

**Terms of Reference of the National Council committed to coordinate and monitor the
Implementation of the Extractive Industries Transparency Initiative in Mongolia**

One. General provisions

1. The National Council committed with a duty to coordinate and monitor (hereinafter referred to as “the National Council”) the implementation of the Extractive Industries Transparency Initiative in Mongolia (hereinafter referred to as “the Initiative”) is the consultative entity with equal representation of Government, Extractive Industries and Civil Society.
2. The objective of the National Council is to ensure political, legal, and institutional framework in order to implement and develop basic principles and criteria of the Initiative.
3. The major form of the National Council's work shall be a meeting.

Two. The Organization of the National Council

4. The Chairman of the National Council shall be the Prime Minister of Mongolia and the Deputy Chairman shall be Minister for Mining of Mongolia.
5. During the recession of the meeting Minister for Mining shall be responsible for organizing and coordinating the implementation of the Initiative.
6. The National Council shall be consisted of an equal tri-partied representation of the Government institutions; mining and oil companies and their subcontractors (hereinafter referred to as “the Companies”; and sector's professional associations (hereinafter referred to as “the Professional associations”; civil society coalitions established for the purpose of the transparency of the extractive industry (hereinafter referred as “the Civil society coalition”). The composition of the National Council shall be approved by the Government resolution.
7. The representatives of the National Council shall be assigned and released as follows:
 - 7.1 The representatives of the Government and Great State Khural (Parliament) its related institutions shall be assigned and released by the Prime Minister.
 - 7.2 The representatives of the companies and professional associations shall be assigned and released by the President of the Mongolian National Mining Association.
 - 7.3 The representatives of the civil society coalitions shall be assigned and released by the meeting of the “Publish What You Pay” coalition and the representatives of the environment's civil council shall be assigned and released by the meeting of the Civil council of environment.
8. Head of the Government representatives would be Minister for Mining, of the companies' representatives would be President of the Mongolian National Mining Association, of the civil society coalitions' representatives would be the Coordinator of PWYP coalition.

9. The Secretary of the National Council shall be the Senior Advisor to the Prime Minister. The Secretary of the National Council shall exercise rights and bear obligations akin to a Council member.

Three. Meeting of the Council

10. The National Council shall, when required, convene a meeting upon consent of the Chairman and/or, in his/her absence, Minister for Mining and/or, in their absence, a substitute member. The Secretary of the National Council shall provide for the preparation of the meeting.

11. An agenda of the Council meeting shall be presented to the Chairman and to the Minister for Mining and/or, in his/her absence, to the substitute member and related materials shall be sent to members electronically at least 3 days prior to the meeting. Required materials and Mongolia EITIth Reconciliation Report shall be sent in written.

12. The Council meeting shall start upon attendance of at least 6 persons representing each constituency, supposed to attend majority of members' attendance of a the meeting. The member can submit his/her proposal in writing in case of his/her absence. If he/she submitted his/her proposal in writing it should be registered as a participated. Head of the meeting shall introduce his/her proposal to all members and it should be considered into the meeting's decision.

13. The Prime Minister of Mongolia and/or, in his/her absence, Minister for Mining or any head of representatives' of the National Council shall chair the meeting.

14. Minutes of the meeting shall be prepared from the National Council meeting and it shall be kept by Coordinator of Mongolia EITI Secretariat. The minutes shall be validated upon the Secretary of the National Council signing them.

Four. Agenda of the National Council meeting

15. Any topic related to the implementation of the initiative shall be formulated at the Multi-Stakeholders' Working Group (MSWG) and presented to the National Council after consideration at the MSWG meeting.

16. A member of the National Council shall exercise a right to propose a topic for consideration at the National Council meeting and to express his/her opinion regarding a topic. The member proposing a topic for consideration at the National Council meeting shall submit documents to the Secretary of the National Council to include in the agenda and send out to members.

17. The National Council shall consider following subjects:

- 17.1 Drafts of decisions, resolutions and issues prepared by the MSWG in relation with the implementation of the EITI;
- 17.2 MEITIth Reconciliation Report;
- 17.3 Terms of Reference of the National Council and MSWG work report and other information;
- 17.4 Updates and proposals of ministers and heads of agencies regarding the implementation of the Initiative;
- 17.5 Guidelines on formulating legislation and draft resolutions on the EITI;
- 17.6 Other issues assumed to have the need to be on the agenda;

Five. Form of Consensus at the National Council

18. In case of any disputes and controversies during the meeting parties shall consent as following;
- 18.1 To agree between heads of the representatives;
 - 18.2 The National Council may set up an expertise group comprised of researchers, consultants and experts to review matters and obtain an opinion;
 - 18.3 To give an assignment to the MSWG to re-discuss the issue and prepare for the next National Council meeting;
 - 18.4 In case of disagreement, an opportunity of voting shall be eligible, a motion shall be effective and obtain the vote of 2/3 of attending members of each constituency.

Six. Formulations of decisions made by the National Council meeting

19. The National Council may suggest to make decisions as following types:
- 19.1 The Prime Minister's order related to those issues;
 - 19.2 To prepare drafts of laws and resolutions; or to introduce to the Cabinet meeting in case of Government resolution needed;
 - 19.3 To recommit the issue to the one of members of the National Council who is fully charge of that issue according to the related legal framework and to request to monitor and to hear the result;
 - 19.4 To make decisions and recommendations together with stakeholders of the National Council and to inform to the public.

Seven. Monitoring of the National Council

20. The National Council shall evaluate its execution of decisions made and performance of tasks given and to update it to members, if required, put on the agenda of the meeting, and during the recession of the meeting, to introduce to the Chairman or Deputy chairman and have their guidelines.

21. The National Council members and MSWG shall monitor the execution of the National Council decision and an operation of institutions and officials implementing the EITI.

22. The Deputy Chairman and members of the National Council may get update on the MSWG action progress and execution toward implementing the EITI and take actions to intensify the progress.

23. The National Council may set up an expertise group comprised of researchers, consultants and experts to review matters and obtain an opinion;

Eight. Other

24. The Cabinet Secretariat, Ministry of Mining and Mongolia EITI Secretariat shall bear stationary expenses of the National Council.

25. The National Council shall use letterheads, stamps, and seals of the Cabinet and Cabinet Secretariat and Ministry of Mining.

26. The National Council members shall have business card with Mongolia EITI logo.

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