

**GOVERNMENT OF MONGOLIA
RESOLUTION**

June 27, 2001
Ulaanbaatar

No. 139

Approving the Procedures

Based on Paragraph 5, Article 9, of the Law on Exporting and Importing Labor Force and Professionals, the Government of Mongolia DECREES to approve the “Procedures for Paying the Work Place Payment, Providing Discounts and Exemptions” as attached hereto.

Prime Minister of Mongolia

N. Enkhbayar

Minister for Social Protection and Labor Sh. Batbayar

Attachment to Government Resolution No. 139 of 2001

PROCEDURES FOR PAYING THE WORK PLACE PAYMENT, PROVIDING DISCOUNTS AND EXEMPTIONS

One. General Provisions

1. These procedures shall be observed in regulating the relations connected with paying the work place payment specified in Article 9 of the Law on Exporting and Importing Labor Force and Professionals as well as providing discounts and exemptions.
2. "Work Place Payment" means a fee imposed by law on business entities, organizations and individuals (hereinafter referred to as the "Organization") operating on the territory of Mongolia for providing a job opportunity for a foreign citizen and employing him/her for an income-generating work.
3. The monthly work place payment for each foreign citizen shall be double the minimum labor remuneration established by the Government.

Two. Paying the Work Place Payment

4. In accordance with Paragraph 1, Article 9, of the Law on Exporting and Importing Labor Force and Professionals, the Organization must pay the work place payment at the time of obtaining an employment permit for a foreign citizen to work in Mongolia from the employment authority.
5. If the Organization is obtaining an employment permit for up to 5 foreign citizens, the work place payment must be paid in advance. In the event of more than 5 foreign citizens, the Organization can mutually agree with the employment authority on the term and conditions for paying the work place payment and make payment according to the contract.
6. The employment authority shall deposit the work place payment in the account of the Employment Promotion Fund and maintain records on the payment of the work place payment, discount or exemption.
7. If a foreign citizen holding an employment permit to work in Mongolia terminates his/her employment contract with a particular organization prior to the expiration term and returns home, the prepaid rent becomes refundable to the Organization based on the affidavit issued by the employer and the Bureau for Foreign Citizens and Nationals.

Three. Discounts and Exemptions from the Work Place Payment

8. Exemptions from the Work Place Rent shall be granted to the following foreign citizens:
 - a/ employees of foreign diplomatic missions and consulates (such as embassies and consulates of foreign countries in Mongolia) and their family members;
 - b/ foreign citizens working at resident representative missions of international organizations (such as UNDP, WHO Branch) and their family members;
 - c/ volunteers working under the treaties of Mongolia as well as contracts and agreements signed with administrative government authorities;

- d/ professionals and workers working under intergovernmental agreements if such arrangements are provided for in these agreements;
 - e/ employees of foreign non-governmental (non-profit) organizations with a lawful permit to conduct humanitarian activities in Mongolia;
 - f/ foreign professionals and workers working in the education and science sectors under a contract.
9. Exemptions from the work place payment shall be granted to foreign professionals working as advisors, teachers or research workers in educational and scientific organizations operating on the territory of Mongolia based on their professional diploma or certificate as well as the request of the Organization.
 10. The payment specified in these Procedures shall not apply to immigrants, permanent residents and long-term residents living in Mongolia for private matters.
 11. In the event the labor force and professionals required for relief of damages due to natural disasters and destructions, construction of buildings and facilities and implementation of large, nationwide projects and programs are brought from foreign countries based on the Government decision, such employees shall be exempt from the work place payment.
 12. If foreign labor force and professionals are employed for the purpose of receiving advice, performing studies and research works, or implementing projects and programs as part of cooperation according to official invitations or contracts made by ministries and government agencies, the Organization shall be granted a 50 (fifty) percent discount based on the decision of the Ministry of Social Protection and Labor.
 13. Investors in the business entities with foreign investments and maximum 3 (three) members of the management team as well as representatives of a foreign company in Mongolia shall be exempt from the work place payment based on the affidavit issued by a relevant government agency.

Four. Miscellaneous

14. The employment authority must prepare and submit to the Ministry of Social Protection and Labor a quarterly report on the payment specified in these Procedures.
15. The Organization is obligated to issue a true and accurate affidavit on foreign citizens to whom the Procedures for Paying the Work Place Payment, Providing Discounts and Exemptions apply.
16. If the Organization fails to pay the work place payment for more than 1 month, or fails to fulfill the contractual obligations specified in Paragraph 5 of these Procedures, the employment authority shall invalidate the employment permit of a particular foreign citizen and notify thereof the Bureau of Foreign Citizens and Nationals. In addition, the Organization shall bear the responsibility specified in Point 2, Paragraph 1, Article 12, of the Law on Exporting Importing Labor Force and Professionals.
17. The State Inspection Bureau of Social Protection and Labor shall monitor the implementation of these Procedures.