

LAW OF MONGOLIA

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LAW OF MONGOLIA ON NUCLEAR ENERGY

CHAPTER ONE

GENERAL PROVISIONS

Article 1. Purpose of the Law

1.1. The purpose of this law shall be to regulate relations pertaining to exploitation of radioactive minerals and nuclear energy on the territory of Mongolia for peaceful purposes, ensuring nuclear and radiation safety, and protecting population, society and environment from negative impact of ionizing radiation.

Article 2. Legislation on nuclear energy

2.1. Legislation on nuclear energy shall consist of the Constitution of Mongolia¹, this Law and other legislative acts enacted in conformity therewith.

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

2.3. Relations pertaining to exploitation of nuclear energy not precisely regulated by this Law shall be regulated by relevant articles, paragraphs and clauses of the Energy Law².

Article 3. Definitions of law terminology

3.1. The following terms used in this Law shall have the meanings below:

¹ Constitution of Mongolia was published in the 1st book of the State News 1992

² The Energy Law of Mongolia was published in the 6th book of the State News 2001

3.1.1. "nuclear energy" as all forms of energy originated as a result of nuclear fission and nuclear alteration;

3.1.2. "exploiting nuclear energy for peaceful purposes" as exploiting nuclear energy in other sectors except nuclear weapons;

3.1.3. "nuclear and radiation safety" as protecting population and environment from impact of radioactive elements and other generators of ionizing radiation, and ensuring safe operation of nuclear equipment and radiation generators;

3.1.4. "radioactive minerals" as mineral accumulations containing uranium and radioactive isotope of thorium colony stipulated in the clause 4.1.2 of the Minerals Law³;

3.1.5. "nuclear substance" as substance containing uranium, radioactive isotope of thorium colony and rare earth elements used for nuclear material and nuclear technology;

3.1.6. "nuclear facility" as nuclear fuel plant, nuclear and research reactor, source of nuclear energy, nuclear fuel and utilized fuel stock facility, process plant and utilized fuel re-process plant;

3.1.7. "ionizing radiation" as radiation, which directly and indirectly creates dual ions within substances and biological bodies;

3.1.8. "nuclear energy resource" as stipulated in the clause 3.1.21 of the Energy law;

3.1.9. "nuclear energy" as stipulated in the clause 3.1.22 of the Energy Law;

3.1.10. "source of nuclear energy" as stipulated in the clause 3.1.23 of the Energy Law;

3.1.11. "nuclear fuel" as material used in generating nuclear energy;

3.1.12. "nuclear material" as material used in nuclear reactor and nuclear weapons;

³ Minerals law of Mongolia was published in the 30th book of the State News of 2006

3.1.13. “radiation generator” as any instrument and means for production of radioactive substance generating radioactive irradiation and ionizing radiation, except nuclear equipment;

3.1.14. “material for nuclear fuel” as nuclear substance to generate huge amount of energy as a result of nuclear fission;

3.1.15. “nuclear source material” as raw materials i.e. uranium, thorium ore and rare earth elements to produce nuclear fuel material;

3.1.16. “radioactive waste” as any item with radioactive indicator exceeding permitted rate specified in the waste standard, able to exist in any state or form and not suitable for further use;

3.1.17. “yellow cake” as uranium oxide to originate at intermediate stage during the course of uranium processing operation;

3.1.18. “physical protection” as measures or integrated organizational system to prevent access of unauthorized person to nuclear material and nuclear facility according to the Vienna Convention on Physical Protection of Nuclear Material;

3.1.19. “irradiation” as impact of radioactive substance and ionizing radiation generator onto human;

3.1.20. “occupational irradiation” as any radial impact exposed by employees dealing with radiation due to work conditions;

3.1.21. “dose” as quantity indicating radioactive irradiation defined at the extent of energy absorbed by body from ionizing radiation.

3.1.22. “burial of radioactive waste” as burial of only domestically originated radioactive waste.

Article 4. Principles of exploitation of radioactive minerals and nuclear energy

4.1. The following principles shall be complied with in exploitation of radioactive minerals and nuclear energy:

4.1.1. not contradict with national security of Mongolia;

4.1.2. be coherent with international treaties of Mongolia;

4.1.3. conduct solely for peaceful purposes in conformity with international treaties and conventions;

4.1.4. strictly observe international and national standards;

4.1.5. apply technique and technology harmless for human health and environment.

Article 5. Ownership of radioactive minerals and state participation in exploitation of radioactive minerals

5.1. Radioactive minerals occurring in subsoil of land Mongolia shall be the property of the state.

5.2. Provided radioactive mineral deposit, which exploration and reserves determination were conducted by the state budget financing, is jointly exploited with others, the state shall directly possess free of charge no less than 51 percent of shares of the company to set up jointly.

5.3. The state shall directly possess free of charge no less than 34 percent of shares of the company holding special license for exploitation of radioactive mineral deposit, which exploration and reserves determination were conducted without state budget involvement and was recorded in the state integrated register.

5.4. Provided the state owns shares exceeding the percentages specified in the clauses 5.2 and 5.3 of this Law, the State Great Khural shall fix this share by presentation of the Government in view of the size of investment made or to be made by the state.

Article 6. Radioactive mineral deposit classification

6.1. Radioactive mineral deposit shall relate to the category of mineral deposit of strategic significance regardless of its size.

Article 7. Exclusive powers of the Government

7.1. Decision on the following issues made by shareholders meeting, board of directors, executive management or a shareholder of the special license holder for activities specified in the paragraphs 15.1.2, 15.1.5 and 15.1.6 of this Law shall become valid upon confirmation of the Nuclear Energy Commission:

7.1.1. sell, present, collateralize and transfer to others' ownership, possession and exploitation in any other form more than 5 percent of shares of a particular company;

7.1.2. newly issue voucher or security convertible into share, or additionally issue shares exceeding 5 percent of total shares previously issued by a particular company;

7.1.3. re-structure a particular company by merging, integrating, splitting and separating.

7.2. The special license holder for conduct of activities specified in the paragraphs 15.1.2, 15.1.5 and 15.1.6 of this Law shall submit to the Nuclear Energy Commission the following documents within 14 days after taking the decision stipulated in the section 7.1 of this Law:

7.2.1. official original copy of the decision specified in the paragraph 7.1.1 of this Law, name and address of the party to acquire share into his ownership, possession and utilization, description of his activities and other decision related data required by the Nuclear Energy Commission;

7.2.2. official original copy of the decision specified in the paragraph 7.1.2 of this Law, name and address of the party to purchase share, voucher or security convertible into share, description of his activities and other decision related data required by the Nuclear Energy Commission;

7.2.3. official original copy of the decision specified in the paragraph 7.1.3 of this Law, company re-structuring plan and other decision related data required by the Nuclear Energy Commission.

7.3. The Nuclear Energy Commission shall make the decision whether to approve or disapprove a particular decision within 30 days after receipt of the documents specified in the section 7.2 of this Law.

7.4. Provided the special license holder specified in the paragraphs 15.1.2, 15.1.5 and 15.1.6 of this Law did not fulfill its obligations specified in the sections 7.1 and 7.2 of this Law, the state administrative authority in charge of nuclear energy issues shall invalidate the special license.

CHAPTER TWO

STATE REGULATION OF RADIOACTIVE MINERALS AND NUCLEAR ENERGY EXPLOITATION SECTOR

Article 8. Competence of the State Great Khural

8.1. Competence of the State Great Khural with respect to radioactive minerals and nuclear energy issues is as follows:

8.1.1. approve state policy on ensuring nuclear and radiation safety, introduce nuclear technology, exploit radioactive minerals and nuclear energy;

8.1.2. oversee activities of the Government in relation to implementing related legislation on ensuring nuclear and radiation safety, introduce nuclear technology and exploit radioactive minerals and nuclear energy;

8.1.3. determine issues of financing expenses of nuclear and radiation safety by the state from funding of the state budget, introduce nuclear technology and exploitation of radioactive minerals and nuclear energy

Article 9. Competence of the Government

9.1. Competence of the Government with respect to radioactive minerals and nuclear energy issues is as follows:

9.1.1. develop the state policy on ensuring nuclear and radiation safety, introduce nuclear technology, exploit radioactive minerals and nuclear energy ;

9.1.2. administer implementation of legislation related to nuclear and radiation safety, introduce nuclear technology, exploit radioactive minerals and nuclear energy;

9.1.3. administer implementation of decisions issued by the International Atomic Energy Agency in connection with ensuring nuclear and radiation safety introduction of nuclear technology, exploitation of radioactive minerals and nuclear energy ;

9.1.4. adopt general rules, procedures and instructions on ensuring nuclear and radiation safety, introduce nuclear technology and exploit radioactive minerals and nuclear energy;

9.1.5. adopt contingency plan on prevention of potential nuclear and radiation accident compromising broad masses, elimination of accident consequences and undertaking measures during accident;

9.1.6. mitigate damages, restrict spread and eliminate consequences in case of nuclear and radiation accident compromising broad masses;

9.1.7. select location for construction of nuclear facilities;

9.1.8. prepare and implement long-term program of storing nuclear waste and utilized nuclear fuel safe to population, society and environment.

Article 10. Nuclear Energy Commission

10.1. Temporary Nuclear Energy Commission (hereinafter referred to as “Commission”) shall operate obliged to regulate and coordinate activities on exploitation of radioactive minerals and nuclear energy, introduction of nuclear technology, development of research and ensuring nuclear and radiation safety.

10.2. Prime Minister shall be the Chairman of the Commission and head of the state administrative authority in charge of nuclear energy affairs shall be the Deputy Chairman of the Commission.

10.3. The Government shall adopt the composition and activity rules of the Commission.

10.4. The Commission shall use seal, stamp and letterhead in conformity with established procedures.

Article 11. State administrative authority in charge of nuclear energy affairs and its competence

11.1. The state administrative authority in charge of nuclear energy affairs (hereinafter referred to as “state administrative authority”) shall fulfill functions such as to implementing state policy on exploitation of radioactive minerals and nuclear energy, introduction of nuclear technology and development of nuclear research, nuclear and radiation protection as well as ensuring safety, and carry out professional inspection.

11.2. The state shall finance the state administrative authority from its budget and ensure economic guarantee of its operation. The budget of the state administrative authority shall meet requirements for full implementation of duties and purposes assumed by law.

11.3. The state administrative authority shall have a special facility of national level to centrally store, transport and dispose of nuclear material, nuclear waste and non-exploitable radioactive waste. This facility shall be the state restricted object.

11.4. The state administrative authority shall use operative service vehicle in its operation. This auto vehicle shall have a special logo, siren and light signals.

11.5. The state inspector of nuclear and radiation control and employees dealing with radiation shall use special uniform and distinguishing emblem suitable for the work specifics. The state administrative authority shall approve the uniform design, usage procedure and term.

11.6. The state administrative authority shall exercise the following competence:

11.6.1. exercise the state policy related to ensuring nuclear and radiation safety, introduce nuclear technology, and exploit radioactive minerals and nuclear energy;

11.6.2. organise activity of processing radioactive minerals;

11.6.3. control activities on exploitation of radioactive minerals and nuclear energy, introduction of nuclear technology and ensuring nuclear and radiation safety, and take measures to have revealed violations eliminated;

11.6.4. supervise implementation of international treaties of Mongolia pertaining to exploitation of radioactive minerals and nuclear energy, penetration of nuclear technology and ensuring nuclear and radiation safety and take measures to have revealed violations eliminated;

11.6.5. grant, suspend and invalidate special licenses specified in the article 15 of this Law;

11.6.6. exercise activities of centralized storing, transporting and burying nuclear waste and nuclear generators at national level;

11.6.7. approve rules of safe operation of nuclear material, radioactive minerals, radiation generator, and instruments and equipment with radiation generator;

11.6.8. develop and supervise implementation of common rules, procedures, instructions and standards pertaining to exploitation of radioactive minerals and nuclear energy, introduction of nuclear technology and ensuring nuclear and radiation safety;

11.6.9. prepare jointly with relevant professional organization and put control over execution of the contingency plan for preventing probable nuclear and radiation accident, eliminating accident consequences and undertaking measures during accident;

11.6.10. obtain information and documents required for execution of functions specified in law from a relevant person free of charge and, if need, involve professional institution and experts for inspection;

11.6.11. keep state register of nuclear material and radiation generators, control occupational irradiation dose of employees dealing with radiation and maintain database of irradiation dose;

11.6.12. supervise activities of protection and safety of all radiation generating equipment used in production, research, diagnosis and medical treatment;

11.6.13. keep control in cooperation with relevant organizations over nuclear material, radiation generating instrument, equipment, transport means to cross state frontiers and undertake measures for ensuring their protection and safety;

11.6.14. implement jointly with relevant professional organization works on inspection-analysis of radiation level of environment, consumer goods, material, foodstuff, drinking water and construction material, and determine whether they negatively influence human health and undertake measures on securing quality assurance;

11.6.15. approve procedure on inventory count, loss, depreciation and transfer of nuclear materials;

11.6.16. integrate and process information specified in the section 28.8 of this Law and, if need, audit and send it to the International Atomic Energy Agency in line with relevant procedure;

11.6.17. cooperate with foreign states and international organizations in accordance with legislation;

11.6.18. take professional assistance and support from relevant international organization, if required, upon exercising competence granted by law;

11.6.19. approve the list of information to classify related to capacity, quantity, transfer and transportation in view of specifications of uranium ore, nuclear material, radiation generators, and take measures to ensure implementation;

11.6.20. confirm the amount of costs spent on exploration activity by the holder of special license for conduct of activity specified in the paragraph 15.1.5 of this Law grounding on annual report on geological exploration and financial balance sheet and, if need, check costs spent on exploration activity on-site;

11.6.21. other rights stipulated in legislation.

11.7. The state administrative authority shall classify as confidential an exploration report and feasibility study prepared by the special license holder for conduct of activity specified in the paragraph 15.1.5 of this Law, and mine development information and feasibility study prepared by the special license holder for conduct of activity specified in the paragraph 15.1.6 of this Law during validity of the special license by his request.

11.8. The information classified as confidential in accordance with the section 11.7 of this Law shall be prohibited to get revealed, published and publicized, exempt from the

grounding and procedure specified in the State Secret Law⁴, Organization Privacy Law⁵ and Personal Privacy Law⁶.

Article 12. State inspector of nuclear and radiation control, and his/her competence

12.1. The State General Inspector, State Senior Inspector and State Inspector of nuclear and radiation control shall work in the state administrative authority.

12.2. The Government of Mongolia shall grant the rights of the State General Inspector of nuclear and radiation control.

12.3. The State General Inspector of nuclear and radiation control shall appoint and release the State Senior Inspector and the State Inspector (hereinafter referred to as “State Inspector”).

12.4. The State Inspector shall exercise common competence specified in the Law on State Inspection⁷, Administrative Liability Law⁸ and other legislation in respect of nuclear and radiation control.

12.5. the State Inspector shall not come under influence of others, while exercising his/her competence . He shall operate guided solely by law and other coherent legislative acts.

12.6. Any individual, legal person or an official shall be prohibited to participate and influence implementation by the state inspector of his competence specified in legislation.

12.7. The State Inspector shall enter nuclear facility and other related sites under inspection without hindrance.

12.8. It shall be prohibited for any person to make decision pertaining to the competence of the State Inspector granted by legislation.

12.9. Nuclear and radiation inspection shall be carried out in accordance with the guidance approved by the State General Inspector.

⁴ State Secret Law was published in the 7th book of the State News of 1995

⁵ Organizational Privacy Law was published in the 7th book of the State News of 1995

⁶ Personal Privacy Law was published in the 7th book of the State News of 1995

⁷ Law on State Inspection was published in the 2nd book of the State News of 2003

⁸ Administrative Liability Law was published in the 4th and 5th book of the State News of 1992

Article 13. Competence of local administrative and self-governing organizations

13.1. Local administrative and self-governing organizations shall exercise following competence in respect of issues of radioactive minerals and nuclear energy:

13.1.1. administer implementation of decisions issued by the Government in connection with legislation on nuclear energy and its execution on their respective territory.

13.1.2. permit use of the respective territory under special license for exploration and mining of radioactive minerals for the assigned purpose and eliminate existing violations.

13.1.3. control the course of implementation by the special license holder his/her liabilities in respect of environment protection, reclamation, protection of population health and allocation of payment to local budget.

13.1.4. conduct training and advertising on its respective territory about nuclear and radioactive protection and ensuring safety, and prevention from radiation accident.

Article 14. competence of border protection, customs and professional inspection authorities and their officials

14.1. Border protection, customs and professional inspection bodies and their officials shall immediately inform the state administrative authority and law enforcing organizations about nuclear material, radiation generator, instrument and equipment with radiation generator without relevant permission revealed during inspection, and undertakes measures to ensure safety.

CHAPTER THREE

SPECIAL LICENSE

Article 15. Special license

15.1. The following activities shall be conducted with the special license granted by the state administrative authority:

15.1.1. construct, modify, renovate and discharge from exploitation nuclear facilities;

15.1.2. exploit nuclear facility;

15.1.3. possess, use and sell nuclear substance;

15.1.4. import, export, transport nuclear substance, bury nuclear waste;

15.1.5. prospect and explore radioactive minerals;

15.1.6. exploit radioactive minerals;

15.1.7. import, export and transport radioactive minerals, bury radioactive waste, conduct reclamation of land after exploitation of radioactive minerals.

15.1.8. possess, exploit, sell, assemble, station, rent, produce, discharge from exploitation, dismantle, store, transport, import, export, bury waste, make harmless radiation generator and conduct other related activities.

Article 16. General requirements for special license holder

16.1. The special license for conduct of activities specified in the paragraph 15.1.1-15.1.7 of this Law may be granted to a taxpaying company, which was set up and operates in conformity with legislation of Mongolia.

16.2. The special license for conduct of activities specified in the paragraph 15.1.8 of this Law may be issued to other required business entity or organization in addition to the company stipulated in the section 16.1 of this Law.

16.3. The special license holder shall meet the following general requirements:

16.3.1. adhere legislation of Mongolia and international and national standards;

16.3.2. exploit advanced technology harmless for human health and environment-friendly;

16.3.3. conduct transparent and sustainable activity;

16.3.4. have financial and economic capacities to eliminate damage from probable accident.

Article 17. Requirements for applicant for special license

17.1. The applicant for special license to conduct activities specified in the paragraph 15.1.1-15.1.4 of this law shall meet the following conditions:

17.1.1. meet fully technical and safe operation requirements;

17.1.2. fully meet labor safety and sanitary requirements and standards;

17.1.3. be motivated and involved in solving issues of regional development, health, education and other social matters;

17.1.4. regularized implementation of universally accepted standards of company governance, social responsibility and ethics;

17.1.5. have qualified human resources specialized for intended activity;

17.1.6. be experienced in resolving issues of employees' training and practicing;

17.2. The applicant for special license to conduct activities specified in the paragraph 15.1.5 of this law shall meet the following conditions in addition to those specified in the section 17.1 of this law:

17.2.1. have the financial capacity to conduct exploration of radioactive minerals;

17.2.2. have the financial capacity to make environmental and biological reclamation;

17.2.3. maintain responsible mining and have accumulated experience in this field;

17.2.4. conduct activities ensuring international standards and requirements of labor protection and safe operation of mining industry.

17.3. The applicant for special license for conduct activities specified in the paragraph 15.1.6 of this law shall meet the following conditions in addition to those specified in the section 17.1 of this law:

17.3.1. ensure conditions specified in the paragraph 17.2.1-17.2.4 of this Law;

17.3.2. have the capacity to sell radioactive minerals for peaceful purposes by world market price and be wholly independent in financial terms;

17.3.3. have sustainable and leading position on the world market of processing and sales of radioactive minerals;

17.3.4. have financial capacity to conduct extraction of radioactive minerals;

17.3.5. have many years' experience in extracting and processing radioactive minerals;

17.3.6. have leading technology to fully exploit reserves of radioactive mineral deposit;

17.3.7. exploit more economically efficient and advanced technology in processing and using radioactive minerals;

17.3.8. be capable of introducing nuclear technology.

17.4. The applicant for special license to conduct activities specified in the paragraphs 15.1.7 and 15.1.8 of this Law shall meet the conditions stipulated in the paragraphs 17.1.1, 17.1.2, 17.1.4 and 17.1.5 of the same Law.

Article 18. Rules of issuing special license

18.1. The special license to conduct activities specified in the paragraphs 15.1.1-15.1.4 of this Law shall be issued to an applicant for the special license who extra best ensures the conditions stipulated in the section 17.1 of this Law.

18.2. The special license to conduct activities specified in the paragraph 15.1.5 of this Law shall be issued to an applicant for the special license who extra best ensures the conditions stipulated in the section 17.2 of this law and accepts the conditions specified in the sections 5.2 or 5.3 of this Law.

18.3. Except cases stipulated in the section 18.5 of this Law, the special license to conduct activities specified in the paragraph 15.1.6 of this law shall be issued to an applicant for the special license who extra best ensures the conditions stipulated in the section 17.3 of this Law and accepts the conditions specified the sections 5.2 or 5.3 of this Law.

18.4. The special license to conduct activities specified in the paragraph 15.1.7 of this Law shall be issued to an applicant for the special license who extra best ensures the conditions stipulated in the section 17.4 of this law.

18.5. The special license to conduct activities specified in the paragraph 15.1.6 of this law shall be issued by preferential right in the following cases:

18.5.1. Provided special license holder for prospecting of radioactive minerals who meets the conditions and requirements specified in this Law and accepts the conditions stipulated in the sections 5.2 or 5.3 of the same Law executed exploration by his own funds, determined reserves and submits the request for the special license for exploitation of radioactive minerals on the exploration field recorded in the state integrated register;

18.5.2. Provided the applicant for special license who accepts to pay once, directly to the state budget the monetary payment equivalent to the size of no less than 10 percent of reserves of radioactive minerals of particular mine recorded in the state integrated register applies for the special license to exploit radioactive minerals on exploration field except those stipulated in the paragraph 18.5.1 of this Law.

18.6. The applicant for special license specified in the paragraph 18.5.2 of this Law shall ensure the conditions stipulated in the section 17.3 of the same Law and accept the conditions specified the sections 5.2 or 5.3 of this Law.

18.7. The size of monetary payment specified in the paragraph 18.5.2 of this Law shall be determined in view of an average rate of international market price for radioactive minerals in the last 6 months.

18.8. The standpoint of the central intelligence authority shall be taken when issuing the special license for conduct of activities specified in the paragraphs 15.1.1-15.1.7 of this Law.

18.9. The state administrative authority shall review the application and other related documents and make a decision on issuance of a license to conduct activities specified in the paragraphs 15.1.1.-15.1.4, 15.1.6 and 15.1.7 of this Law within 6-12 months and a license to conduct activities specified in the paragraphs 15.1.5 and 15.1.8 within 1-3 months considering the specific characteristics of activities.

18.10. Provided the state administrative authority refuses to issue a special license, it shall give a written response specifying the grounding.

18.11. If necessary, the state administrative authority shall have the right to have the documents of an applicant scrutinized and audited by a relevant organization.

Article 19. Rules of issuing application requesting special license

19.1. The applicant for special license to conduct activities specified in the section 15.1 of this Law shall compile the following documents except those stipulated in the paragraphs 11.1.1-11.1.3 of Law on Licensing⁹:

19.1.1. introduction of the purpose, type, main direction, technique, feasibility study and qualified personnel; certificate of preparation and training of internal inspection employees and employees to deal with radiation;

19.1.2. comprehensive program coherent with international standards of safe operation related to its activities and implementation plan;

19.1.3. evaluation of the state administrative authority in respect of meeting requirements of nuclear and radiation protection and safety standards of the operation facility;

19.1.4. environmental impact assessment;

19.1.5. plan of actions on environment protection;

19.1.6. contingency plan of measures to undertake during probable nuclear and radiation accident;

⁹ Law on Licensing was published in the 6th book of the State News of 2001

19.1.7. decision on appointment of a unit or employee in charge of internal inspection of nuclear and radiation safety condition;

19.1.8. introduction of resource possibility, means and forces required for elimination of harms of probable nuclear and radiation accident and disaster;

19.1.9. certificate of radiation measuring instrument and equipment, and basic indicators;

19.2. The applicant for special license for conduct of activities specified in the paragraphs 15.1.1 and 15.1.2 of this Law shall compile documents stipulated in the section 21.2 of the Energy Law in addition to those specified in the section 19.1 of the same Law and attach cadastre mapping required for the intended operation.

19.3. The applicant for special license to conduct activities specified in the paragraph 15.1.5 of this Law shall compile the following documents in addition to those stipulated in the section 19.1 of the same Law:

19.3.1. official decision confirming acceptance of the conditions specified in the sections 5.2 and 5.3 of this Law;

19.3.2. documents specified in the section 18.2 of the Minerals Law.

19.4. The applicant for conduct of activities specified in the paragraph 15.1.6 of this Law shall compile the following documents in addition to those specified in the section 19.1 of this Law:

19.4.1. Decision specified in the paragraph 19.3.1 of the same Law;

19.4.2. Document specified in the section 25.1 of the Minerals Law.

19.5. The applicant for conduct of activities specified in the paragraph 15.1.8 of this Law shall compile the following documents in addition to those specified in the section 19.1 of this Law:

19.5.1. certificate and basic indicators of the manufacturer who produced radiation generator, instrument and equipment to exploit;

19.5.2. certificate of quality assurance of radiation generator.

19.6. The state administrative authority shall undertake the following activity upon receipt of an application:

19.6.1. register the application and inform the applicant of it;

19.6.2. examine whether the application and attached documents meet requirements specified in this Law;

19.7. The state administrative authority shall undertake activity specified in the section 26.2 of the Minerals Law apart from those specified in the section 19.6 of this Law in relation to the application requesting special license to conduct activities stipulated in the paragraphs 15.1.5 and 15.1.6 of this Law.

19.8. The state administrative authority shall inform the state central administrative body in charge of environmental issues, state administrative authorities in charge of mineral resources and taxation, and aimag, soum, district Governors, specialized inspection authority and population of the territory where the special license was granted, about its issuance within 5 work days.

Article 20. License payment and fee

20.1. The holder of special license for conduct of activities specified in the paragraphs 15.1.1-15.1.4, 15.1.7 and 15.1.8 of this Law shall pay stamp duty according to the section 15.7 of the State Stamp Duty Law¹⁰.

20.2. The holder of special license for conduct of activities specified in the paragraph 15.1.5 of this Law shall make license payment according to the section 32.2 of the Minerals Law.

20.3. The holder of special license for conduct of activities specified in the paragraph 15.1.6 of this Law shall make the following payments:

20.3.1. fee for special license on exploitation in conformity with the section 32.3 of the Minerals law;

20.3.2. the royalty specified in the article 47 of the Minerals Law.

20.4. The special license fee specified in the section 20.2 and 20.3.1 of this Law shall be paid in accordance with the procedure stipulated in the article 34 of the Minerals Law.

20.5. The license fee specified in the sections 20.2 and 20.3.1 of this Law shall be allocated as set forth in the article 59 of the Minerals Law.

20.6. The royalty specified in the paragraph 20.3.2 of this Law shall be allocated according to the article 58 of the Minerals Law.

¹⁰ Law on the State Stamp Duty was published in the 4th and 5th books of the State News of 1993

Article 21. Term of special license

21.1. The special license specified in paragraphs 15.1.1, 15.1.3-15.1.5, 15.1.7 and 15.1.8 of this Law shall be issued for the period of up to 3 years in view of specific characteristics of particular activities and inspection results.

21.2. The special license specified in the paragraphs 15.1.2 and 15.1.6 of this Law shall be granted for the period of up to 20 years in view of the feasibility study and inspection results.

Article 22. Extension of the term of special license

22.1. The holder of special license for conduct of activities specified in the paragraphs 15.1.1, 15.1.3-15.1.5, 15.1.7 and 15.1.8 of this Law may issue an application for extending its term no less than 1 month prior expiry date of the special license to the state administrative authority.

22.2. The holder of special license for conduct of activities specified in the paragraphs 15.1.2 and 15.1.6 of this Law may issue an application for extending its term no less than 2 years prior expiry date of the special license to the state administrative authority.

22.3. The state administrative authority shall assess within 30 work days upon receipt of the application specified in clause 22.1 of this Law, whether the special license holder meets conditions and requirements stipulated in this Law and in the event of non-violation, considering specific characteristics of his activities, extend the special license for the period of up to 3 years, and register it in the special license registry.

22.4. The state administrative authority shall review within 60 work days upon receipt of the application specified in section 22.2 of this law, whether the special license holder meets conditions and requirements stipulated in this Law and in the event of non-violation, considering specific characteristics of his activities, shall extend the special license for the period of up to 20 years, and register it in the special license registry.

22.5. The following documents shall be attached to the application for extension of special license term:

22.5.1. copy of the special license certified by notary office;

22.5.2. receipt for payment of state stamp duty or special license fee;

22.5.3. documents specified in the paragraphs 22.1.1-22.1.4 of the Minerals Law in respect of the application for extension of the term of special license for conduct of activities stipulated in the paragraph 15.1.5 of this Law.

22.5.4. documents on inspection of implementation of Environmental Protection Plan carried out as specified in the article 39 of the Minerals Law in respect of the application for extension of the term of special license for conduct of activities stipulated in the paragraph 15.1.6 of this Law.

22.6. The state administrative body shall inform authorities specified in the section 19.8 of this Law and the public about the decision to extend the term of special license within 5 work days after its issuance.

Article 23. License suspension

23.1. Special license shall be suspended in conformity with the article 13 of the Law on Special license for economic activity.

Article 24. Ban on transfer of special license

24.1. It shall be prohibited to sell, present, collateralize and transfer to others' ownership, possession and exploitation in any other form the special license and the territory given under the special license for conduct of activities specified in the paragraphs 15.1.5 and 15.1.6 of this Law.

Article 25. Settlement of disputes related to special license

25.1. Land boundary dispute raised between holders of special license for conduct of activities specified in the paragraphs 15.1.5 and 15.1.6 of this Law shall be resolved in conformity with the article 62 of the Minerals Law.

25.2. Disputes raised between the special license holder for conduct of activities specified in the paragraphs 15.1.5 and 15.1.6 of this Law and land owner, land possessor and land user shall be resolved in accordance with article 63 of the Minerals Law.

Article 26. Termination of special license

26.1. The state administrative authority shall terminate the special license for conduct of activities specified in the paragraphs 15.1.1-15.1.4, 15.1.7 and 15.1.8 of this Law on the following groundings:

26.1.1. liquidation of the company or passing away of the citizen;

26.1.2. compilation of false documents for obtaining special license is determined;

26.1.3. repeated or notorious violations of conditions and requirements of special license;

26.1.4. non-implementation of demands to eliminate violations during the term of suspension of special license.

26.2. The state administrative authority shall terminate the special license for conduct of activities specified in the paragraphs 15.1.5 and 15.1.6 of this Law on the following groundings:

26.2.1. emergence of the grounding stipulated in the section 26.1 of this Law;

26.2.2. emergence of the grounding specified in the paragraphs 56.1.3-56.1.5 of the Minerals Law;

26.2.3. emergence of the grounding stipulated in the section 29.4 of the same law in respect of the special license specified in the paragraphs 15.1.5 and 15.1.6 of this Law.

26.3. Within 10 work days after determination of the grounding for invalidation of special license, the state administrative authority shall give notice to the owner of special license concretely indicating the grounding for invalidation of special license.

26.4. Provided the holder of special license disagrees with the grounding for termination of special license specified in the section 26.3 of this Law, he shall send a document proving it to the state administrative authority.

26.5. Upon checking the document specified in the section 26.4 of this Law, provided there is a grounding the state administrative authority shall invalidate the notice on revocation of the special license and provided there is no grounding the state administrative authority shall revoke the special license, and inform of it the owner of the special license.

26.6. Provided the owner of the special license does not accept the decision on invalidation of the special license in accordance with the section 26.5 of this Law, he shall have the right to lodge complaint to the court. The court shall not suspend particular decision in conformity with the paragraph 46.1.3 of the Law on Administrative Procedure¹¹.

26.7. The state administrative authority shall notify the organizations specified in the section 19.8 of this Law and the public of the decision on termination of special license within 5 work days.

Article 27. Grounding for termination of special license

27.1. Special license shall be terminated on the following groundings:

¹¹ Law on Administrative Procedure was published in the 3rd book of the State News of 2003

27.1.1. expiration of the special license validity term;

27.1.2. surrender of the entire licensed area by the holder of special license for conduct of activities set forth in the clauses 15.1.5 and 15.1.6 of this Law;

27.1.3. the state administrative authority invalidated the special license.

27.2. In case the special license holder specified in the paragraph 15.1.5 and 15.1.6 of this Law surrenders a part of an area under special license, the license for the particular part of the area shall be terminated.

27.3. Termination of the special license shall not release the special license holder from obligation undertaken in conformity with the Environment Protection Law.

27.4. Upon termination of special license, its holder shall return the special license to the state administrative authority.

Article 28. Rights and obligations of license holder

28.1. The special license holder shall have the following common rights:

28.1.1. take methodological assistance and advice from professional organization in relation to ensuring nuclear and radiation safety;

28.1.2. other rights specified in legislation.

28.2. The special license holders shall have the following common obligations:

28.2.1. comply with nuclear energy legislation, and Governmental decisions, rules, procedures, instructions and standards issued in connection with implementation of relevant legislation;

28.2.2. conduct activities fully meeting technical and safe operation requirements set by the International Atomic Energy Agency;

28.2.3. work preventing from nuclear and radiation accident, and ensuring safety;

28.2.4. fulfill in time lawful requirements of the state administrative authority and the state inspector and duly respond, and undertake measures towards complete elimination of violation revealed;

28.2.5. set up an internal control division entitled to ensure nuclear and radiation safety, and monitor its activities;

28.2.6. adhere internal rules on nuclear and radiation safety approved by the state administrative authority;

28.2.7. notify the state administrative authority within 3 work days in the written form regarding the change of an officer responsible for ensuring nuclear and radiation safety;

28.2.8. provide the state administrative authority with true and realistic information on register and control of nuclear materials;

28.2.9. submit information on radiation level to the state administrative authority as required.

28.2.10. inform the state administrative authority of any change made in special license and in any information specified in the documents compiled for its acquisition in the written form within 5 work days.

28.2.11. other obligations set forth in legislation.

28.3. The holder of special license for conduct of activities specified in the paragraph 15.1.5 of this Law shall have the following rights apart from those stipulated in the section 28.1 of this Law:

28.3.1. Conduct prospecting and exploration of radioactive minerals within the boundary of the exploration area in conformity with this Law;

28.4. The holder of special license for conduct of activities specified in the paragraph 15.1.5 of this Law shall have the following obligations in addition to those specified in the section 28.2 of this Law:

28.4.1. conduct prospecting and exploration of minerals other than radioactive minerals on the basis of the license issued by state administrative authority in charge of geology and mining issues;

28.4.2. conduct annually exploration activity costing no less than the amount specified in the section 33.1 of the Minerals Law;

28.4.3. fulfill the obligations specified in the sections 35.2, 37.2, 38.1 and 48.8 of the Minerals Law;

28.4.4. truly and correctly prepare information, report and plan stipulated in the section 48.1 of the Minerals Law and submit it to the state administrative authority within time specified in law.

28.4.5. prepare an integrated report on deposit reserves, prospecting and exploration results in harmony with approved form and requirements, and submit it along with original materials to the state administrative authority set forth in the section 48.3 of the Minerals Law.

28.5. The special license holder for conduct of activities specified in the paragraph 15.1.6 of this Law shall have the following rights in addition to those specified in the section 28.1 of this Law:

28.5.1. conduct exploration of radioactive minerals on the mine territory.

28.6. The holder of special license for conduct of activities specified in the paragraph 15.1.6 of this Law shall have the following liabilities in addition to those specified in the section 28.2 of this Law:

28.6.1. exploit radioactive minerals within particular mine tenure according to conditions and procedures specified in this Law;

28.6.2. exploit minerals other than radioactive minerals existing in the mine tenure based on special license issued by the state administrative authority in charge of geology and mining issues;

28.6.3. sell radioactive minerals extracted from the mine tenure and generated products by world market price;

28.6.4. fulfill obligations specified in the sections 35.3-35.5, 36.1, 36.2, 39.1, 45.1, 45.2, 47.1, 47.5, 47.6 and 48.7-48.10 of the Minerals law;

28.6.5. prepare in coherence with approved form accurate information, report and plan stipulated in the section 48.6 of the Minerals Law and submit to the state administrative authority within the deadline specified in law.

28.7. The holder of special license for conduct of activities specified in the paragraphs 15.1.5 and 15.1.6 of this Law may wholly or partly surrender by his own will the area under special license according to the procedures stipulated in the articles 54 and 55 of the Minerals Law with the permission and supervision of relevant authority. The state administrative authority shall approve the application form.

28.8. In the Guarantee Agreement the special license holder shall be obliged to truly and correctly submit required information on quantity and amount of nuclear materials, and modification, loss, depreciation, transfer and shift made therein to the state administrative authority according to instructions within the specified deadline;

28.9. The special license holder shall allocate monetary funds in the State Treasury as collateral of implementing his liabilities on protection of environment and prevention from nuclear and radiation accident.

28.10. The Government shall determine the amount of monetary funds specified in the section 28.9 of this Law considering the public interest and potential risk onto human health, environment and national security on the basis of the joint proposal made by the state administrative authority in charge of nuclear energy and the state central administrative authorities in charge of environment, finance and budget.

CHAPTER FOUR

DEPOSIT DEVELOPMENT AGREEMENT AND

INVESTMENT AGREEMENT

Article 29. Deposit development agreement

29.1. The state administrative authority shall conclude a deposit development agreement with the holder within 60 days after issuance of the special license for conduct of activities specified in the paragraph 15.1.6 of this Law.

29.2. The term of deposit development agreement shall be equal to the term of special license.

29.3. The following items shall be obligatory reflected in the deposit development agreement:

29.3.1. grounding for development of radioactive mineral deposit;

29.3.2. the term of exploitation of radioactive mineral deposit, name and type, grade and reserves of radioactive minerals;

29.3.3. technology, industrial capacity and quantity of product to extract reflected in feasibility study;

29.3.4. terms and conditions of product sales;

29.3.5. plan of environmental protection and reclamation, cost of its implementation;

29.3.6. general plan of mine closure;

29.3.7. rights, obligations and responsibilities of agreement parties;

29.4. Provided the deposit development agreement is not concluded within the term specified in the section 29.1 of this Law the state administrative authority shall terminate the special license.

Article 30. Investment agreement

30.1. Provided an investor to the special license holder company for conduct of activities specified in the paragraphs 15.1.2, 15.1.5 and 15.1.6 of this Law makes a request by himself, an investment agreement may be concluded with him for up to 10 years term in order to provide stable condition for conduct of activities during certain period of time. The agreement shall reflect issues specified in the paragraphs 29.1.1 – 29.1.9 of the Minerals Law.

30.2. The Agreement specified in the section 30.1 of this Law may be extended for up to 10 years term.

30.3. The Government shall consent with relevant Standing Committee of the State Great Khural when concluding the agreement specified in the section 30.1 of this Law with investor.

Article 31. Conclusion of investment agreement

31.1. The investor shall submit the request for agreement conclusion specified in the section 30.1 of this Law and the draft agreement with enclosed information on amount of investment to make in the first 5 years, term, plant capacity, name and type of product, method and technology of deposit development, and feasibility study to the state administrative authority.

31.2. The the special license holder for conduct of activities specified in the paragraphs 15.1.3, 15.1.4, 15.1.6 and 15.1.7 of this law shall enclose to the request for agreement conclusion and the draft agreement the decision of the Mineral professional council on registering reserves of the particular deposit in the state integrated register in addition to issues stipulated in the section 31.1 of the same Law.

31.3. The state administrative authority shall review the investor's request, draft agreement and enclosed documents in conformity with section 31.1 of this law and provided they meet the requirements, inform the requesting person in written within 14 days.

31.4. The state administrative authority shall review the investor's request, draft agreement and enclosed documents within 3 months after receipt and conclude an agreement with the investor basing, if required, on additional clarification to be done in the period of up to extra 3 months mounting on comments and conclusions of relevant authorities and experts.

31.5. After concluding the investment agreement in conformity with the section 30.1 of this Law the state administrative authority shall deliver notice about terms and conditions of this agreement to Mongolbank and other relevant authorities.

CHAPTER FIVE

REQUIREMENTS FOR ENSURING NUCLEAR AND RADIATION SAFETY

Article 32. Ensuring nuclear and radiation safety

32.1. It shall be prohibited to conduct activities connected with construction, modification, renovation, discharge from exploitation and transportation of nuclear materials without physical protection.

32.2. Relevant state administrative authority and state inspectors shall conduct control and evaluation of physical protection of exploitation of radioactive minerals and nuclear energy.

32.3. The following basic requirements shall be implemented in ensuring radiation safety:

32.3.1. not generate any irradiation without grounding;

32.3.2. maintain irradiation dose at the minimum level of appropriate extent;

32.3.3. not expose population, including employees dealing with radiation, to irradiation dose exceeding fixed limit.

Article 33. Basic requirements for exploitation of nuclear materials

33.1. It shall be prohibited to process, produce, acquire in any other way, possess and store nuclear materials for armament purpose on the territory of Mongolia.

33.2. It shall be prohibited to pass through borders of Mongolia and transport nuclear material for armament purpose transit its territory.

33.3. The state administrative authority shall provide registration and control of nuclear materials with professional management, and supervise their execution.

33.4. The Government shall adopt the procedures on registration and control of nuclear material.

Article 34. Basic requirements for exploitation of radioactive minerals

34.1. It shall be prohibited to conduct exploration, exploitation, export, import, transportation of radioactive minerals, burial of radioactive waste and conduct land reclamation after exploitation of radioactive minerals without permission of the State general inspector.

34.2. The citizen or company conducting activities specified in the section 34.1 of this Law shall undertake measures for protecting human health and environment from negative impact by their own expense in the course of execution of such activities.

Article 35. Basic requirements for exploitation of nuclear energy

35.1. It shall be prohibited to produce nuclear energy without measuring instrument approved in accordance with the section 35.2 of this Law.

35.2. The special license holder for conduct of activities specified in the paragraph 15.1.2 of this Law shall have the measuring instruments stipulated in the section 35.1

of the same Law annually confirmed by the state administrative authority in charge of standardization.

35.3. The special license holder for conduct of activities specified in the paragraph 15.1.2 of this Law shall report the volume of nuclear energy produced in the previous month within 10 calendar days of each month to the state administrative authority.

Article 36. Basic requirements for exploitation of radiation generator

36.1. The following requirements shall be executed in exploitation of radiation generator:

36.1.1. inform and get registered at radiation monitoring authority and central intelligence office within 3 work days after receipt of radiation generator;

36.1.2. conduct activities connected with radiation at the special facility fully satisfying radiation safety standards and approved by the state inspector;

36.1.3. conduct activities by meeting requirements of labor conditions at work location and safe operation rules in the course of exploitation of radiation generator;

36.1.4. have bylaw on radiation safety operation, radiation protection program and contingency plan of measures to undertake during radiation accident, appropriate for specific characteristics of radiation related activities reviewed and approved by the state inspector, and duly comply with them;

36.1.5. keep register of exploitation of radiation generator and submit result of inventory count made at the end of year, and internal audit report data within December 20th of each year to the state administrative authority;

36.1.6. immediately inform radiation monitoring, emergency, intelligence and police authorities about accident and violation taken place during exploitation of radiation generator and undertake measures towards eliminating harms of accident and ensuring safety in conformity with related legislation;

36.1.7. enroll employees dealing with radiation in training and re-training conducted in line with special programs licensed by radiation monitoring authority, and give appropriate certificate.

36.1.8. provide with radiation measuring instrument meeting quality assurance and measuring requirements.

36.2. It shall be prohibited to exploit radiation generator with no concrete name and type, characteristics, activeness rate, application purpose and methodology.

Article 37. Basic requirements for exportation and importation of nuclear material and radiation generator

37.1. The following requirements shall be met in exporting nuclear material and radiation generator:

37.1.1. have the nuclear material under transfer covered by international guarantee;

37.1.2. the receiving country shall have all nuclear material and nuclear equipment under exploitation covered by international guarantee;

37.1.3. prior transferring to a third country the nuclear material and radiation generator taken by transfer before, the state administrative authority shall be informed and appropriate permission taken from it.

37.1.4. physical protection of nuclear material shall meet the requirements of Vienna Convention on physical protection of nuclear material;

37.1.5. the country receiving nuclear material shall send confirmation of its use solely for peaceful purpose;

37.1.6. send information on the end-user to receive nuclear material, relevant evidence of and information on exploitation for peaceful purposes to the state administrative authority.

37.2. The following requirements shall be met in importing nuclear material and radiation generator:

37.2.1. not import nuclear material and radiation generator, equipment and technology prohibited by laws of Mongolia;

37.2.2. importer of nuclear material and radiation generator shall have the license wholly meeting the requirements of legislation of Mongolia issued by an authorized organization in conformity with relevant legislation;

37.2.3. the end-user of imported nuclear material and radiation generator shall send information notifying its administrative, management and technical capacities, and sufficient reserves and opportunities to safely exploit particular material to the state administrative authority.

Article 38. Basic requirements for storing nuclear material and radiation generator

38.1. Nuclear material and radiation generator shall be stored in the purpose-built storing facility stipulated in the special license.

38.2. Ownerless or abandoned, acquired radioactive material shall be transferred free of charge to the special facility specified in the section 11.3 of this Law by the decision and under control of related authorized body.

38.3. Radiation generator no longer meeting the technological and safe operation requirements, or not being exploited shall be stored at the special facility specified in the section 11.3 of this Law.

Article 39. Basic requirements for transportation of nuclear material and radiation generator

39.1. The procedure of safe transportation of radioactive material shall be complied with in transporting nuclear material and radiation generator.

39.2. Inter-state transportation of nuclear material and radiation generator, instrument and equipment with radiation generator shall be executed in conformity with requirements of relevant international agreements, negotiations and rules.

39.3. The Government shall approve the procedure on safe transportation of radioactive minerals.

Article 40. Basic requirements for selling and purchasing nuclear material and radiation generator

40.1. Persons except those holding special license for conduct of activities specified in the paragraph 15.1.3 of this Law shall be prohibited to sell and purchase nuclear material.

40.2. Persons except those holding special license for conduct of activities specified in the paragraph 15.1.8 of this Law shall be prohibited to sell and purchase radiation generator, and instrument and equipment with radiation generator.

Article 41. Basic requirements for passing nuclear material and radiation generator through state borders

41.1. Persons except those holding special license for conduct of activities specified in the paragraph 15.1.4 of this Law shall be prohibited to pass nuclear material through state border.

41.2. Persons except those holding special license for conduct of activities specified in the paragraph 15.1.8 of this Law shall be prohibited to pass radiation generator, and instrument and equipment with radiation generator through state border.

Article 42. Basic requirements for disposal, elimination and burial of nuclear and radioactive material

42.1. International and national standards, rules and procedures shall be complied with in disposal, elimination and burial of nuclear and radioactive material.

42.2. It shall be prohibited to conduct burial and disposal of nuclear and radioactive material without conclusion and special permission of the state inspector.

42.3. The following basic requirements shall be met in elimination and burial of radioactive waste:

42.3.1. international and national standards, rules and procedures shall be strictly adhered to in elimination and burial of radioactive waste;

42.3.2. works on elimination and burial of radioactive waste shall be carried out by permission of related authorized organization and under control of the state inspector.

42.4. The Government shall approve safe operation rules on management of waste derived from activities related to nuclear facility and radiation.

Article 43. Basic requirements for occupational irradiation

43.1. The employee dealing with radiation shall be covered by the individual dose control of occupational irradiation.

43.2. The organization executing occupational irradiation control shall keep in archive the integrated record of individual dose for 50 years.

43.3. It shall be prohibited to expose the employee dealing with radiation to irradiation exceeding the irradiation dose limit specified by radiation safety standard.

43.4. The employee dealing with radiation shall have the right to demand from administration of the organization, refuse to work and lodge complaint to the state administrative authority in respect of ensuring radial protection and safety requirements, and normal working conditions.

43.5. The employee dealing with radiation shall be under constant medical control of diseases deriving from occupation and rendered medical service.

43.6. In case of need the pregnant woman dealing with radiation shall have the right to change her work conditions as specified in the article 107 of the Labor Law¹². This change shall not become the grounding for dismissal.

¹² Labor Law of Mongolia was published in the 25th book of the State News of 1999

43.7. It shall be prohibited to recruit for work connected with radiation a person under age of 18.

43.8. Work conditions of employees dealing with radiation involved in individual dose of occupational exposure control shall relate to abnormal labor conditions.

Article 44. Basic requirements for medical irradiation

44.1. The following basic requirements shall be put for medical irradiation:

44.1.1. work in compliance with this Law, radiation safety standards and other related rules and regulations in conducting diagnosis and treatment by radiation generator;

44.1.2. the person making diagnosis and treatment by radiation generator shall conduct regular adjustment and quality control over the instrument and equipment under use;

44.1.3. acquire permission of parents, care taker and guardian when conducting diagnosis and treatment of children by radiation generator;

44.1.4. prohibit exposure of patients to irradiation exceeding the dose limit specified in the radiation safety standards during treatment and diagnosis;

44.1.5. protect other parts of the body of patients during treatment and diagnosis, and provide patient's care takers and assisting staff with individual protection means;

44.1.6. ensure conditions for not exposing other patients to unnecessary extra irradiation during radiation treatment and diagnosis.

CHAPTER SIX

PREVENTION FROM NUCLEAR AND RADIATION ACCIDENT,

COMPENSATION OF DAMAGE

Article 45. Prevention from nuclear and radiation accident

45.1. The special license holder shall have the plan for prevention from nuclear and radiation accident, elimination of accident harmful aftermath and implementation of measures to ensure safety.

45.2. The state administrative authority shall organize activities to determine reason and rate of radiation accident, and eliminate harms of accident in cooperation with related authorized bodies under supervision of the State Emergency Commission.

45.3. The Government shall be responsible for expenses related to elimination of harms of nuclear and radiation accident affecting broad masses.

Article 46. Compensation of damage caused by nuclear and radiation accident

46.1. Provided human life, health, property and environment are damaged due to the breach of Nuclear Energy Law, the guilty person shall compensate the damage.

46.2. In the event specified in the section 46.1 of this Law, the special license shall be invalidated . It shall not be issued again for the period of 30 years.

CHAPTER SEVEN

INTERNATIONAL GUARANTEE AND CONTROL OVER IMPLEMENTATION OF NUCLEAR ENERGY LEGISLATION

Article 47. Use of international guarantee

47.1. The special license holder for conduct of activities specified in the paragraphs 15.1.1-15.1.4 of this Law shall cooperate with the International Atomic Energy Agency in respect of using international guarantee in the following directions:

47.1.1. Submit via the state administrative authority the information related to quantity, volume, modification, loss, depreciation and transfer of nuclear material as stipulated in the section 28.8 of this Law within the fixed deadline;

47.1.2. Extend assistance and support to inspection work of experts and inspectors of the International Atomic Energy Agency in line with the Guarantee Agreement and fulfill requirements related to elimination of violations revealed during the inspection and termination of activities breaching law.

Article 48. Professional control over implementation of nuclear energy legislation

48.1. The state administrative authority and authorized state inspector shall execute professional control over implementation of the legislation on nuclear energy at the extent of their power as specified in law.

Article 49. Public control over implementation of nuclear energy legislation

49.1. Citizens and juridical persons shall execute public control over implementation of nuclear energy legislation at the extent of their power as specified in law.

CHAPTER EIGHT

MISCELLANEOUS

Article 50. Responsibility to be assumed by violator of nuclear energy legislation

50.1. Provided the guilty person who violated nuclear energy legislation is not brought to criminal charge, the authorised state inspector shall impose the following responsibility considering the character of the violation:

50.1.1. A Tugrug penalty equal to 5-10 times fold of minimum labor wage shall be imposed on the official and 10-15 times on the business entity that violated requirements related to ensuring nuclear and radiation safety specified in the article 5 of this Law and its activities shall be terminated temporarily or partly for up to 3 months and the special license shall be suspended;

50.1.2. A Tugrug penalty equal to 1-3 times fold of minimum labor wage shall be imposed on the citizen, 3-5 times on the official and 5-10 times on the company that did not

submit necessary information and report or did not involve employee dealing with radiation in individual dose control of occupational irradiation;

50.1.3. A Tugrug penalty equal to 5-10 times fold of minimum labor wage shall be imposed on the citizen, 10-15 times on the official and 15-25 times on the company that conducted activities without license or in violation of clauses specified in the special license, did not take measures to eliminate harms caused by these activities, did not inform the state administrative authority and other relevant bodies of the radiation accident and violation cases. The income gained and product generated illegally shall be confiscated;

50.1.4. In case of submittance of false information to the state administrative authority, change of the name and type of generator, cause of damages to population, society and environment, or creation of notorious conditions for cause of damages, repeated cause of notorious violations and non-elimination of revealed violations, the activities shall be terminated temporarily or partially and the special license shall be suspended;

50.1.5. A Tugrug penalty equal to 5-8 times fold of minimum labor wage shall be imposed on the official and 8-10 times on the company, if the liabilities specified in the article 28 of this Law were not implemented, and the damages shall be duly compensated;

50.1.6. A Tugrug penalty equal to 1-3 times fold of minimum labor wage shall be imposed on the citizen, 3-5 times on the official and 5-10 times on the company who illegally created obstacles in implementation of rights granted with legislation by the holder of special license;

50.1.7. A Tugrug penalty equal to 10-15 times fold of minimum labor wage shall be imposed on the holder of special license who concealed the volume of mined radioactive minerals, established false agreement for this purpose, or groundlessly sold radioactive minerals at low price, and lowered the sales income intentionally or intended to lower, and the price difference of the volume of mined radioactive minerals and sales income shall be calculated and compensated in favor of the state budget;

50.1.8. A Tugrug penalty equal to 5-10 times fold of minimum labor wage shall be imposed on the official and 10-15 times on the company who intentionally destroyed sample, probe and primary material taken from exploration field;

50.1.9. A Tugrug penalty equal to 3-5 times fold of minimum labor wage shall be imposed on the official and 5-10 times on the company who did not implement lawful demand of the state inspector, did not inform to and register the receipt of radiation generator with the state administrative authority within fixed deadline and did not extend special license in accordance with related procedure.

50.2. The official and the state inspector who seriously breached their liabilities assumed by law through concealing illegal act of the citizen and juridical person who violated legislation on nuclear energy, accepting bribe and exposing state, institutional and individual secrets protected by law shall face disciplinary, administrative, property and criminal charge in conformity with legislation.

Article 51. Validation of law

51.1. This law shall come into force from 15 August 2009.

**CHAIRMAN OF THE STATE
GREAT KHURAL OF MONGOLIA**

D.DEMBEREL