**Unofficial translation**

The Resolution of Government of Mongolia

September 20th, 2017

No.263

City of Ulaanbaatar

Re: On some measures to activate implementation of work of Extractive Industries Transparency Initiative

The Government of Mongolia based on provisions of law on the Government, 7.2 and 8.4 is enacting:

1. Deputy Chairman of National Council (hereafter called as National Council), which has duties to organize and coordinate implementation of EITI, Acting Minister of Mining and Heavy industries Ts.Dashdorj shall be assigned to take following measures to activate implementing work of Extractive Industries Transparency Initiative (hereafter called as EITI):
   1. To accept EITI international standard, requirements, recommendations, chapter and protocol within Mongolian legislation, and to work to implement them;
   2. To submit to National Council meeting a progress of policy and activities in relation to EITI in Mongolia, results, implementation progress of international standard, requirements, recommendations, chapter and protocol; and annual report, organize deliberation and publish with made decisions;
   3. To act in order to create common understanding, to disseminate information about mining, oil exploration, exploitation and processing activities expected in certain territories to local community through EITI subnational councils; through Presidium of citizens representatives of soum and districts hural, where no EITI subnational council is given;
2. Acting Minister of Finance D.Choijilsuren, and Governors of Aimag and Capital city shall be assigned to take following organizational measures for EITI:
   1. To organize production of report on tax, payment, fee, charges, dividend, profit, fine, donation, grant and other revenues received at state and local budget from mining license holders and petroleum contractors; their operators, which shall be based on financial data verified by National Audit office, or its aimag and capital city branch, and publish Government electronic report, which is based on them, and make reporting as routine work;
   2. To publish in accordance with EITI 2016 standard the report on revenue disbursement collected at state and local budget from minerals and petroleum sales, and include to EITI annual report.
   3. To organize implementation of recommendations given by International independent administrator to electronic EITI report of the Government, and to report to the National Council on progress of implementation and results;
   4. To take measures to finance costs for activities of EITI subnational councils such as aimag, capital city, soum and district starting from 2019 through allocating funds at state and local budget;
3. Chairman of Professional Inspection Agency N.Tsagaankhuu shall be assigned to take measures for charging liabilities under law on Violations from mineral license holders, petroleum contractors and their operators for not correctly informing and not informing publicly as the law required, to report to National Council what was done and to inform public;
4. Acting Minister of Mining and Heavy industries Ts.Dashdorj, Acting Minister of Justice and Internal affairs S.Byambatsogt shall be assigned to draft law on creating legislation environment to disclose beneficial owners of revenues of mineral license holders, petroleum contractors and their operators and submit to meeting of Government before the end of 2017;
5. Management of mineral license holders, petroleum contractors and their operators shall be required to take the following measures:
   1. To produce a report on paid tax, payment, fees, chargers, dividend, donations given to all level state and local administrative organizations, quazi-fiscal expenditure by state owned enterprises (such as kindergarten, school, financing sports events) based on financial data verified by audit and inform publicly through EITI electronic reporting network under approved template before April 15th of each year;
   2. To inform in open manner aimag and soum community on disbursed funds to protect nature and rehabilitate damaged land, activities conducted, their results, to cooperate with local community in this direction.
   3. To organize implementation of recommendations given by International independent administrator and to report to the National Council on progress of implementation and results;
6. In connection with this Resolution, provision 10.2 shall be amended after “license” there shall be petroleum contract; provision 14.2 shall be amended after “license holder” there shall be petroleum contactor; article 2, shall be amended instead of “deputy chairman shall be Minister of Mineral resources and energy” there shall be Deputy chairman shall be Minister of Mining and Heavy industries; article 4 shall be amended instead of “EITI” there shall be Improving Extractive Governance Project; provision 13.2 shall be amended instead “aimag, capital city” there shall be aimag, capital city, soum, district; provision 13.3 shall be amended instead “in aimag, capital city” there shall be in aimag, capital city, soum, district; provision 14.2 shall be amended “of economic entities” there shall be of economic entities and petroleum contractors; of the Government Resolution No.222 dated June 4th, 2012 on “Some measures to insure transparency of extractive industries”; also article 7,8,9; provision 11.1, article 12, provision 14.1 and article 15 shall be invalidated of the Resolution.

Acting Prime Minister of Mongolia J.Erdenebat

Acting Minister of Mongolia, Chairman of Government Cabinet Secretariat J.Munkhbat