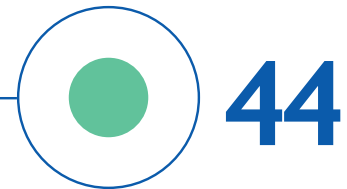


Mongolia



SUMMARY OF FINDINGS

I. Industry Participation in Policy Development

The Tobacco Control Law of Mongolia and its related regulations prohibit the participation of the tobacco industry in public health policymaking, requiring a clear separation of its vested interests from government decisions. According to international assessments such as the Global Tobacco Industry Interference Index, Mongolia maintains a “no direct participation of the tobacco industry in policy development” rating.

Currently, a draft amendment to the Tobacco Control Law has been submitted to the Parliament of Mongolia for consideration. The draft aims to strengthen regulation, particularly concerning electronic cigarettes, as their use and import have increased significantly, especially among youth. Public health experts and the media have emphasized the need for clearer taxation and legal frameworks for electronic cigarettes.

At the same time, some civil society organizations and commentators have raised concerns that enforcement of existing tobacco control measures remains weak. They have also noted the need to ensure that any new regulations are based on evidence and remain free from potential industry influence.

While some critiques suggest that certain proposed provisions—such as excise taxes for electronic cigarettes potentially being higher than those for traditional tobacco—might have unintended effects, there is currently no confirmed evidence that the draft law explicitly favors or involves the tobacco industry.

Overall, it is essential that Mongolia continues to strengthen evidence-based policymaking and uphold full transparency to prevent any form of industry interference in public health decision-making.

2. Industry CSR Activities

The Government of Mongolia supports public–private partnerships and enacted the Law on Public–Private Partnership in 2022. The law stipulates that activities prohibited by legislation cannot be included within the scope of public-private partnership projects. In this regard, Article 8 of Mongolia’s Tobacco Control Law prohibits tobacco producers from acting as sponsors of health, education, culture, arts, physical education, sports, and cultural events, and from providing various forms of donations, assistance or scholarships. Therefore, tobacco producers are restricted from participating in or supporting health, education, culture, and sports initiatives under the guise of corporate social responsibility.



3. Benefits to the Industry

The Government of Mongolia has not received or approved any requests to delay or extend the implementation of the Tobacco Control Law, and no postponements have been publicly reported.

Licenses for tobacco cultivation, production, and related activities are issued and revoked based on the approval of the Ministry of Food, Agriculture, and Light Industry (MOFALI).

Between 2023 and 2024, there is no evidence that the tobacco industry (TI) received any tax exemptions, incentives, subsidies, or other financial benefits.

Small retail shops with annual revenues not exceeding 1.5 billion MNT may qualify for a 90 percent tax reduction under the Corporate Income Tax Law; however, this provision does not apply to entities engaged in tobacco cultivation, production, or importation, which are strictly prohibited from receiving any exemptions or financial benefits.

This regulatory framework ensures that tobacco industry actors cannot benefit from tax incentives, thereby safeguarding public health objectives and maintaining a clear separation between government policy and industry interests.

4. Unnecessary Interaction

There is no evidence that high-level government officials have attended events organized by tobacco companies or held meetings with them. Likewise, there is no record of tobacco manufacturers meeting with senior government officials.

According to the Regulation on the Health Promotion Fund, one percent of the excise tax on alcoholic beverages and two percent of the excise tax on tobacco products are allocated to the Fund, through which the Government finances health promotion activities.

In 2024, amendments to the Corporate Income Tax Law allowed businesses to allocate up to one percent of their income tax to public welfare activities. However, there is no evidence that the Government has formally collaborated or entered into agreements with tobacco companies.

5. Transparency

Under the Tobacco Control Law, relations between tobacco manufacturers and the government are limited to production, cultivation, importation, sale, and advertising. However, there is no evidence of interactions outside these areas, and no legal obligation to make such meetings public. Mongolia also lacks rules requiring the disclosure or registration of TI entities, affiliates, representatives, or lobbyists.

6. Conflict of Interest

While there are restrictions on donations to political parties, candidates, and election campaigns, tobacco producers, traders, and importers are still allowed to make such contributions. There is no public information on the amount of these donations or which companies made them. No evidence was found of retired high-ranking officials joining the tobacco industry, nor of current officials or their relatives working in the tobacco business.

7. Preventive Measures

The government has no established procedure for publicly disclosing meetings with TI representatives, and no regulation has been developed. The Tobacco Control Law prohibits tobacco companies from making contributions to government entities, and a code of conduct requires public officials to avoid conflicts of interest. However, TI is not obliged to regularly submit operational information beyond certain technical and financial documents required for license renewal.

The government prohibits accepting contributions, gifts, assistance, policy drafts, research, or study visit invitations from the TI to government bodies, officials, or their close relatives.



RECOMMENDATIONS

1. Establish mandatory disclosure of financial and operational information from all TI entities annually to ensure transparency and limit undue influence.
2. Develop clear regulations to register and disclose activities of TI entities, representatives, and lobbyists to improve accountability.
3. Implement strict laws and oversight mechanisms requiring full transparency on political donations, partnerships, and other forms of TI influence to safeguard policymaking integrity.
4. Strengthen mechanisms to identify and restrict conflicts of interest for government officials and their relatives linked to the TI to reduce corruption risks.
5. Enhance transparency in the licensing process for tobacco production and sales to strengthen enforcement and prevent corruption.