LAW OF MONGOLIA

01 July, 2005.

Ulaanbaatar, Mongolia

LAW ON TOBACCO CONTROL

CHAPTER ONE

GENERAL PROVISIONS

Article 1: The Purpose Of The Law

1.1 The purpose of this law is to define the legal framework of tobacco control on protection of the population from the negative consequences of tobacco consumption and passive smoking (exposure to tobacco smoke) and to regulate the relations raised in connection with responsibilities of the state, citizens, business entities and organizations.

Article 2: The legislation on Tobacco Control

- 2.1 The legislation on Tobacco Control shall consist of this Law and other legislative acts enacted in conformity with them.
- 2.2 If International Treaty, to which Mongolia is a Party, is inconsistent with this Law, then provisions of International Treaty shall prevail.

Article 3. Definitions Of The Law

- 3.1 The following definitions used in this Law shall be understood in the belowmentioned meanings:
- 3.1.1. "tobacco products" means products entirely or partly made of the leaf of tobacco as row material which are manufactured to be used for smoking, snuffing and chewing;
- 3.1.2. "smoke tobacco" means industrially or hand-rolled cigarettes, cigars, pipe tobacco, and tobacco without packages equal to that, intended to be smoked.
- 3.1.3."passive smoking" means involuntary inhalation of tobacco smoke, exhaled by smokers;
- 3.1.4."tobacco industry" means legal personality which provides tobacco manufacturing, distribution and importation of tobacco products;
- 3.1.5."tobacco advertising" means any form of communication, with the aim of promotion of tobacco manufacturing, sales and usage;

3.1.6."tobacco control" means a range of demand, supply and harm reduction policy measures that aim to improve the health of a population by reducing their consumption of tobacco products and exposure to tobacco smoke;

Article 4. State Policy on Tobacco Control

- 4.1. State Policy on Tobacco Control shall be intimate part of the State Policy on Public Health and shall be guided by the principles set out below:
- 4.1.1. prevent the initiation of the minors and reduce the consumption of tobacco products by sustainable financing of tobacco control and health promoting activities through tax increases continually;
- 4.1.2. protect the public health policy from negative influences of tobacco industry withing the legal framework;
- 4.1.3. support for participation of private and nongovernmental organizations without any relationship with tobacco industry in developing and implementation of policy and programmes on tobacco control;
- 4.1.4. increase the accessability of scientific and realistic information, education and communication on negative health, economic and environmental consequences of tobacco consumption and passive smoking and affordability of treatment of nicotine addiction.

Article 5. Basic duties of the state, citizen and legal personality on tobacco control

- 5.1. State organization shall have the following duties on tobacco control:
- 5.1.1. the State Central Administrative Body in charge of health matters, with respect to tobacco control, shall expand cooperation of government and non-governmental organizations, support initiatives and participation of non-governmental organizations, and provide overall management and coordination;
- 5.1.2. the State organizations at all level and local self-governance authorities, within the scope of policy on health promotion and protection, with respect to issues on tobacco control, shall work independently within their own competency or in cooperation with other institutions.
- 5.2. Citizens and legal personality shall have following tobacco control related duties:
- 5.2.1.implement tobacco control measures, encourage and support for citizens to quit smoking, prevent from passive smoking;
- 5.2.2.obtain a scientific based information on the health consequences, risks and harmful effects of tobacco consumption and passive smoking.

CHAPTER TWO

THE REGULATION OF TOBACCO MANUFACTURING, TRADE, USAGE AND ADVERTISING

Article 6.Requirements for tobacco import, export, manufacturing and trade

- 6.1. The State Administrative Body in charge of inspection shall issue certificate on sanitary condition for tobacco manufacturing, import, export, trade and toxic ingredient of tobacco by each brand of tobacco.
- 6.2. State Administrative Body in charge of customs will determine the quantity of tobacco products permitted for import for personal use.
- 6.3. The standard of maximum content of tar, nicotine and other toxic substances permitted in a tobacco manufacturing, trade, import and export on the territory of Mongolia shall be approved by the National Council on Standartization in consultation with the State Central Administrative Body in charge of health matters.
- 6.4. The tobacco products should carry health warnings and messages which shall meet the following requirements:
 - 6.4.1. shall be rotating and no less than one third of the principal display areas of tobacco pack;
 - 6.4.2. shall be large, visible and clearly written text, describe by pictures or pictograms on health risks caused by tobacco products.
- 6.5. The health warning sample shall be approved by the State Central Administrative Body in charge of health matters.
- 6.6. The health warning and other required notes shall be written in Mongolian.
- 6.7. The following items shall be prohibited in tobacco import, export, manufacturing and trade in the territory of Mongolia:
 - 6.7.1 the content of tar, nicotine and other toxic substances is not indicated or in excess of permitted amount;
 - 6.7.2 a tobacco pack contains fewer than 20 cigarettes;
 - 6.7.3 tobacco packs without health warnings, specified in Article 6.4 of this law or with warnings, which do not meet the requirement;
 - 6.7.4 a sanitary certificate is not issued as indicated in Article 6.1 of this law;
 - 6.7.5 manufactured in other country with label "Made in Mongolia";

- 6.7.6 unit packet, package and any outside packaging of tobacco products with terms that a particular tobacco product is less harmful than others
- 6.7.7 the sale of tobacco to and by persons under the age of eighteen;
- 6.7.8 the sale of cigarettes individually, and sale of hand-wrapped tobacco and tobacco out of packages from the packed pipe tobacco or tobacco equal to that;
- 6.7.9 the introduction of tobacco vending machines;
- 6.7.10 the organization of promotional sales in any form and lottery in order to increase tobacco sales;
- 6.7.11 the sale of tobacco products without excise tax tag and the name of producing country, manufacturer, importer and the date of manufacturing, without notes of permission to sale in Mongolia, on the packets, cartons and packagas of tobacco products;
- 6.7.12 The sale of tobacco products in places, without permission.

Article 7. Licensing

- 7.1. Government of Mongolia shall be issued the licenses for manufacturing of tobacco products and growing of tobacco plants based on the proposal of the State Central Administrative Body in charge of food and agricultural matters, licenses for tobacco product importation shall be issued based on the proposal of the State Central Administrative Body in charge of trade and industry matters. The licenses for manufacturing of tobacco products and growing of tobacco plants shall be issued on the basis of selection. The regulation for the selection procedures shall be approved by the Government (Cabinet).
- 7.2. The licensing for manufacturing of tobacco products and growing of tobacco plants shall be issued for a period of two years and extended for the same period.
- 7.3. The licensing to sell the tobacco products shall be issued by the Soum and District Governors.
- 7.4. Other relations raised in connection with licensing of tobacco manufacturing, trade and growing of tobacco plants shall be regulated by the Law on Licensing of Business Activities.

Article 8. Ban of tobacco advertising

- 8.1. Tobacco advertising are prohibited in the following forms:
- 8.1.1. advertising of tobacco by press, media, movies, internet, billboard, poster, street advertising signs, passenger ticket, using trade-name, trade-mark and its related pictures of tobacco products and manufacturers and other direct physical forms;

- 8.1.2. teach and encourage children to tobacco smoking;
- 8.1.3. naming of legal personality by the trade name of tobacco products and tobacco manufacturers;
- 8.1.4. sponsorship of cultural, sports and other social events and any donations, contributions or grants by the tobacco industry;
- 8.1.5. the use of trade-mark, trade-name and logos of tobacco products and manufacturers on goods, clothes and consumer items;
- 8.1.6. Other type of advertising
- 8.2. Tobacco advertisement materials shall be prohibited to enter the national border.

Article 9. Smoking restricted areas

- 9.1. Smoking shall be restricted in the following areas:
 - 9.1.1. public transportation vehicles and airplans;
 - 9.1.2. compartment and corridors of train and ship;
 - 9.1.3. gasoline stations, factories, manufacturing flammable and explosive substances and machine oil, their storage areas;
- 9.2. Smoking shall be restricted in other areas except specially designated areas of the following institutions:
 - 9.2.1. passenger transportation stations, public service areas of hotels;
 - 9.2.2. public eatery, shops, entertainment and service places, bars and restaurants;
 - 9.2.3. offices of any organizations and business entities
- 9.3. Public eateries with more than two service hall, shall designate a special service hall for non-smokers.
- 9.4. Business entities and organizations, indicated at 9.2. shall be placed signs and warnings at places where smoking is allowed or prohibited, and reflected and implemented the measures related to tobacco control as provided by this law, into their internal regulations.

CHAPTER THREE.

FINANCING OF TOBACCO CONTROL ACTIVITIES

Article 10. Health Promotion Foundation

- 10.1."Health Promotion Foundation" (further the Foundation) shall be established in order to enhance healthy lifestyle and reduce tobacco consumption among population.
- 10.2. The Foundation shall be comprised by the budget, equal to 2 percent of tobacco excise tax.
- 10.3. Donation and contribution of the citizen, legal personality, international organization and organization and individual of foreign countries, person destitute of their nationality and other sources not prohibited by the relevant legislation and regulations can be obtained by the Health Promotion Foundation.
- 10.4. The Foundation's reserves shall be kept at the special Government foundation.
- 10.5 Based on a decision of the Foundation Board, assets of the Foundation shall be spent for the following purposes:
 - 10.5.1. carry out the programmes and projects on tobacco control and health promotion
 - 10.5.2. finance the activities on prevention of diseases caused by tobacco and health promotion;
 - 10.5.3. carry out the public awareness campaign against tobacco hazards and the monitoring of tobacco control;
 - 10.5.4. improve the supply of medicine, devices and equipment necessary for treatment of tobacco dependence (smoking cessation);
 - 10.5.5. conduct the research on tobacco consumption, it's health and economic consequences;
- 10.6. The Foundation's charter, composition of the Board and it's operational regulations shall be adopted by the Government (Cabinet).

CHAPTER FOUR

MISCELLANEOUS

Article 11. Monitoring the execution of legislation on tobacco control

- 11.1. The monitoring of the execution of legislation on tobacco control at the state level shall be carried out by the government, Governors of all levels, State administration agency in charge of professional inspection, police department and other organizations and officials, which have been authorized to this effect, respectively according to their authority;
- 11.2. The administration of business entities, organizations and their affiliates shall monitor the execution of legislation on tobacco control within their framework of authority, stated in the present law.

11.3. The Association for the protection of consumer's rights and other non-governmental organizations may carry out public monitoring of the execution of legislation on tobacco control

Article 12. Filing complaints

12.1 Citizens and legal personality can file complaints to the related bodies, officials and courts if they consider to have suffered their rights and legal interests due to violation of laws and regulations on tobacco control.

Article 13. Liability for offenders of legislation

- 13.1. In case of the violation of the legislation on Tobacco Control, Governors of the soum, district, bag, horoo and an authorized police officer and state inspector, shall impose the following administrative penalties on the guilty person for the offence, if the offence is not punishable under the Penal Code:
- 13.1.1. In case of the violation of the article 6.4, 6.6, 6.7.1- 6.7.6, 6.7.8, 8.2 of this law, tobacco and illegal revenues shall be confiscated and the offending citizen, official and business entities shall be imposed fines of MNT 30000-50000, 40000-60000 and 230000-250000 respectively;
- 13.1.2. In case of the violation of the article 6.7.7, 6.7.9-6.7.12, 7.1 of this law, tobacco and illegal revenues shall be confiscated and the offending citizen, official and business entities shall be imposed fines of MNT20000-30000, 30000-60000 and 200000-250000 respectively;
- 13.1.3. In case of the violation of the article 8.1.1-8.1.3, 8.1.5, 8.1.6 of this law, illegal revenues shall be confiscated and the offending citizen, official and business entities shall be imposed fines of MNT30000-40000, 40000-60000 and 200000-250000 respectively;
- 13.1.4. In case of the violation of the article 8.1.4 of this law, advertising activities shall be stopped and the offending official and business entities shall be imposed fines of MNT40000-60000 and 200000-250000 respectively;
- 13.1.5. In case of the violation of the article 9.1 and 9.2 of this law, the offending citizen shall be imposed fines of MNT5000-10000;
- 13.1.6. In case of the violation of the article 9.3 of this law, the offending business entities shall be imposed fines of MNT100000-150000;
- 13.2. In case of the violation of the article 13.1.1-13.1.4 and 13.1.6 of this law two and more times, the issues related to revocation of licensing of the offending business entities shall be regulated by the Law on Licensing of Business Activities.

Chairman of the State Great Hural of Mongolia TS. Nyamdorj

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