

# The Procedure for issuing certificates of land possession and use rights has been approved

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## In brief

In our previous [issue](#), we informed you that the 2021 Procedure for Issuing Certificates of Land Possession and Use Rights (“**2021 Procedure**”) had been repealed.

Subsequently, on March 6, 2025, the Government of Mongolia approved a new Procedure for Issuing Certificates of Land Possession and Use Rights (“**2025 Procedure**”) through Resolution No. 121.

In this legal alert, we would like to briefly share key information about the newly adopted procedure, including its new regulations and major changes.



## Circumstances for issuance of land possession and use certificates

The 2025 Procedure sets out the following circumstances under which a land possession or use certificate may be issued:

- Possession of land free of charge for family common needs;
- Possession or use of land for purposes other than family common needs;
- Transfer of land possession rights to another party;
- Extension of the validity period of land possession or use certificates;
- Addition or removal of co-possessors;
- Change in the designated use of the land;
- Modification of the size or location of the possessed land;
- Change in the type of land rights;
- Consolidation or division of land parcels;
- Exchange or revocation of possessed land;
- Use of surrounding land by homeowners’ associations (HOAs).

While these circumstances were generally outlined in the 2021 Procedure, the 2025 Procedure provides more detailed regulations for each case, including the application process, required documentation, and decision-making timelines.

For example, applicants must now submit their requests electronically. The land authority will review the application and verify whether the requested land overlaps with any existing land possession or other designated areas. If an overlap is found, the application will be rejected.

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Энэхүү мэдээллийг Өмгөөллийн ПрайсуотэрхаусКүүпэрс Лёгал ХХН бэлтгэсэн болно. Энд дурдсан мэдээлэл нь зөвхөн ерөнхий мэдээлэл өгөх зорилготой бөгөөд хуулийн зөвлөгөө биш юм. Аливаа үйлдэл (эс үйлдэхүй) хийхээс өмнө уншигч та өөрийн нөхцөл байдал тохирсон тусгайлан мэргэжлийн зөвлөгөө авах нь зүйтэй. Энэ мэдээлэлд үндэслэн хийсэн үйлдэл, эс үйлдэхүйн хувьд бид аливаа хариуцлага хүлээхгүй болно.

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## New regulations

### Use of Land by Holders of Mineral Resource Licenses

Unlike the 2021 Procedure, the 2025 Procedure includes provisions regarding the right of mineral license holders to use land. Specifically, it allows legal entities holding mineral exploitation licenses, including those for petroleum and common minerals, to submit requests to use land within the boundaries of their licensed areas.

### Changing the Type of Land Rights

Under the Law on Land, land possession certificates may only be issued to citizens, legal entities, and organizations of Mongolia, while foreign citizens and legal entities are only eligible for land use rights.

In practice, it is common for Mongolian legal entities holding land possession rights to become foreign-invested enterprises. In such cases, to comply with the legal requirements, the land possession right must be converted into a land use right.

While neither the Law on Land nor the 2021 Procedure addressed this issue, the 2025 Procedure now allows legal entities that have changed their registration status to foreign-invested to apply for a change in the type of land right from possession to use.

However, the reverse scenario—where a foreign-invested legal entity becomes a domestic entity due to the withdrawal of foreign investors or other reasons—is not addressed in the 2025 Procedure.

### Registration of Land Rights upon Change of Immovable Property Ownership

According to the Law on State and Local Property, individuals or legal entities that purchase or receive ownership of state-owned buildings or structures must apply to register the associated land rights.

If the ownership of immovable property located on land held under possession or use rights changes, the current land right holder must submit a request to terminate their right, and the new property owner must submit a separate request to register the land right. These requests must be accompanied by a notarized sale and purchase agreement for the immovable property.

### Consolidation and Division of Land Parcels

While the 2021 Procedure mentioned the possibility of consolidating land possession rights, it lacked detailed provisions on when and how such requests could be made. The 2025 Procedure now provides clear regulations, allowing for the consolidation or division of adjacent land parcels that are:

- Registered under the same possessor or user,
- Of the same type of land right, and
- Intended for the same purpose.



## Contact us!

If you wish to receive legal advice regarding the Law on Land and the Procedure for Issuing Certificates of Land Possession and Use Rights, please feel free to contact us. ***You may access the full text of the approved procedure by clicking [here](#).***