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CHAPTER ONE

General Provisions

Article 1. Purpose of the law

1.1 The purpose of this law shall be to regulate relations related to extraction of marine resources, fishing, transportation and other marine activities by vessels flying the state flag of Mongolia.

   /This paragraph was edited by Law of 2 August 2007/

Article 2. Maritime legislation

2.1 Maritime legislation shall consist of the Constitution of Mongolia, this law and other legislative acts enacted in conformity therewith.

2.2 Unless provided otherwise in any international treaty to which Mongolia is a party, then the former of international treaties shall prevail.

Article 3. Scope of the law

3.1 This law shall apply to business entities irrespective of the type and form of ownership when they engage in marine activities by vessels flying the state flag of Mongolia.

   /This paragraph was amended by the law of 2 August 2007/

3.2 Only Law of Mongolia shall be apply on the vessels flying the state flag of Mongolia.

Article 4. Definitions of the law

4.1 The terms of this law listed here below shall be interpreted as follows:

   4.1.1 "vessel" means an engined or self-propelled engineering sailing structure, designated for marine activities;

   4.1.2 "registrar" means an authority in charge of registration of Mongolian vessels

   /This paragraph was amended by the law of 2 August 2007/

   4.1.3 "port" means a sea port wharf leased by business entities that are engaged in marine activities;

   /This paragraph was amended by the law of 2 August 2007/
4.1.4 "International technical inspection agency of vessel" means an international organization charged in duties to develop and control on adherence of procedures for building all types of vessels, materials for building thereof, equipping them with ship equipments, salvage and other fire-prevention equipments during drawing up drafts for vessels, building and using.

/This paragraph was amended by the law of 2 August 2007/

4.1.5 "seaworthiness" means conditions that meet requirements of ecology, safety and technical rules, manned with complete professional crew, provided with reserves and equipment of all kind that required for safe travel.

4.1.6 "common accident" means a danger to a vessel and its cargo occurred in result of extraordinary natural calamity or force majeure.

/This paragraph was annulled by the law of 02 August 2007/

4.1.7 “ship captain” means a person who is responsible to lead the ship crew on behalf of owners.

4.1.8 ”ship crew” means a personnel expert who responsible to ensure the safe operation of the vessel.

4.1.9 “chartering vessel by itself” /bareboat-charter/ means an formal agreement that owner leases the vessel to the charterer with rights to take possession and use of ship, to take full control on it and appoint the captain and crew.

/The above paragraphs 4.1.7, 4.1.8, 4.1.9 are added by the law of 02 August 2007/

CHAPTER TWO

Marine activities

Article 5. Extraction of marine resources and fishing

5.1 Extraction of marine resources and fishing by vessels shall be regulated by the state administrative central body in charge of those matters on the basis of special permission from a competent international organization.

Article 6. Marine transportation

6.1 Transportation of goods by vessels shall be regulated by the state administrative central body in charge of transportation matters in conformity with the laws of Mongolia and international treaty to which Mongolia is a party.
Article 7. Exercise of technical control

7.1 The state administrative central body in charge of transportation matters shall exercise technical control over vessels.

7.2 International Technical Inspection Agency and other specialized professional organizations shall appointed experts.

(This paragraph was added by Law of 2 August 2007/)

Article 8. Duties of the business entities intending to engage in marine activities

(The title of this article was added by the law of 02 August 2007/)

8.1 Business entities shall engage in marine activities within the norms and limits determined in international treaty to which Mongolia is a party.

(This paragraph was added by Law of 2 August 2007/)

8.2 Business entities that are to engage in marine activities shall have the following duties:

(This paragraph was added by Law of 2 August 2007/)

8.2.1 to have the technical completeness of the vessel surveyed by a professional body;

8.2.2 to have the vessel entered in the Register of Mongolian vessels and obtain a certificate of registration;

8.2.3 to operate the vessel according to the purpose for which it is intended;

8.2.4 to complete the vessel crew in conformity with relevant international conventions, to appoint and release the captain;

8.2.5 to appoint, transfer to another job and release the crewmen upon the permission of the captain;

8.2.6 to engage a pilot in necessary cases for the purpose of ensuring safety of the vessel upon agreement with professional body of the port.

8.3 Business entities that are to engage in marine activities shall have the following inspection activities by professional body of the port:

(This paragraph was edited by Law of 2 August 2007/)

8.3.1 whether the number of crewmen is not less than the minimum prescribed for the type and purpose of the vessel in question and whether all kinds of reserves are available;

8.3.2 whether the vessel documentation, crewmen diplomas, professional licenses and seafarers’ certificates are completed in conformity with requirements of relevant international conventions;
8.3.3 whether hygiene and sanitary conditions of the vessel meet requirements of relevant international conventions;
8.3.4 whether communication equipment of the vessel meets requirements of relevant international conventions.

Article 8¹. Maritime Authority

8¹.1 The cabinet member in charge of transportation matters shall exercise the issues of establishing, alteration and liquidation the Mongolian Maritime Authority in conformity with the international treaty to which Mongolia is a party.
8¹.2 The Mongolian Maritime Authority shall be financed with its operational revenues and funds allocated from State budget.
8¹.3 Registration port of Mongolian vessels shall be located in the city of Ulaanbaatar.

/The above article 8¹ was added by the law of 02 August 2007/

CHAPTER THREE
Registration of vessels

Article 9. Mongolian Maritime Authority Function

9.1 Maritime Authority shall be responsible the following function
9.1.1 to provide administration and monitoring for maritime activities;
9.1.2 to put technical control on facilities, engine and other equipments of vessel;
9.1.3 to implement an action to create favorable environment, protect life and health in which employees and passenger on the vessel to work and live,
9.1.4 to implement an action to provide the safety of maritime
9.1.5 to implement an related action to protect marine pollution
9.1.6 to organize joint training with domestic and foreign institutions in maritime, to train skilled workers and re-train.
9.1.7 to accept the seafarers certificate granted by foreign authority
9.1.8 to organize the issues of working with crew, determining the short and long term needs of National staffing.

9.2 The clauses from 9.1.1 to 9.1.6 are shall be implementing based on entered law with Maritime Authority and international competent organization.
9.3 The Government shall determine the procedure for registration of vessels.

/The above article 9 was amended by the law of 02 August 2007/

Article 10. Powers of the registration port

/The title of this article was amended by the law of 02 August 2007/
10.1 Registration port of Mongolian vessels shall exercise the following powers:
/This paragraph was edited by Law of 2 August 2007/

10.1.1 to enter vessels in the Register of Mongolian vessels, to grant the
certificate entitling them to fly the state flag of Mongolia, to remove
them from the Register;
10.1.2 to design all kinds of licenses, certificates, and other documentation
and have the designs approved by the relevant state administrative
central body;
10.1.3 to regulate matters of communicating with vessels by means of
international signals in conformity with relevant international
conventions;
10.1.4 to determine the nearest and future personnel needs, organize their
personnel training in conformity with relevant international
conventions;
/This paragraph was edited by Law of 2 August 2007/
10.1.5 to elaborate and enforce health and labour condition requirements for
crewmen in conformity with relevant international conventions;
/This paragraph was edited by Law of 2 August 2007/
10.1.6 to approve disciplinary rules to be observed by crewmen.

Article 11. Register of vessels

11.1 Registration port of Mongolian vessels shall register vessels in the
ownership of the state, citizens, business entities and organizations in the
Register of Mongolian vessels. Register of Mongolian vessels shall be
open.
/This paragraph was edited by Law of 2 August 2007/

11.2 The vessels to be entered in the Register of Mongolian vessels shall meet
requirements of the International Register.
/This paragraph was edited by Law of 2 August 2007/

11.3 The vessels entered in the Register under 11.1 of this article shall be
registered with the Registration Office of Immovable Property.
11.4 A vessel shall be removed from the Register of Mongolian vessels if the
operator has requested so, or the vessel has been written off, or transferred
to another state, or if three months passed since the date of last
communication with the vessel, or if it went missing for a period longer
than six months in the regions of war and armed conflicts.
11.5 The vessels registered in abroad and possessed with “Bareboard-charter” agreement if that is provided with professional experts then it shall be considered as “Bareboard-charter” and registered at Mongolian vessel registration.

/This paragraph was edited by Law of 2 August 2007/

Article 12. Flying the state flag of Mongolia on vessels
12.1 The symbol determining Mongolian nationality of the vessel shall be the state flag of Mongolia.
12.2 Vessels registered with the Register of Mongolian vessels shall be entitled to fly the state flag of Mongolia.
12.3 The state flag of Mongolia shall be flown and depicted on vessels in accordance with provisions of Article 13, part 3 and Article 14, part 2 of the Law on State Symbols2.

CHAPTER FOUR
Vessel and its crew prevent the marine safety activities and pollution

/The title of this article was amended by the law of 02 August 2007/

Article 13. Vessel
13.1 Vessels shall be equipped with such equipment as to protect health and lives of crewmen and passengers, preserve safety of cargo, and ensure conditions to prevent from sea pollution.
13.2 Seaworthy vessels only shall be put to sea.
13.3 The following certificates must placed at vessel
   13.3.1 legal address and name provided from insurers; and from reinsurers who are responsible on marine pollution that was caused by the vessel if owner entered reinsurance agreement.
   13.3.2 a certificate that certifies Mongolia entered to an international treaty which to Mongolia is a party.
   13.3.3 a certificate that specifies the person who is responsible to the implementation of duties in international treaty which to Mongolia is a party.

/The above clause 13.3 was edited by Law of 2 August 2007/

Article 14. Crew
14.1 Citizens of Mongolia, foreign citizens or stateless persons with adequate professional skills and training, and meeting health requirements shall be
employed as seafarers under contract in conformity with relevant international conventions.

14.2 A member of Crew are responsible as following

14.2.1 to fulfill their obligation without causing damage to the vessel and persons on it.
14.2.2 to notify the captain with their found and discovered danger that may cause to the seaworthiness safety.
14.2.3 to notify the captain with any changes that issued and affected to the ability to fully comply with its obligations
14.2.4 to obey the official requirements and orders that issued by Captain.

/The above clause 14.2 was added by Law of 2 August 2007/

Article 15. Captain, his duties and right

15.1 Captain shall direct crewmen.
15.2 Captain shall have the duties to protect health, lives and property of crewmen and passengers, preserve the cargo safe and sound.
15.3 Captain shall have the rights to reward crewmen and impose sanctions under disciplinary rules.

Article 16. Danger to vessel

16.1 Captain shall take necessary actions to prevent possible treat to health, lives and property of crewmen and passengers, vessel and cargo on its board, and to eliminate damage caused.
16.2 Captain shall mobilize passengers capable of working in case of danger of accident, manage property of passengers and cargo on board of vessel.
16.3 Damage caused to cargo and property on board of vessels shall be compensated in accordance with general accident rules provided in the international law.

/This paragraph was amended by Law of 2 August 2007/

Article 17. Marine statement

17.1 Where circumstances arising out of natural and technical accidents while the vessel is on sea or at port of call constitute grounds for property claims by ship-owner, the captain may issue marine statement to the consul of the country of own nationality or to the competent official of the respective state in accordance with procedure prescribed by the respective port to protect rights and legitimate interests of ship-owner.
17.2 In marine statement the circumstances of accident and actions taken by the captain to preserve safety of entrusted property shall be included.
Article 18. Providing help
18.1 Captain is obliged to arrive at the maximum speed of his vessel immediately on receipt of call for help during voyage to provide necessary help and undertake salvage actions.
18.2 In case of vessel collision captains shall, where possible, jointly determine ways of mutual assistance and assist each other by all possible means.
18.3 Damage caused by vessel collision and that, which occurred during salvage actions, shall be compensated for in accordance with general accident rules provided in the international law.

/This paragraph was amended by Law of 2 August 2007/

Article 19. Abandon of the vessel
19.1 In case of inevitable shipwreck the captain shall take actions to ensure safety of passengers and crewmen and render a decision to abandon the vessel.
19.2 Upon abandon of the vessel by passenger, and crewmen the captain shall collect ship documents and leave the vessel last.

Article 20. Commitment of crime on board of vessel
20.1 In case a crime is committed on board of vessel the captain shall conduct inquiry.

Article 21. Birth and death on board of vessel
21.1 In case of birth or death on board of vessel the captain shall draw up a document in the presence of two witnesses and a physician and record the event in the log-book.
21.2 The captain shall compile a list of belongings of the deceased person in the presence of two witnesses and keep them until transfer to the competent authority or person.
21.3 Immediately upon arrival in a port the captain shall transfer the body to the consul of the state of nationality of the deceased person.
21.4 In case the vessel performs a long voyage or extraordinary circumstances that render keeping the body impossible, it shall be buried in the sea according to sea custom after compiling relevant documents.

CHAPTER FIVE
Miscellaneous

Article 22. Penalties for breach of maritime legislation
22.1 Offending persons shall be subject to liability for breach of maritime legislation as provided in the legislation.
R. Gonchigdorj
Chairman of the State Ih Hural of Mongolia