New requirements under the revised Environmental Impact Assessment Regulation

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In brief

The Government of Mongolia adopted a revised Environmental Impact Assessment Regulation (New EIAR) on February 8, 2023. The New EIAR requires project implementers to assess not only the environmental impact but also the social impact of their projects, using more detailed criteria. Thus, we hereby highlight the new requirements with regards to the social impact assessment of major projects.

New requirements on social impact assessment

Enhanced Environmental Status Assessment:

The Environmental Status Assessment must provide information on the local communities that may be affected by the project, including their traditions, household conditions, income, livelihood, employment, capital, land ownership and relocation plan, as well as the public perceptions, needs, attitudes, suggestions, and requests regarding the project.

Expanded scope of Management Plan:

The New EIAR broadens the scope of the issues that need to be addressed in the Environmental Management Plan (Management Plan). Specifically, Management Plan should include detailed measures to prevent, reduce and eliminate the potential negative social impact of the project.

In terms of the major projects, the Management Plan should cover certain areas including the prevention plan for negative impact on the local people's quality of life, employment, business, income, capital, health, safety, human rights, gender, culture, as well as resettlement and compensation, cultural heritage protection, public participation, and grievance mechanism.

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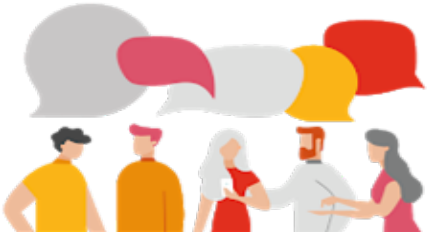
New requirements on Management Plan

01 Developing a social impact plan

The Management Plan should contain a specific social impact plan to prevent, reduce and eliminate the negative impacts on the safety, health, welfare, employment, gender, and livelihood of the local communities and to enhance the positive social impact of the project. Furthermore, each activity under the social impact plan should be clearly defined with its own necessary measures, implementation indicators, responsible bodies, implementation period and budget.

02 Developing stakeholders consultation plan

During the planning and implementation stages of the project, the project implementers should ensure the participation of all the stakeholders and develop a consultation plan based on the analysis conducted with the involvement of the relevant parties.

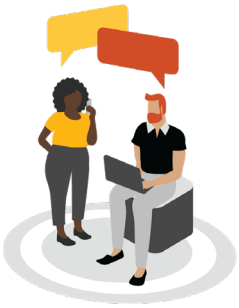


03 Developing resettlement and compensation plan

In case of resettlement, the previous procedure required only some general matters, such as the resettlement plan and the impact on the local people's health and welfare, to be included in the Management Plan. However, New EIAR became more detailed and requires the project implementers to determine the affected area and verify in advance whether there is any need for compensation in case of unavoidable resettlement. The situational assessment of affected persons should be carried out during and at the end of the project life. Moreover, the plan for receiving and resolving complaints related to resettlement and compensation should be included in the resettlement plan.

04 Developing a grievance procedure in relation to the project

The project implementers need to develop a grievance mechanism to receive, investigate and resolve public complaints related to the negative impact on the environment, society, health, safety and resettlement.



05 Developing cultural heritage management plan

The requirements for the protection of cultural heritage became more detailed in the New EIAR. If the historical and cultural heritage and monuments are at risk of being affected by the project, action plan to protect cultural heritage must be developed in accordance with the Law on the Protection of Cultural heritage. Furthermore, the Management Plan must specify relevant assessment plan, implementation monitoring, and steps to measure results.

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Other key changes

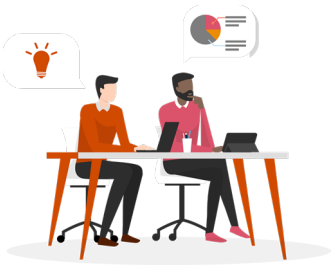
Establishing a joint working group responsible for internal monitoring

The project implementers must establish a joint working group consisting of representatives of stakeholders to monitor the implementation of the Management Plan. This was optional before.

Changes in the reporting period

The project Implementers must submit the implementation report of the Management Plan together with the Management Plan for the next year to the relevant environmental department by November 1.

Further actions to be taken from project implementers



The negative impact of businesses on society can result in human rights violations. Therefore, there is an increasing need for businesses to have an internal mechanism and an effective control system to reduce, eliminate and prevent the negative impact of their business activities on society, and to take measures to remedy in case human rights are violated. In this regard, there in an increased trends in many countries requiring businesses to conduct human rights due diligence on a regular basis.

In 2023, the Government of Mongolia adopted an "Action Plan for the Protection of Human Rights in Business Activities, Prevention of Human Rights Violations, and Restoration of Violated Rights (2023-2027)" (Action Plan) by Resolution No. 231, and item 11 of the Action Plan states that "it is necessary to ensure the rights of citizens to live in a healthy and safe environment, to prevent and eliminate negative impacts on human rights when implementing projects in high-risk sectors, and to strengthen the legal framework for land acquisition, resettlement, and compensation." As we understand, the approval of new EIAR is one of the initiatives by the Government to implement the Action Plan. In addition, we expect further actions from the Government to strengthen the capacity of businesses to carry out human rights due diligence in accordance with the Action Plan.

According to international best practices, implementing UN Guiding Principles on Business and Human Rights and conducting human rights due diligence on their operations is the most effective way for businesses to assess impacts and risks in their business operations and value chain and reduce, eliminate, and prevent the negative impact of their activities on society.

Therefore, we highly recommend that the companies operating in the high risks industries namely mining, road, transportation, infrastructure, and heavy industry sectors conduct human rights due diligence to make their Management Plans more realistic and effective.

If you would like to have more information on the human rights due diligence and the UN Guiding Principles on Business and Human Rights, please contact us.

Please refer to the following link for the new EIAR: https://legalinfo.mn/mn/detail?lawId=16758850092381

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