



REGULATION ON CARBON CREDIT REGISTRY OF MONGOLIA

LEGAL ALERT: REGULATION ON CARBON CREDIT REGISTRY OF MONGOLIA

Background

Mongolia has undertaken significant regulatory and institutional reforms in recent years to strengthen its carbon credit governance and prepare for active participation in international carbon markets under Article 6 of the Paris Agreement¹. This momentum has accelerated over the last several months, driven by new international agreements and domestic regulatory reforms that collectively position Mongolia as a regional player in carbon markets.

The Government of Mongolia adopted Resolution No. 91 on the revision of the Nationally Determined Contribution (NDC) for the implementation of the Paris Agreement on September 10, 2025.² In accordance with the resolution and recommendations of the Conference of the Parties to the Paris Agreement, Mongolia has revised its Nationally Determined Contribution (NDC3.0) target for greenhouse gas emission reduction and adaptation measures up to 2035.

The resolution aims to reduce total greenhouse gas emissions by 4.9 percent in 2025, 23.0 percent in 2030, and 30.3 percent in 2035 compared to baseline levels, and to limit Mongolia's total greenhouse gas emissions to 54.8 million tons of carbon dioxide equivalent (CO₂-eq) in 2025, 56.6 million tons in 2030, and 56.9 million tons in 2035, respectively.

¹ Article 6.2 of the Paris agreement “*Parties shall, where engaging on a voluntary basis in cooperative approaches that involve the use of internationally transferred mitigation outcomes towards nationally determined contributions, promote sustainable development and ensure environmental integrity and transparency, including in governance, and shall apply robust accounting to ensure, inter alia, the avoidance of double counting, consistent with guidance adopted by the Conference of the Parties serving as the meeting of the Parties to this Agreement.*”

² <https://legalinfo.mn/mn/detail?lawId=17433351231072>

1. Recent Developments in Mongolia's International Cooperation

1.1. Implementation Agreement between Mongolia and the Republic of Singapore (6 Oct. 2025)

On 6 October 2025, Singapore and Mongolia signed a legally binding Implementation Agreement governing cooperation on carbon credits under Article 6 of the Paris Agreement. This represents a landmark development in regional climate cooperation and marks Mongolia's entry into structured bilateral carbon trading arrangements.

The agreement was signed by Singapore's Minister for Sustainability and the Environment, Ms. Grace Fu, and Mongolia's Minister of Environment and Climate Change, Mr. Batbaatar Bat. A parallel signing was conducted by Singapore's Deputy Prime Minister and Minister for Trade and Industry, Mr. Gan Kim Yong, and Mongolia's First Deputy Prime Minister and Minister of Economy and Development, Mr. Uchral Nyam-Osor³.

Singapore aims to achieve net-zero emissions by 2050, reduce emissions to around 60 Mt CO₂-eq by 2030, and expand its use of high-quality international carbon credits to meet its targets. Mongolia, in contrast, seeks to harness nature-based solutions, renewable energy projects, and other mitigation opportunities to attract investment and generate foreign currency inflows.

A Joint Committee⁴ will manage the agreement's implementation, including:

- identifying priority sectors;
- establishing a bilateral carbon market registration framework;
- approving methodologies and project eligibility;
- defining evaluation and authorization criteria.

Carbon mitigation activities will support Mongolia's green transition, create local employment, improve access to clean water, enhance energy security, and reduce environmental pollution⁵.

1.2. Mongolia and Switzerland Cooperation Agreement (21 November 2025)

A separate bilateral cooperation agreement between the Government of Mongolia and the Swiss Confederation was officially executed on 21 November 2025 on the margins of COP30 in Belém, Brazil. The agreement was signed by Mongolia's Minister for Environment and Climate Change,

³ <https://shorturl.at/zrWjF>

⁴ <https://en.med.gov.mn/post/169014>

⁵ <https://shorturl.at/SL0oN>

Mr. Batbaatar Bat, and Switzerland's Minister for Environment, Transport, Energy, and Communications, Mr. Albert Rosti.⁶

This agreement builds upon commitments reaffirmed during the Swiss President Viola Amherd's state visit to Mongolia in August 2024, marking 60 years of diplomatic relations. Since then, both governments have pursued negotiations to develop a comprehensive framework for long-term climate cooperation under the Paris Agreement.

2. Mongolia's Domestic Legal update: Approval of Procedure NoA/422 (6 June 2024)

To implement Article 6 of the Paris Agreement of these bilateral agreements, Mongolia requires a modern, integrative regulatory infrastructure. A key update was the approval of Procedure NoA/422 "National Carbon Registry Procedure" by the Ministry of Environment and Climate Change on 6 June 2024⁷.

This Procedure provides the national legal basis for:

- the registration of carbon credit-generating projects;
- transparent administration of carbon credit transactions;
- prevention of double counting;
- monitoring and reporting for NDC implementation; and
- interoperability with Article 6.2 and 6.4 mechanisms of the Paris Agreement

The Department of Climate Change and Policy Planning is responsible for registering the Procedure in the National Registry, monitoring implementation, and ensuring unified oversight. The Climate Change Research and Cooperation Center is tasked with executing the Procedure, operating the Registry, and reporting on performance.

3. Summary of the National Carbon Registry Procedure (12 Articles)

The Procedure establishes comprehensive rules for the registration, verification, transfer, and management of carbon credits. It also creates a public, transparent Integrated Registry documenting all carbon credit activities nationwide.

Article 1 . General Provisions

The Procedure governs:

- Registration of carbon credits;

⁶ <https://www.facebook.com/MECCMongolia>

⁷ <https://mecc.gov.mn/storage/media/395e3efd-0f6a-492b-86b3-dd0b85dd9700.pdf>

- Recording of transactions;
- Service delivery and information exchange.

Key features include:

- The Integrated Registry is public and must comply with transparency laws.
- International treaties override conflicting procedural provisions;
- Blockchain and other modern technologies may be used;
- One carbon credit = 1,000 tons of CO₂-eq reduced or removed;
- The Climate Change Research and Cooperation Center operates the Registry.

Article 2. National /Unified/ Registry

The Registry records:

- Project and program registrations;
- Applied methodologies (CDM, SDM, Gold Standard, Verra, Plan Vivo, etc.);
- Monitoring reports;
- The registry aligns with UNFCCC sector classifications, supports exchange with international registries, and
- Requires ISO 14064-compliant reporting.

Article 3. Application for Registration

Applications must be submitted electronically.

The Registration Authority registers a project once:

- All information is complete;
- Fees are paid; and
- Procedural requirements are met.

Article 4 . Project Registration

Projects are categorized as:

- International results-based climate finance projects (e.g., CDM, REDD+, JCM);
- Bilateral Article 6 cooperation projects;
- Voluntary carbon market projects.

The registration covers all project phases:

- Feasibility;
- Implementation;

- Verification;
- Credit issuance;
- Completion and final verification.

Documentation includes methodology, feasibility studies, baselines, monitoring reports, verification reports, land documentation etc.,.

Article 5. Internationally Transferable Carbon Credits

- Credits counted toward Mongolia's NDC cannot be internationally transferred;
- Transfers must comply with Article 6 rules, such as corresponding adjustments and double-counting prevention;
- International transfers require a bilateral agreement with the receiving country.

Article 6. Verification

- Verifiers must meet ISO 14065:2023 standards;
- Project implementers must contract registered and approved verifiers;
- Verification reports must include scope, methodology, team details, and results;
- Certain information may be classified as confidential.

Article 7. Carbon Credit Identification Number

Each credit receives a unique ID, including:

- Cooperative approach identifier;
- ISO country code;
- Project location number;
- Registration and withdrawal years;
- Activity type;
- Crediting period;
- Authorization status.

Article 8 . Registration Account

Implementers must open an account to:

- Issue;
- Transfer;
- Withdraw;

- Cancel carbon credits;
- Details of sender/receiver accounts, including foreign ones.

Accounts may be closed for non-compliance, international obligations, or upon request.

Article 9 . Transfer of Carbon Credits

Transfer:

- Transfers occur upon request and require;
- Ownership confirmation;
- Electronic agreements;
- Fee payment.

Article 10. Transaction Records

The Registry records all activities:

- Issuance;
- Transfer;
- Withdrawal;
- Cancellation;
- Conversion;
- Exchange;
- Errors may be corrected according to legal procedures.

Article 11. Responsibilities of the Registration Authority

The Authority must:

- Maintain the Registry and IT infrastructure;
- Register projects, accounts, and verifiers;
- Issue/transfer/cancel credits;
- Prevent double-counting;
- Provide guidelines, training, and reports;
- Determine registration fees;
- Manage access rights.

Article 12. Miscellaneous Provisions

- Registrants must update information and ensure accuracy;
- Registry staff are legally responsible for correct data entry;

- Security measures may be outsourced to private entities;
- Unauthorized alteration, deletion, or misuse of registry information is punishable.

Mongolia's recent bilateral agreements with Singapore and Switzerland, combined with the adoption of Procedure NoA/422, mark the beginning of a new stage in Mongolia's climate governance. These developments enhance international cooperation, strengthen domestic regulatory capacity, and create the legal and institutional foundation for participation in global carbon markets.

The National Carbon Registry ensures transparency, prevents double counting, aligns with UNFCCC standards, and positions Mongolia to meet its NDC commitments while attracting climate finance and private-sector engagement.

The benefits can be directed to projects operating in Mongolia, which are primarily in the areas of renewables, forestry, and grassland restoration. Namely, the **Coal-to-Solar Project Initiative**⁸ is a holistic clean energy program designed to replace coal-based heating with renewable energy systems, thermal storage heaters, and improved ger insulation at the household level.

Through this initiative, we aim to create cleaner indoor living environments, reduce city-wide air pollution, and protect the health of Ulaanbaatar residents.

Conclusion

The cooperation agreements signed with Singapore (2025) and Switzerland (2025) represent historic, high-impact milestones in Mongolia's climate and carbon market development. Far more than routine bilateral arrangements, these partnerships can elevate Mongolia from a preparatory policy phase to a country formally engaging in international carbon markets under Article 6 of the Paris Agreement. Mongolia's selection by two of the world's most advanced purchasers of high-integrity carbon credits signals strong international confidence in the country's mitigation potential, governance progress, and long-term climate strategy. These partnerships unlock access to global carbon finance, private-sector investment, and technology transfer, while accelerating the modernization of Mongolia's domestic regulatory and institutional framework.

Procedure No. A/422 constitutes an important milestone in establishing the statutory framework for Mongolia's National Carbon Registry; however, the registry is not yet fully functional. The government is currently preparing a comprehensive Climate Change Law, which is expected to

⁸ <https://registry.goldstandard.org/projects/details/4643>

serve as the overarching legal architecture for Mongolia's carbon market and registry mechanisms.⁹

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⁹ <https://mecc.gov.mn/en/posts/uur-amsgalyn-oorcloitiin-tuxai-xuuliin-tosol-bolovsruulax-uureg-buxii-azlyn-xeseg-xuraldlaa>