

# STATUTES OF THE NGO « ECOSOUM »

## Version 2

31 January, 2019

(This new version substitutes the version as date of 28 September, 2018)

## PART ONE – LEGISLATIVE ACTS AND GOAL OF THE NGO

### ARTICLE 1: NAME, LEGAL STATUS AND ORGANIZATIONAL FORM

The NGO is named “ECOSOUM” and is registered as a Social serving non-governmental organization.

It complies with law on Non-Governmental Organization of Mongolia.

### ARTICLE 2: GOAL AND PRINCIPLES OF ACTION

In a global context of interdependent environmental, economic and social crises, it has become necessary to undertake a transition toward a new society founded on ecological and solidarity values. Based on these ideals, the NGO Ecosoum aims to be part of this international transition movement.

Thus, Ecosoum has set its mission to contribute to the sustainable development of rural Mongolia, by promoting jointly the protection of the environment, social equity and economic development in the soums. Although the main focus of the NGO is set on the environmental sphere, the goal is also to positively impact the social and economic spheres in order to revitalize the countryside and slow down the rural exodus.

According to a holistic approach at the scale of the soum, aiming to favor local and autonomous development, Ecosoum intends to work simultaneously on the main environmental issues identified and its related socio-economic challenges. Through five main fields of action, Ecosoum intends to:

- Develop agro-ecology in order to achieve local food sovereignty;
- Promote sustainable pastoral animal husbandry;
- Improve waste management and recycling;
- Develop renewable energy and eco-construction;
- Raise awareness regarding ecology and sustainable development.

This local approach, however, does not intend to serve the development of a single soum. It aims to benefit the entire Mongolian countryside, which is why advocacy work and dissemination of local actions and achievements to other soums is also planned in the long run.

### ARTICLE 3: LOCATION AND DURATION

The head office of the NGO is located at 2A-3-01, 5th bag, Khishig-Undur (Bulgan aimag, Mongolia). It can be modified by simple decision of the Board.

The NGO is constituted for an unlimited duration.

## PART TWO – MEMBERS

### ARTICLE 4: ADMISSION OF MEMBERS

The NGO is open to everyone, without any form of discrimination.

The subscription of new members is validated by the Board, the President or the Director of the NGO.

### ARTICLE 5: TYPES OF MEMBERSHIP

The NGO comprises two types of membership:

- **“Founders”**: these are the signatories of the first NGO's statutes as of 28 September, 2018, as well as any other member unanimously appointed by these founding members for their remarkable investment in the NGO;
- **“Members”**: they are all the other members of the NGO, up to date of their subscription fee, who have voluntarily adhered to Ecosoum's associative project.

### ARTICLE 6: ANNUAL MEMBERSHIP FEE

The annual membership fee for the NGO is set at 10,000 MNT for adults. It is free for children under 18 years old.

The membership fee is due each year for all members (founders and adherents).

### ARTICLE 7: LOSS OF MEMBERSHIP

Membership is lost as soon as the conditions to become a member are no longer met.

Members may also resign by sending their resignation in writing to the Board, by mail or e-mail. They immediately lose their membership after confirmation by the Board.

Membership can also be lost by decision of the Board for any negative act causing moral or material damage to the NGO, or for any other serious reasons – the concerned party having been previously invited to provide explanations.

## PART THREE – BOARD

### ARTICLE 8 : CONSTITUTION OF THE BOARD

The NGO is governed by a Board constituted of a maximum of 15 members.

Each Founder is granted a seat on the Board, unless he resigns. Such resignation is final.

Any other member (or previously resigned Board member) of the NGO may apply to join the Board, provided he/she can prove a real and regular activity within the NGO. It is then up to the members of the Board to judge the legitimacy of the application, and to validate it by a two-thirds majority.

A Board member (including a Founder) may lose his/her place as soon as he/she ceases to show real and regular activity within the NGO. It is then up to the other members of the Board to judge the legitimacy of this eviction, and to validate it by a two-thirds majority.

As long as the number of members of the Board has not reached its maximum limit, its members retain their place, unless they have resigned or been evicted as described above.

If the number of members of the Board reaches its maximum limit, then it is up to its members to define a new mode of constitution of the Board, based on a democratic election open to all members of the NGO. This new method must be defined at the latest 3 months after the number of Board members has reached its maximum limit. It comes into force and must be registered in the statutes of the NGO when an additional legitimate application, which would exceed its maximum limit, is submitted to it.

#### **ARTICLE 9: ROLE AND POWERS OF THE BOARD**

The Board is the decision-making body of the NGO and is entrusted with all the powers to act on its behalf and to make or authorize all acts and operations permitted by the NGO.

Decisions are taken by consensus or, failing that, by a majority of its present members. The deliberations of the Board are recorded in minutes.

The Board may establish any internal rule that it considers necessary, appoint and dismiss all employees, fix their remuneration, lease the premises necessary for the needs of the NGO, sell any securities or property, use the funds of the NGO, represent the NGO in court both in demand and in defense. It may also delegate to one of its members, and/or employees, all or part of its powers concerning the day-to-day management of the NGO.

#### **ARTICLE 10: PRESIDENT, COMMITTEE AND DIRECTOR**

The Board elects from among its members a President who is responsible for ensuring the proper functioning of the Board, the execution of the Board's decisions and the smooth running of the NGO, which it represents in court and in all acts of civil life. He/she is also entitled to the Board's powers delegated to him/her by the Board for the day-to-day management of the NGO.

The President is elected for a term of 2 years, after which a new election is organized among the members of the Board.

The Board may also elect a committee and/or appoint a Director for which it defines the attributions.

#### **ARTICLE 11: MEETING OF THE BOARD**

The Board meets at least twice a year or at the request of one of its members who then sets the agenda.

The Board may decide (by consent or by a two-thirds majority) to invite other members of the association or external stakeholders, who play only an advisory role without the right to vote.

#### **ARTICLE 12: REMUNERATION AND COMPENSATION OF BOARD MEMBERS**

The function of Board member is by nature voluntary.

Nevertheless, a member of the Board can apply for a remunerated position within the NGO if the opportunity arises and his/her profile matches the needs. It is then up to the other Board members to validate – by consent or, failing that, by a three-quarters majority – the legitimacy and relevance of this application.

The remuneration of a Board member occupying an employee position in the NGO must be consistent with the national average salary for an equivalent position.

In addition, members of the Board (like other members of the NGO, volunteers or employees) may be compensated for the various expenses associated with the performance of their duties (travel, etc.).

## **PART FOUR – GENERAL PROVISIONS**

### **ARTICLE 13: FINANCIAL RESOURCES**

Financial resources of the NGO may comprise:

- Annual membership fee;
- Grants from public or private organizations;
- Donations from individuals;
- Revenues from some activities of the NGO;
- Any other resources authorized by law.

Through some of the activities that will be put in place in several of its projects, the NGO may be able to generate revenues. This may include, but not limited to, the turnover of its associative coffee shop and the sales of services or products from its farm or its waste recycling and livestock products workshops.

Regardless of the amount and the origin of its revenues, the NGO has no intention of becoming a for-profit organization, so that all of this income will be allocated to the implementation of the projects of the NGO and to its general functioning.

### **ARTICLE 14: LIQUIDATION**

The liquidation of the NGO may be pronounced only by the Board, convened specifically for this purpose.

The vote is held unanimously by the members present.

In case of liquidation, one or more liquidators are appointed by the Board.

### **ARTICLE 15: CHANGES TO NGO'S STATUTES**

The statutes may be modified by the Board following a decision by consent or, failing that, by a majority of three quarters of its members present.

The statutes are signed by the President of the NGO as well as by at least four other members of the Board.

### **ARTICLE 16: DISPUTE SETTLEMENT**

Any dispute relating to the validity, interpretation or execution of these statutes will be submitted, prior to any litigation, to a mediation.

The mediator will be appointed by mutual agreement between the parties and, failing agreement, by the Ministry of Justice.

The mediation will suspend all the procedural deadlines between the date of the mediator's appointment and the end of the mediation by at least one of the parties or the mediator.

In case of urgency, measures of instruction or conservatories may be requested in court during the mediation. In the same case, the procedure may be introduced during the mediation but no decision can be rendered before the end of the mediation.

In case of failure of the mediation, the Mongolian administrative justice will be competent.

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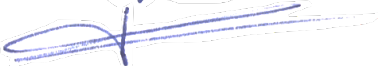
Ulaanbaatar city, 31 January, 2019

Board Members:

**G. Narantuya**



**G. Pierre**



**P. Mandakhnaran**



**G. Sodnom**



**B. Munkhgerel**

