-paragraphs 4.1.2. - 4.1.5. of this Article, as well as the intermediate sale and purchase of the tour operator's products.

#### **Article 5. Special license for upkeeping/running of high class hotel services**

*/The article 5 was amended according to the article 3 of the law on the amendments to the "law on Tourism in Mongolia" from 30, November 2001 /*

5.1. The special license for upkeeping of high level hotel services shall be issued by the State administration in charge of tourism.

5.2. The applicant for keeping of high level hotel services shall submit besides the documents listed in the article 11, paragraph 1 of the Law on special license for business activities following documentation:

5.2.1. the master construction plan of the high level hotel, drawings on technical, technological system scaled 1:100 and 1:200 and the conclusion of the belonging organization for control;

5.2.2. the conclusion of the expert on the standard of the hotel building, its classification, grading, technique and technology;

5.2.3. the conclusion of the commission for approving of the level of the hotel

5.3. All matters not regulated by this law on the special license for up keeping of the high level hotel services shall comply with the Law on special license for business activities. */This paragraph was amended by the Law of November 30, 2001/*

*/The articles 6-7 were annulled by the Law of November 30, 2001/*

## **Article 8. Powers of the Tourism organization**

8.1. The tourism organization shall exercise the following powers:

8.1.1. to operate activities in accordance with the provisions of Paragraph 4.2. of this Law;

8.1.2. to promote, sell and purchase, on its behalf, its own tourism products;

8.1.3. to submit to the State administration in charge of tourism a report on the tourists received in one particular year in accordance with the approved rules;

8.1.4. to furnish tourists with concrete, up-to-date information on Mongolian socio-economy, government structure, history, culture, customs and traditions;

8.1.5. to take necessary measures, in its power, for the protection and preservation of the national properties of high historical, cultural and natural value and report to the relevant organization concerned on violations taken place;

8.1.6. to involve its tourism service staff in certified training courses;

8.1.7. to set prices and tariffs for its tourism products;

8.1.8. to conclude contracts with tourism service organizations.

8.1.9. to offer guide-interpreter services for the tourists; */This subparagraph was added by the Law of November 30, 2001/*

8.1.10. to obtain grading from the organizations in charge. */This subparagraph was added by the Law of November 30, 2001/*

8.2. Endeavor to develop the environmentally-friendly tourism that shall contribute to the socio-economic development of Mongolia, as well as to the health, customs and traditions of local people.

## **Article 9. Tourism contract**

9.1. The tour operator and the tour agency shall conclude a contract in written form for sale and purchase of tourism products.

9.2. The tourism contract shall be similarly subject to Article 163 of the Civil Code and without fail shall reflect the following general terms and conditions:

9.2.1. the official names and addresses, the State registration certificate numbers, and the bank account numbers of contracting parties; */This subparagraph was amended by the Law of November 30, 2001/*

9.2.2. information on the tourists composition, the tour program and other information related thereto;

9.2.3. its tourism products quality, price and payment rules;

9.2.4. the travel duration, the tourists arrival and departure regulations, the powers and duties of the parties;

9.2.5. the rules for the settlement of tourists complaints and disputes regarding the services rendered.

9.3. The fulfillment of the tourism contract's duties and the decisions to cancel, amend or invalidate the tourism contract shall be performed in conformity with the relevant provisions of the Civil Code.

## **Article 10. Tourist service organisation**

10.1. The tourist service organization shall comply with the following provisions:

10.1.1. to operate its activities in accordance with the provisions set for the services of particular standards and grades;

10.1.2. to set its service prices and tariffs in conformity with the grade conferred and display them openly;

10.1.3. to announce its public contract's provisions not less than three /3/ months prior to the beginning of the following calendar year;

10.1.4. to display openly organization's name, grade conferred and license for rendering tourists services;

10.1.5. to render tourist services in accordance with a contract, concluded with tourism organization concerned and avoid double charging tourists for services rendered ;

10.2. The State central administrative organ in charge of tourism matters shall approve the rules for grading of high level hotels and tourist camps. */This paragraph was amended by the Law of November 30, 2001/*

10.3. The tourist service organization shall be prohibited to engage in the activities provided in Paragraph 4.1. of this Law.

## **Article 11. The State endorsement of tourism**

11.1. Support and depreciation allowances provided by the State to export related enterprises shall be similarly applied to services rendered, by tourism organizations and hotels, to foreign tourists.

11.2. The issues regarding the taxation concessions for the citizens or the legal unit, who have made investments in the tourism sector, shall be coordinated in accordance with the relevant tax legislation.

11.3. Any person, whose proposal has won the contest announced for the development of tourism region, stipulated in Sub-paragraph 14.1.1. of this Law, may be granted, on a contractual basis, a relevant financial assistance by the State for the implementation of his/her project.

## **CHAPTER THREE**

### **Guide-interpreter**

#### **Article 12. Requirements applied to the guide-interpreter**

12.1. Any person who shall meet with the following requirements may render guide-interpreter business:

12.1.1. must be a Mongolian citizen;

12.1.2. must possess the knowledge of the one or more foreign languages, hold the certificate of guide-interpreter training course and obtain grading, classification of the guide-interpreter from the organizations in charge; */This subparagraph was amended by the Law of November 30, 2001/*

12.1.3. must meet health requirements necessary for rendering guide-interpreter business.

**12.2.** The State administration in charge of tourism shall issue the grading and classification of the guide-interpreter of person, who shall meet with the requirements listed under Paragraph 12.1. of this Law. */This paragraph was amended by the Law of November 30, 2001/*

*/The paragraphs 12.3; 12.4; 12.5 were annulled by the law of November 30, 2001/*

#### **Article 13. Powers and duties of the guide-interpreter**

13.1. The guide-interpreter shall exercise the following powers and duties:

13.1.1. to render services to tourists in accordance with the program approved by tourism organization concerned and ensure tourists safety;

13.1.2. to wear openly a badge with indication of his/her name and name of tourism organization concerned, while rendering services to tourists;

13.1.3. to furnish tourists with concrete, up-to-date information on Mongolian socio-economy, government structure, history, culture, nature, people's customs and traditions and avoid divulging confidential information of the State, the natural person or the organization concerned;

13.1.4 to eliminate the damages caused in the course of rendering services due to his / her fault to the tourists or the tourism organization concerned.

13.2. The guide-interpreter shall be prohibited to demand rewards from tourists, engage in tourism organization's functions. */This paragraph was amended by the Law of November 30, 2001/*

## **CHAPTER FOUR**

### **Powers of the State organs with regards to tourism**

#### **Article 14. Powers of the Government with regards to tourism**

14.1. The Government shall exercise the following powers with regards to tourism:

14.1.1. to allocate regions for tourism development in Mongolia in conformity with the State policy on socio – economic development;

14.1.2. to implement the State integrated policy regarding tourism and ensure the implementation of the relevant legislation;

14.1.3. to approve the national program on tourism development;

14.1.4. to approve the rules regarding to concentration, the expenditure and the supervision of the assets of the Tourism fund, which is stipulated in Article 19 of this Law, in accordance with the relevant legislation, and appoint a representative of the fund.

14.1.5. to support domestic and international investments in the tourism sector and establish constructive relations;

14.1.6. to set up State administration in charge of tourism and approve the rules thereof;

14.1.7. to implement the supervision of the fulfillment of the tourism legislation and approve the rules of the State supervision over tourism.

#### **Article 15. Structure of State administration in charge of tourism**

15.1. The Structure of the State administration in charge of tourism shall be composed of the State central administrative organ in charge of tourism matters, the Tourism council under the Prime Minister's office and the local tourism unit (an official) respectively.

15.2. The Tourism council / hereinafter referred to as the "Council" / shall render advice, draw conclusions deliver opinions to the Prime Minister in regard to the elaboration and the implementation of the State integrated policy on tourism.

15.3. The Council shall comprise the chairperson, one (1) member proposed separately by the State central administrative organs in charge of the State finance, the budget, the infrastructure and the environmental matters, and three (3) tourism organization members, proposed by a non- governmental tourism organization respectively.

15.4. The Council's chairperson and members shall be appointed by the Prime Minister.

15.5. The Council's chairperson shall be the Head of the State administration in charge of tourism.

15.6. The Council's function rules shall be approved by the Government.

15.7. The Governor of all divisions may, taking into consideration the demand for tourism development, designate the unit / an official /to be in charge of tourism matters.

#### **Article 16. Powers of State central administrative organ in charge of tourism matters**

16.1. The State central administrative organ in charge of tourism matters shall exercise the following powers with regards to tourism:

16.1.1. to elaborate and coordinate the State integrated policy regarding tourism, and provide with professional management;

16.1.2. to supervise the fulfillment of tourism legislation;

16.1.3. to elaborate tourism development plan and ensure implementation thereof;

16.1.4. to coordinate relations between tourism organizations domestically and internationally;

16.1.5. to plan human resources development in tourism sector and approve training structure and programs thereof association with authorized organs;

16.1.6. to approve rules for grading and licensing of tourism organizations, high level hotels and tourist camps and approve grading regulation and classify the guide-interpreter; /  
*This subparagraph was re-edited by the Law of November 30, 2001/*

16.1.7. to determine the number and location of tourist camps, relaxation and recuperation centers and sanatoriums to operate in the tourism region and book keeping. /  
*This subparagraph was amended by the Law of November 30, 2001/*

#### **Article 17. Powers of State administration in charge of tourism**

17.1. The State administration in charge of tourism shall exercise the following powers with regards to tourism:

17.1.1. to promote Mongolia domestically and internationally;

17.1.2. to issue the special license for upkeep of high level hotel services; /  
*This subparagraph was re-edited by the Law of November 30, 2001/*

17.1.3. to consolidate and analyze tourism statistical data;

17.1.4. to set up the integrated tourism information network and the database;

17.1.5. to determine the number of tourists to be received in tourism region;

17.1.6. to determine tourism routes and itineraries;

17.1.7. to ban conduct of any activity that might negatively affect tourism development.

## **Article 18. Power of the Citizen's Representatives Meeting of all divisions and the Governor with regards to tourism**

18.1. The Citizen's Representatives Meeting of the capital city, aimag, soum and district shall exercise the following powers with regards to tourism:

18.1.1. to supervise on its respective territories the implementation of the State policy and legislation regarding tourism, and, if deemed necessary, deliberate the Governor's report on this matter;

18.1.2. to ensure the implementation of the national program on tourism development;

18.1.3. to submit to the State central administrative organ in charge of tourism matters proposals regarding the involvement of particular parts of its respective territories in the tourism resource region;

18.1.4. to approve programs regarding the tourism development on its respective territories.

18.2. The Governors of capital city, aimag, soum and district shall exercise the following powers with regards to tourism:

18.2.1. to implement on its respective territories the State integrated policy regarding tourism, and ensure and coordinate the fulfillment of tourism legislation;

18.2.2. to issue, within his/her power and in accordance with number and location approved by the State central administrative organ in charge tourism matters and relevant legislations, the license for land ownership by tourist service organization to be set up on the territory concerned and conclude a contract;

18.2.3. to elaborate programs and projects in conformity with the policy on regional development of tourism on its respective territories and submit proposals in this regard to the relevant Citizen's Representatives Meeting and elaborate and implement a tourism development plan in accordance with approved program;

18.2.4. to avoid charging or receiving any payments/duties, unless prescribed by law, from tourists transiting through the respective territories.

## **CHAPTER FIVE**

### **Tourism fund**

#### **Article 19. Tourism Fund**

19.1. The tourism fund shall be set up for the purposes of financing expenses necessary for the infrastructure development, the domestic and the international promotion of Mongolia,



the elimination of possible negative tourism impacts on the environment, the restoration of cultural properties, and the protection and the cultivation of historical, cultural and natural heritage.

19.2. The tourism fund shall be a component part of the State central budget.

### **Article 20. Tourism fund's sources**

20.1. The tourism fund shall be formed from the following sources:

20.1.1. capital allocated from the State central budget in one particular year;

20.1.2. assistance and charity by native and foreign citizens and organizations;

20.1.3. other legitimate sources.

### **Article 21. Purpose of the Tourism Fund**

21.1. The tourism fund's resources shall be spent for the purposes as provided in Paragraph 19.1. of this Law.

## **CHAPTER SIX**

### **The Supervision of tourism activities and the Liability**

#### **Article 22. The supervision of tourism activities**

22.1. The State and the professional supervision shall be provided for the fulfillment of tourism legislation.

22.2. The State supervision of tourism legislation's fulfillment shall be administered, within their power, by the State central administrative organs, the State administrative organ in charge of tourism matters and the Governors of all divisions.

22.3. The professional supervision of tourism legislation's fulfillment shall be administered by the State inspection division of Infrastructure.

22.4. Matters regarding the appointment and the dismissal of the State Senior and the State tourism supervisors shall be regulated in accordance with the provisions of Article 21 of State Inspection Law.

#### **Article 23. Powers and duties of the State tourism supervisor**

23.1. The State tourism supervisor shall exercise the following powers:

23.1.1. to examine the state of the tourism legislation's fulfillment by the tourism organizations, the tourist service organizations and the guide-interpreters regardless of the form of property thereof;

23.1.2. to require free of charge any data and information necessary for inspection purposes from citizens, officers or organizations involved;

23.1.3. to submit, along with the relevant grounds, proposals to the State administration in charge of tourism for the invalidation of licenses, provided in Article 5 of this Law; */This subparagraph was amended by the Law of November 30, 2001/*

23.1.4. to have access to relevant organizations concerned for inspection purposes;

23.1.5. to inspect documents of persons in violation of tourism legislation and temporarily confiscate them, if deemed necessary;

23.1.6. to impose administrative penalties on those in violation of tourism legislation as prescribed by this Law;

23.1.7. to submit proposals to the State administration in charge of tourism on downgrading hotels failing to comply with the grade standards conferred.

23.2. The State tourism supervisor shall have the following duties:

23.2.1. to strictly abide by the legislation and the regulations adopted in conformity therewith in the course of conducting the supervision of tourism legislation's fulfillment;

23.2.2. to respect the rights and the legal interests and avoid divulging the confidential information of the organizations and the natural persons concerned, in the course of taking prosecution measures regarding detected violations;

23.2.3. to administer tourist complaints and proposals in reference to the violations of tourism legislation;

23.2.4. to inspect the reliability of information provided to tourists by the tourism organizations or the guide-interpreters on Mongolian socio-economy, government structure, history, culture, people's customs and traditions.

## **Article 24. The Liability for violation of tourism legislation**

24.1. The Judge and the State tourism supervisor shall, taking into the consideration the nature of the violation and the size of damages caused, impose the following administrative penalties on the persons in violation of tourism legislation, if such violations do not constitute a criminal offense:

24.1.1. confiscation of unlawful income and fine of up to Tg 60.000 and up to Tg 250.000 shall be imposed on an official and an organization in violation of Paragraph 10.3. of this Law respectively.

24.1.2. fine of Tg 15.000-50.000 shall be imposed on a guide-interpreter in violation of Paragraph 13.2. of this Law;

24.1.3. fine of up to Tg 50.000 and up to Tg 100.000 shall be imposed on an official and an organization respectively, for failure to comply with the legal requests given by the State tourism supervisor regarding the violations detected in tourism activities;

24.1.4. fine of up to Tg 10.000 and up to Tg 50.000 shall be imposed on an official and an organization respectively, for failure to submit in due time to an authorized organization or official a tourism related information;

24.1.5. fine of up to Tg 50.000 shall be imposed on any person who have charged or received any payments/duties in violation of this Law from tourists transiting through his/her territory.

24.1.6. fine of up to Tg100.000 and up to Tg 250.000 shall be imposed on organizations in violation of Paragraph 8.1.6 of this Law. */This subparagraph was added by the Law of November 30, 2001/*

**CHAIRMAN OF PARLIAMENT**