

LEGAL NEWSLETTER

30th of June 2026

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AKP Law Firm

We are presenting the bills submitted to Parliament, as well as the notable resolutions and decisions adopted, as of June 30, 2026.

I. BILLS SUBMITTED TO PARLIAMENT

1.1 Draft Law on Amendments to the Minerals Law

The Government submitted the draft Law on Amendments to the Minerals Law to the State Great Khural on June 10, 2026, and the bill is currently under review by the Standing Committees. The draft introduces a new category of "critical minerals," reinforcing the principle that deposits of strategic significance are to remain under the control of the Mongolian people. It also adds an entirely new chapter governing "mineral beneficiation," under which parties engaged in beneficiation activities will be required to obtain a separate beneficiation license, distinct from the mining license — a measure that the concept note describes as intended to address risks arising from beneficiation activities currently conducted without oversight or in a non-transparent manner. The draft further introduces a new contractual framework allowing geological baseline studies and exploration work to be carried out using private (rather than state budget) funding, as well as new regulations governing surveyor (markscheider) licenses.

Among the amendments with the most direct impact on business operations are a reduction in the number of permitted license renewals from three to one; the establishment of new base rates for exploration and mining license fees, to be indexed annually to the consumer price index going forward; a new supplementary payment scale tied to increases in the market price of copper and a requirement that funds for mine closure and reclamation be either guaranteed by an internationally reputable bank or financial institution or consolidated into a dedicated account.

1.2 Draft Law on Ratification of a Convention

On June 18, 2026, the Government submitted to Parliament a draft law on ratification of International Labor Organization Convention No. 129 (1969) concerning Labor Inspection in Industry and Commerce. Upon ratification, Mongolia would adopt international standards in the field of labor inspection, potentially affecting the oversight system for working conditions and occupational safety at enterprises operating in the industrial and commercial sectors.

1.3 Amendments to the Excise Tax Law Adjusting Tobacco Product Tax

On June 17, 2026, the Government submitted a draft law to Parliament on amendments to the Excise Tax Law. Under the current law, cigarettes are subject to a fixed excise tax of MNT 5,860 per 100 pieces, and loose tobacco to MNT 4,210 per kilogram. The bill proposes replacing these fixed amounts with a value-based methodology. Specifically, it sets the excise tax rate at 30% for cigarettes and similar tobacco products, and 30% for fine-cut and other loose tobacco products (with a 20% rate specifically for snuff/nasal tobacco), while providing detailed rules combining unit-based and value-based calculation methods.

1.4 Amendments to the Petroleum Law

On June 18, 2026, the Government submitted a draft law on amendments to the Petroleum Law to Parliament. Under the proposed amendments, the allocation of production sharing and resource usage taxes/fees under production sharing agreements would, instead of being determined by mutual agreement between the parties as previously, be directly governed by the percentage and amounts specified in the agreement itself.

This amendment is significant in that it provides greater predictability and clarity in financial calculations for petroleum companies operating under production sharing agreements. The bill is currently under consideration by the Standing Committees of Parliament.

II. PARLIAMENT: NOTABLE RESOLUTIONS

2.1 Parliament Accepts Constitutional Court Ruling Resolving Conflict Regarding the President's Term of Office

By Resolution No. 23 dated May 28, 2026, Parliament accepted Constitutional Court Ruling No. 04 dated May 8, 2026. In its ruling, the Constitutional Court determined that the provision in Article 6.1 of the Law on the President of Mongolia, stating that the President's term of office is "four years," conflicts with Article 30.2 of the Constitution, which provides that the President "shall be elected for a term of six years, for one term only."

III. GOVERNMENT: NOTABLE RESOLUTIONS

A total of 19 Government resolutions were adopted in the latter two weeks of June 2026 and the following are highlighted.

3.1 Public Holiday Arrangements for Naadam 2026

By Resolution No. 270 dated June 24, 2026, the Government noted that since the dates of July 11 and 12 (the National Naadam Festival and the anniversary of the People's Revolution) fall on a Saturday and Sunday in 2026, July 16 and 17 (Thursday and Friday) shall be designated as additional public holidays, with government

agencies instructed to make up the lost working days within 2026.

The Government has also called on non-governmental organizations and business entities to make similar arrangements; accordingly, private sector organizations may wish to align their work schedules and client meetings with these dates.

3.2 New Procedure Adopted for Registration of Professional Federations

On June 17, 2026, the Government newly adopted the "Procedure for Registration of Professional Federations." This procedure clarifies the requirements and process for registering professional federations with the state registry and establishes the conditions for providing related registration services electronically through the Integrated State Service System (e-business.mn).

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