MINING



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MINING

Mining in the Republic of Srpska is regulated by the Law on Mining ("Official Gazette of the Republic of Srpska" No. 59 dated 25 June 2012). The said Law regulates the conditions and manner of exploitation of mineral wealth both underground and on its surface, bottoms of rivers and lakes or under the bottom, construction, use and maintenance of mining facilities, mining projects, mining surveys and plans, protection measures, supervision and other issues relating to the use of mineral resources in the territory of the Republic of Srpska.

Mineral resources include all organic and inorganic mineral raw materials in solid, loose, liquid and gaseous state or in natural solutions, which might be located in its primary locations, deposits and landfills and techno genic raw materials (hereinafter referred to as mineral resources). Mineral resources underground and on its surface, are of general interest and owned by the Republic of Srpska and one can acquire the right to use it under the terms and in the manner prescribed by the law governing the field of concessions and the Law on Mining. Fee for the use of mineral resources should be paid in accordance with the law governing the field of concessions.

Mineral resources include:

- All types of coal, hydrocarbons (oil and natural gas) and other natural gases, asphalt and coal shale and radioactive ore,
- Metallic mineral deposits and usable compounds of the same,
- Non-metallic mineral raw materials, raw materials for industrial processing and production of construction materials,
- All types of salts and salt waters,
- Water below ground, mineral, thermal-mineral, geothermal resources, thermal water and accompanying gases (hereinafter: the underground mineral waters),
- Techno-genic mineral resources resulting from exploitation and processing of mineral raw materials and
- any other mineral raw materials of natural origin.

The National Assembly of the Republic of Srpska adopts a strategy on management of mineral resources of the Republic of Srpska which establishes the use of mineral resources and plans mining operation in the Republic of Srpska, and the same includes measures and activities to be undertaken to achieve the strategic long-term objectives in the field of geological exploration and exploitation of all kinds of mineral and geothermal resources.

In the Republic of Srpska there is no special agency that would govern the mining, but it is under the jurisdiction of the Ministry of Industry, Energy and Mining.

Concession for the exploitation of mineral resources

Exploitation of mineral resources includes works at the opening, preparation, development and excavation of mineral deposits and performing other mining operations. The exploitation of mineral resources requires concessions, which is to be granted in accordance with the law governing the field of concessions (Law on Concessions of the Republic of Srpska).

Concession Contract

The concession contract shall regulate the mutual rights and obligations of the conceding party and the concessionaire in connection with the subject of granted concession. The same shall be concluded in accordance with the documentation for granting concession, submitted bid, decision on the selection of the most favourable bidder and award of concession.

The concession contract must contain the following information:

- Mineral resources which is the subject of exploitation,
- Location of the exploitation,
- Resolution of property issues within the mining area,
- Concession period,
- Time required for the preparatory works,
- Period of commencement of commercial operation,
- Concession fee,
- Amount and manner of ensuring guarantees for the execution of the concession contract and for recultivation,
- Temporary and permanent discontinuance of work,
- Restoration and re-cultivation of degraded surfaces when carrying out concession activities
- Other issues related to the exploitation of mineral resources, in accordance with the Law on Mining and regulations governing concessions.

In accordance with the Law on Concessions of the Republic of Srpska, the concession contract shall be concluded for a period not longer than 50 years, where preparations for the exploitation of mineral resources may not last longer than sixths of the period for which the contract was concluded.

Priority in awarding the concession for exploitation of mineral resources, under the same conditions, shall have a company which has conducted research in the area in which exploitation of mineral resources shall be carried out.

Exploitation of mineral resources shall be done in a way that provide optimal exploitation of mineral deposits, safety of people, facilities, property and environmental protection, in accordance with modern scientific achievements, regulations, standards and technical norms relating to this type of facilities and works and regulations stipulating requirements in terms of occupational safety, fire protection, explosion and environmental protection.

The concessionaire is obliged to provide an irrevocable, unconditional bank guarantee, payable on first demand for the orderly execution of the concession contract and re-cultivation of land.

The bank guarantee for the proper execution of the concession contract shall be given in the amount of 3% to 5% of contracted investment. The validity of the bank guarantee cannot be shorter than the time needed to perform preparatory works.

If the concessionaire fulfils contractual obligations with respect to investment before the expiry of the said period the bank guarantee for the proper execution of the concession contract shall be returned to the concessionaire. Irrevocable bank guarantee payable on the first demand for the recultivation of land shall be given in accordance with the concession contract and approved project of re-cultivation.

Human Resources requirements for performing the exploitation of mineral resources

Exploitation of mineral resources may be performed by a company which is registered in the register of companies with the competent registration court for this activity, and which for purposes of conducting mining operations management, supervision and other professional jobs, has employed full-time workers who meet prescribed requirements in terms of the type and level of qualification, work experience and competencies to perform such tasks and who meet the requirement in respect of technical equipment, work safety, protection and improvement of environment and other conditions of the RS Law on Mining. Compliance with these requirements has to be checked by the Republic Administration for Inspection (Inspectorate) in the regular inspection procedure.

A company shall, not later than eight days before the commencement of the activity, notify the Ministry of Industry, Energy and Mining and the Inspectorate.

The position of managing mining operations, supervision and other professional activities in mining performs: chief technical officer, technical officer, supervisor and manager. For all these persons the RS Law on Mining prescribed specific requirements in terms of qualifications (education), work experience and professional exam.

In order to perform certain mining operations the concessionaire may hire a company (subcontractor), which meets the requirements of applicable law and with whom it has a contract for the works.

Exploitation field

Exploitation of mineral resources is made within the boundaries of the approved mining field which includes exploration area in which there are certified reserves of mineral resources, the space reserved for the disposal of mineral raw materials and waste rock, as well as the space for the construction of mining facilities. The mining field has to be marked by the respective lines on the surface or by natural boundaries and it extends indefinitely into the depths of the earth.

A decision allowing exploitation field shall be issued by the Minister, on the basis of the submitted application by the concessionaire. The Minister also adopts a book of rules which prescribes the procedure for approval of the mining field and manner of keeping records on the approved exploitation fields.

The concessionaire shall at the same time with the exploitation carry out geological research on the approved exploitation field in order to establish new and change of existing categories of mineral reserves. Geological research has to be carried out in accordance with the provisions of the law regulating the field of geological research.

If there are deposits of other mineral resources on the same exploitation field, the company which has been granted a concession for the exploitation of certain mineral resources cannot perform exploitation of other mineral resources on the same exploitation field. Mineral resources which are not covered by the awarded concession may be awarded to other companies, provided that such exploitation does not interfere with existing exploitation and does not jeopardize the operation of a company which has already received a concession and which is already performing exploitation.

Mining projects

Mining projects on the basis of which mining operations will be performed are the following: main, supplementary and simplified mining project, as well as the project for mining works outside of the exploitation field. The RS Law on Mining (Article 31) stipulates in details which companies can design projects and required conditions when designing the same. Compliance with conditions shall be checked by the Inspectorate in the course of regular inspection procedure.

The company shall, not later than eight days before the commencement of the activity, notify the Ministry and the Inspectorate.

Mining projects are subject to the audit.

The company which designed a project and designer of the same shall be responsible for technical solutions and quality of the project.

Mining operations

The following operations shall be considered as mining operations:

- drilling boreholes, underground floors and making all horizontal, oblique and vertical parts of the mine,
- design, construction and reconstruction of mining facilities underground and on its surface,
- works related to opening and development of mineral deposits,
- extraction of mineral resources,
- works related to preparation and enrichment of mineral raw materials,
- works related to disposal of tailings and deposit of useful mineral resources,
- works which are to be carried out on the basis of approved mining projects,
- construction works performed in order to investigate mineral resources,
- manning's survey,
- operating procedures during installation, technical protection, maintenance, repair and technical control of mining facilities and
- works carried out for the protection and safety at work, environmental protection and rational use of mineral resources.

A concessionaire can begin with mining activities on the basis of the main and supplementary project as well as on the basis of the project for facilities constructed outside the exploitation field after obtaining approval for the works (building approval).

The decision (building approval) is issued by the Minister, on the basis of the submitted application by the concessionaire.

On the beginning of mining operations the concessionaire has to inform the Ministry, the Inspectorate and the competent authority of local governments on whose territory the works will be performed, at least eight days prior to the commencement of works, while in case of works which affect the water regime or harm the environment he is obliged to send a notification to relevant ministries.

The concessionaire exploiting natural gas and groundwater must within eight days notify the Ministry, the Inspectorate and the competent authority of local self-government on the commencement of works on each borehole.

For the construction of mining facilities the concessionaire must obtain:

- decision on registration in the court register,
- approved mining projects,
- concession contract,
- document on the appointment of persons responsible for the technical management,
- document on the appointment of supervisory authority,
- decision for the construction of mining facilities for the main or supplementary mining projects and the project for facilities constructed outside the exploitation field,
- decision for the works under the simplified mining design,
- construction log,
- proof of quality of the works and usability of embedded products and equipment,
- specific document for mining or, for exploitation of oil and natural gas, documentation as prescribed by the RS Law on Mining,
- other documents, permits and approvals which in accordance with the special regulations the concessionaire must have on the construction site.

All the above mentioned documentation after completion of construction of mining facilities the concessionaire has to keep permanently.

The concessionaire is obliged to develop a plan of execution of mining operations for the next year and a report on the implementation of the plan for the previous year.

The plan has to be submitted to the Ministry not later than 31 January, while the report on implementation of the same has to be submitted by 31 March of the next year.

The annual plan includes: mining works related to the opening and exploitation, economic effects, concession fee, fuel consumption, safety measures and environmental protection measures for the safety of people and property protection, research works and other works in order to achieve planned production for that year.

Use of mining facilities

Mining facilities can be used, i.e. can be put into operation, and begin its commercial operation after the issuance of the decision to use (use permit) by the Minister. The use permit shall be issued after the technical inspection confirms that the mining facilities and constructed installations are in accordance with the approved main and supplementary project as well as with the project for mining works outside of the exploitation field.

The Concessionaire shall apply for the issuance of the use permit. The request shall include:

- decision (approval) for construction on the basis of the main and supplementary mining project as well as the project for facilities constructed outside of the exploitation field,
- data on participants in the construction of mining facilities,
- a written statement of the contractor on the works and terms of use and maintenance of mining facilities,
- evidence of the quality of works and usability of embedded products and equipment,
- report of the supervisory authority on the construction of mining facilities and
- documentation on executed periodical exams for mining facilities.

If for the issuance of the use permit a special law prescribes obligation of prior obtaining of the consent or permission of other authorities, the application has to be accompanied with this approval i.e. permit.

Mining geodetic measuring and mining plans

The concessionaire is obliged to organize the conduct of mining surveys or to hire a company that fulfils the requirements for these tasks, and that on the basis of results of the same makes plans or maps from which one can identify the status of mining operations, their mutual position and the position of mining operations comparing to the old mining operations, facilities and water on the surface and on the environment.

Within the activities of mining survey the concessionaire shall prepare the appropriate graphic documentation containing information about the changes on the ground surface and the state of mining facilities in the mining field.

The concessionaire who independently organizes survey is required to employ for an indefinite period with a full working time a person who has university degree in mining or geodesy, three years of work experience and who has passed the professional exam.

The activities of mining's survey can be performed by a company which is registered in the register of companies with the competent registration court for this activity, which has employed for an indefinite and full working time at least one graduate engineer of mining or graduate surveying engineer, who has three years of experience and has passed the professional exam. Compliance with the conditions shall be checked by the Inspectorate in the regular inspection procedure.

A company or other legal entity must, not later than eight days before the commencement of the activity, notify the Ministry and the Inspectorate on this matter.

During the execution of mining operations the concessionaire shall provide:

- site plan map of exploitation field,
- geological map of the mining field and its surrounding with characteristic geological profiles,
- plan with the marked surface situation and underground areas, and surface excavation site,
- plans of individual pits or underground mine and surface excavation sites,
- excavation and sectional plans of all underground mine and surface mining operations,
- plans for energy networks (electricity network, compressed air, etc.), water supply network, as well as cave plant, with basic technical data,
- plans of ventilation of pits and
- hydrogeological and tectonic plans for mining facilities with a large influx of water and complex tectonics.

At the request of the Ministry, the concessionaire is obliged, not later than 15 days from receipt of the request, to submit a copy of the above plans.

The concessionaire exploiting underground mineral water, oil and natural gas during the construction must ensure:

- site plan of the mining field that indicates all the exploration and exploitation boreholes and other devices,
- geological map of the exploitation field and its surroundings, with specific geological profiles,
- scheme of the mining facility in the oil and gas field,
- structural map with marked borders of marginal water and
- information and reports on drilling, electric measurements, casing, perforation, conquest and measurement of dynamic and static pressure, gas factor and all other physicochemical analyses of collectors and fluids.

The concessionaire must keep records on all performed geodetic surveys in the mining geological measurement books which must be verified in the manner established by regulations on verification of business books. The Minister shall issue a book of rules which prescribes the method of carrying out the mining's survey, maintaining those records/books and preparation of mining plans and maps.

Protective measures as an obligation of concessionaires and the supervision of the implementation of the RS Law on Mining

The concessionaire is obliged to implement all protective measures, including measures of occupational health, water protection and environmental protection in accordance with the provisions of the Law on Mining of the Republic of Srpska and regulations made thereunder.

In terms of protection measures, which are not regulated by this law and regulations adopted thereunder, there shall be applied regulations adopted in the field of occupational safety, standardization, fire protection, environmental protection and waste disposal.

The Law on Mining of the Republic of Srpska precisely prescribes obligations of the concessionaire in terms of protection measures, such as:

- concessionaire is obliged to adopt the Risk Assessment Act for all workplaces;
- concessionaire shall keep a register of mining supervision, which contains the order of mining inspectors issued on the spot at the time of mine supervision, in the case of imminent danger to life, health or substantial material damage;
- concessionaire shall, at least once a year, check the theoretical and practical knowledge of regulations on technical measures and the measures of protection at work, as well as the knowledge of the defence and rescue plan in case of sudden accident, with supervisory and technical staff, persons in charge for mine blasting, as well as highly qualified and skilled workers whose work is directly related to the mining operations.
- concessionaire must independently organize safety at work, or for this job hire another company that fulfils the requirements prescribed by the law.

Minister shall adopt regulations which prescribe the technical measures and safety measures:

- Rule Book on the execution of mining underground works,
- Rule Book on the execution of mining surface works,
- Rule Book on the transportation of people and materials in the mine shafts,
- Rule Book on the handling of explosives and blasting in mining,
- Rule Book on handling of tools for work,
- Rule Book on the exploration and exploitation of oil and natural gas and
- Rule Book on electrical installations in underground mines.

The said Rule Books are made after obtaining an opinion of the Ministry of Labour and Veterans protection.

Administrative supervision over the implementation of the provisions of the RS Law on Mining and regulations made thereunder is under the responsibility of the Ministry of Industry, Energy and Mining of the Republic of Srpska. Inspection supervision over the implementation of the provisions of the RS Law on Mining and regulations made thereunder is under the responsibility of the inspectorate through the competent technical inspection.

Fines imposed range from 2,000.00 to 50,000.00 BAM depending on the offense.

Bylaws (valid as of 26.12.2014):

- Rule Book on classification and categorization of mineral resources and keeping records on the same ("Official Gazette of RS", no. 92/14)
- Rule Book on transportation of people and materials in the mine shafts ("Official Gazette of RS", no. 27/14)
- Rule Book on the content of the risk assessment acts in mining ("Official Gazette of RS", no. 21/14)
- Rule Book on performing surface mining operations ("Official Gazette of RS", no. 7/14);
- Rule Book on conditions, manner and program of taking professional exams ("Official Gazette of RS", no. 14/13)
- Rule Book on the procedure for approving the mining field and manner of keeping records on the approved exploitation fields ("Official Gazette of RS", no. 42/13)
- Rule Book on the content, process of revision and approval of mining projects ("Official Gazette of RS", no. 1/13)
- Rule Book on professional examinations of employees in certain jobs in the mining industry ("Official Gazette of RS", no. 10/96)
- Rule Book on the manner of determining the amount of the concession fee for the use of mineral resources ("Official Gazette of RS" no. 5/03 and 59/05)
- Rule Book on the content of long-term programs and mining projects ("Official Gazette of SRBiH", no. 28/79);
- Rule Book on washing of precious metals and river sediments ("Official Gazette of RBiH", no. 6/09);
- Rule Book on managing document collections and cadastre of research areas and exploitation fields ("Official Gazette of SRBiH", no. 24/78);
- Rule Book on technical regulations on mining measurement, measuring books and mining plans ("Official Gazette of SRBiH", no. 45/60);
- Rule Book on technical safety measures in underground mining works ("Official Gazette of SFRJ", no. 11/67);
- Rule Book on termination of the Regulation on technical measures and safety in underground mining works ("Official Gazette of SFRJ", no. 31/91);
- Rule Book on technical measures and measures of protection at work in the transport of people and materials in shafts ("Official Gazette of SFRJ", no. 6/67);
- Rule Book on technical standards and protection at work in the transport of people and materials in shafts ("Official Gazette of SFRJ", 4/80,12/85,35/87);
- Rule Book on technical measures and safety at work on the mine surface of coal metallic and non-metallic raw materials ("Official Gazette of SFRJ", no. 32/64);
- Rule Book on technical standards for machines with diesel engines used in underground mining operations in non-methane pits ("Official Gazette of SFRJ", no. 66/78);
- Rule Book on safety measures in underground exploitation of rock salt ("Official Gazette of SFRJ", no. 15/67);
- Rule Book on technical standards for mining research and exploitation of deposits of rock salt ("Official Gazette of SFRJ", no. 8/79);
- Rule Book on protective measures when handling explosives and blasting in mining ("Official Gazette of SFRJ",no. 9/67);

- Rule Book on technical standards in handling explosives and blasting in mining ("Official Gazette of SFRJ", no. 26/88 i 63/88);
- Rule Book on occupational safety in the production of explosives and gunpowder and manipulation of explosives and gunpowder ("Official Gazette of SFRJ",no. 55/69);
- Rule Book on protective measures when handling explosives mining in mines and quarries, as well as in other works ("Official Gazette of FNRJ", no. 98/49);
- Rule Book on technical standards for the construction of underground warehouse for explosives and mines with underground exploitation of mineral resources ("Official Gazette of SFRJ", no. 12/88);
- Rule Book on technical standards and requirements for design and construction of electrical installations in rooms intended for work with explosives ("Official Gazette of SFRJ", no. 17/74);
- Rule Book on technical standards for protection against static electricity ("Official Gazette of SFRJ", no. 62/73);
- Rule Book on technical standards for underground coal mining ("Official Gazette of SFRJ", no. 4/89, 45/89, 3/90, 54/90);
- Rule Book on technical measures for the transport with belt conveyors in mining ("Official Gazette of SFRJ", no. 5/83 i 12/74);
- Rule Book on technical standards in the transportation of people in underground exploitation of mineral resources in horizontal and sloping areas ("Official Gazette of SFRJ", no. 34/89);
- Rule Book on technical standards for underground exploitation of metal and non-metal mineral resources ("Official Gazette of SFRJ", no. 24/91);
- Rule Book on technical regulations for electrical systems in underground mines ("Official Gazette of FNRJ", no. 10/62 i SFRJ, no. 9/64 and 16/67);
- Rule Book on technical standards for electrical systems, devices and installations in underground mines ("Official Gazette of SFRJ", no. 21/88 and 90/91);
- Rule Book on electric facilities endangered by explosive mixtures ("Official Gazette of SFRJ", no. 17/67);
- Rule Book on technical standards for research, making and preparation of nuclear mineral raw materials ("Official Gazette of SFRJ", no. 39/85 and 40/86);
- Rule Book on technical standards for the preparation of mineral raw materials ferrous metal ores ("Official Gazette of SFRJ",no. 36/79);
- Rule Book on hygienic and technical safety measures at work in quarries and brickyards, as well as in removing clay, sand and gravel ("Official Gazette of SNRJ", no. 16/47, 18/47 and 36/50);
- General Rule Book on hygienic and technical safety measures at work ("Official Gazette of SNRJ", no. 16/47, 18/47 and 36/50);
- Rule Book on measures and norms of protection at work when handling with work tools ("Official Gazette of SFRJ, no. 18/91);
- Rule Book on means of personal protection at work and personal protection equipment ("Official Gazette of SFRJ", no. 35/69);
- Rule Book on technical standards for electrical systems and equipment in mines with surface exploitation of mineral resources ("Official Gazette of SFRJ", no. 21/88, 90/91);
- Rule Book on equipment and procedure for the provision of first aid and rescue service organization in the event of an accident at work ("Official Gazette of SRBiH", no. 38/86);
- Guidelines on the method of keeping records of completed inspections ("Official Gazette of SRBiH", no. 29/82);

- Rule Book on conditions for establishing workplaces with special working conditions and medical examinations of workers in these workplaces ("Official Gazette of SRBiH", no.2/91);
- Rule Book on the process of working time reduction in workplaces with special working conditions ("Official Gazette of SRBiH", no.2/91);
- Order on determining the shorter working hours for certain jobs in mining ("Official Gazette of FNRJ", no. 31/49);

MINING IN THE FEDERATION OF BOSNIA AND HERZEGOVINA

Unlike the Republic of Srpska, which regulated the exploitation of mineral resources located in its territory with a single law, the Federation of Bosnia and Herzegovina currently has one Law on mining at the entity level, and two at the cantonal level (Sarajevo and Tuzla Canton). According to the Law on Mining of the Federation of Bosnia and Herzegovina ("Official Gazette of FBiH" no. 26 of May 5, 2010) all cantons are obliged to bring its legislation and harmonize it with the entity law.

This Law regulates: legal status of mineral resources i.e. mineral raw materials, the manner and conditions of mineral resources management, protection, mining works, health and safety measures, suspension of execution and permanent termination of mining operations, technical documentation and design, mine surveying and mining plans, inspection, protection and development of space, penalty provisions and other issues related to the management of mineral resources in the territory of the Federation of Bosnia and Herzegovina.

Management of mineral resources is responsibility of the Federation and the Cantons which in accordance with this Law program, plan and supervise the exploitation of mineral resources while ensuring their rational utilization in accordance with the regulations on the safety of mining facilities and staff and the protection of the environment and natural values.

Mining activity, in terms of this law, includes: mining exploration works, exploitation of mineral resources including opening, preparation, excavation, transportation, disposal, transport, processing and storage of mineral resources, preparation and revision of technical documentation for this activity (reports, studies, plans and projects), rehabilitation and technical re-cultivation of land damaged by mining works.

Mineral resources, in terms of this Law are all organic and inorganic mineral raw materials in solid, liquid and gaseous state, in primary forms (deposit) or layers, tailings, smelting slags and natural solutions, as follows:

- energy/mineral resources all types of fossil coal, hydrocarbons in solid, liquid and gaseous state, all types of bituminous and oily rocks, other gases that could be found in the ground and radioactive mineral resources;
- mineral raw materials for the production of metals and their compounds;
- all types of salt and salt water and gases accompanying the same;
- non-metallic raw minerals;
- all secondary mineral raw materials that occur as unused remainder of obtaining, enriching and processing of primary mineral resources and
- all non-listed mineral raw materials of natural origin.

Management of mineral resources under 1, 2 and 3 is conducted by the Federal Ministry of Energy, Mining and Industry. Management of mineral resources under 4, 5 and 6 is performed by the cantonal ministries responsible for mining.

The Government of the Federation of Bosnia and Herzegovina has the right to decide about exploitation of mineral resource of particular interest for the Federation.

Mining operations under this law include:

- 1. mining exploratory works and exploitation of mineral deposits on the surface and/or underground, in flowing and standing water, coastal seas, sea-bed, in the primary deposit, floats, dredging masses and tailings ponds;
- 2. preparation, opening, exploitation, land development at the time of exploitation, extraction, enrichment, storage, recovery and re-cultivation of mining areas;
- 3. testing of new explosive devices in order to verify the safety and usability in mining,
- 4. all kinds of mining on surface and / or underground, primary and secondary blasting and all mass blasting in excavation and other mining operations;
- 5. disposal of waste and other materials resulting from the mining operations and exploitation of mineral resources;
- 6. making underground mine maps and charts of floors of surface pits;
- 7. development of plans for dewatering open pits and underground mining facilities and protection of surface and groundwater;
- 8. development of plans for remediation of underground rooms and constructing basic supports;
- 9. development of plans for ventilation, injection and anchoring;
- 10. construction of tunnels, galleries and other underground spaces, embankments, cuttings, waste dumps, landfills, storey roads, sewers and construction facilities with mining methods of work on the surface and / or underground mine excavation and support construction during the execution of mining exploration works and exploitation of mineral raw materials and storey and other roads in the mining field;
- 11. production and use of fluid storage in geological environments;
- 12. exploitation of geothermal energy sources;
- 13. reconstruction and maintenance of mining facilities after the termination of exploitation of mineral resources;
- 14. abstraction of groundwater borehole exploitation referred to in Article 2, Item 11 of this Law, as well as the abstraction of groundwater and surface water, regulation of water flow on the surface which is located within the reservoir in order to create conditions for the exploitation of the deposits;
- 15. closure of mining facilities, rehabilitation and re-cultivation of land damaged by mining works,
- 16. rehabilitation and re-cultivation of abandoned research areas, surface mines and coal mining methods and
- 17. works of assembling, disassembling and maintenance in mining.

The right to exploit mineral resources shall be acquired on the basis of an approval for exploitation and on the basis of licenses in accordance with the Law on Mining.

The right to exploit may be transferred to another legal entity with the consent of the authority that granted the same.

The right of exploitation of mineral resources may be acquired by domestic and foreign legal entity under the conditions and in the manner prescribed by the Law on Mining.

The exploitation of mineral resources is permitted only within the boundaries of the mining area located within the boundaries of the exploration area.

Mineral resources deposits can be divided into several exploitation fields.

Strategy of mineral raw materials management is prepared by the Federal Ministry and adopted by the Government of the Federation of BIH.

Conditions for mining operations

Mining activity may be performed by a company registered in the register of companies, which has sent a notification to the competent inspection about the start of activities and fulfillment of conditions relating to technical equipment, work safety, protection and improvement of environment and other conditions prescribed for carrying out these activities.

When a company entrusts operations to other company then it is required to conclude an appropriate agreement with the contractor who meets the prescribed requirements.

When carrying out mining operations, a company or contractor must comply with technical regulations and standards in the mining industry, regulations on occupational safety, environmental protection, and conditions set out in the land use permit as well as other regulations, to provide personal protective equipment to employees and implement legislation on the protection of people and property.

Regulations that must be followed when performing mining works

For the implementation of technical measures and measures to prevent the execution of mining the Federal Minister shall issue work regulations in the following areas:

- 1. exploitation of mineral resources on the surface and/or underground;
- 2. exploitation of mineral resources by deep drilling;
- 3. electrical systems and installations in mines with both, underground and surface, exploitation
- 4. works on the surface and/or underground unrelated to exploitation of mineral resources;
- 5. works related to processing of mineral resources and
- 6. storage and use of secondary or current waste materials in mining and useful mineral resources obtained through research works.

A company that performs underground mining operations in potentially explosive and fire hazardous facilities or sites at which can be expected some toxic gases, vapours, gases penetrations, water or mud, must organize a rescue service and supply the same with the necessary equipment. Also, several companies may organize a joint rescue service.

The rescue service has to be organized on the open-pit mining, in a case that it is not possible to implement the rescue with existing services.

A company is also obliged to organize the fire department and first aid service or to conclude a contract with the relevant services in the place where the company is located. Manner of organizing, minimum professional qualifications, and technical equipment of rescue service, fire service and first-aiders shall be prescribed by the Federal Minister, with the approval of the Federal Minister of Health.

Execution and monitoring of mining works - Mining monitoring record book

A company or a contractor must ensure execution of works according to the technical documentation, technical regulations and regulations on the protection of life and health of employees, while in the construction of other facilities also according to the provisions provided for the construction of these facilities.

A company or contractor is required to ensure constant monitoring of all mining operations, facilities, equipment, appliances and installations in all shifts by professionals or through control and remote management devices.

In the pits endangered with methane and dangerous coal dust there should be constant ventilation monitoring.

A company shall maintain records of monitoring in which should record orders of competent mining inspector issued on the spot in the course of monitoring in mining facilities in the event of imminent danger to life and health of people and property.

The Mining monitoring record book should also contain orders given by the director of the company, the person responsible for the technical management and the main manager of the department of occupational safety, referring to occupational safety and health, which are issued on the spot in the course of checking on-going operations.

Licenses

To perform mining works related directly to the exploitation of mineral resources it is necessary to obtain the following licenses from the Federal Ministry or Cantonal Ministry responsible for mining:

- 1. license for exploitation (Article 38 41);
- 2. license for the complete and permanent suspension of exploitation (Article 42);
- 3. license for construction works in accordance with the mining project (Article 43 46);
- 4. license for the use of mining facilities, plant, equipment and installations use permit;
- 5. license to carry out periodic inspections, testing of tools and equipment, physical, chemical and biological influences and issuing appropriate documents in mining (Article 48);
- 6. provisional license for the works (Article 44) and
- 7. final license for construction works (Article 45).

In addition to the above there is also Environmental permit and Urban planning consent.

Environmental permit is an administrative document issued by the competent authority in accordance with regulations governing environmental protection in the Federation of BIH.

Urban planning consent is an administrative document issued by the competent authority in accordance with regulations governing spatial planning and use of the land in the Federation of BIH.

Supervision

Supervision over the implementation of the Law on Mining of the Federation of BiH and regulations adopted under this Law (within the jurisdiction of the Federation of BIH) is executed by the Federal Ministry.

Inspection supervision is done by the Federal Administration for Inspection on the basis of this Law and the Law on Inspections in the Federation of BiH ("Official Gazette of BiH", no. 69/05). Inspection supervision of implementation of this Law and the regulations issued thereunder, technical regulations, regulations on fire protection in the execution of mining operations, regulations on technical standards on occupational safety and health of employees and other regulations in the exploitation of mineral resources, and performing other works shall be conducted by the competent mining inspection (hereinafter: inspection) on the basis of this Law and the Law on Inspections in the Federation of BIH.

Jurisdiction, powers and duties of inspection are prescribed by the Articles 95, 96 and 97 and administrative measures that may be imposed, by the Articles 100-103 of the Law on Mining of FBiH.

Fines for established offenses provided in Articles 112, 113 and 114 of the Law on Mining range from 1,000.00 BAM to 15,000.00 BAM for companies and from 200.00 to 3,000.00 BAM for responsible person in the company.

Until the adoption of new regulations and book of rules under the provisions of the Law on Mining, the following laws and regulations shall be applied, unless in conflict with this law:

- 1. Law on unified method of determining, recording and collecting data on mineral raw reserves, underground waters and on the balance of the same ("Official Gazette of RBiH", no. 8/93 and 13/94);
- 2. Law on transport of dangerous goods ("Official Gazette of SFRJ", no. 27/90 and 45/90);
- 3. Law on transport of explosive materials and flammable liquids and gases revised text ("Official Gazette of SFRJ", no. 39/89 and 36/90);
- 4. Rule Book on the content of mining projects for the use of oil and natural gas ("Official Gazette of SFRJ", no. 21/68);
- 5. Rule Book on the content of mining projects for the use of solid mineral resources ("Official Gazette of SFRJ", no. 21/68);
- 6. Instructions that are valid for enrichment and mineral processing for exploitation ("Official Gazette of SFRJ", no. 51/59);
- 7. Rule Book on technical regulations on mining measuring, a measuring books and mining plans ("Official Gazette of SFRJ", no. 45/60);
- 8. Rule Book on the classification and categorization of certain mineral resources and records of the same ("Official Gazette of SFRJ", no. 50/66);
- 9. Rule Book on classification and categorization of reserves of mineral raw materials and records of the same ("Official Gazette of SFRJ", no.53/79);
- 10. Rule Book on the classification and categorization of ground waters and records of the same ("Official Gazette of SFRJ", no. 34/79);
- 11. Rule Book on classification and categorization of reserves of oil, condensate and natural gases and records of the same ("Official Gazette of SFRJ", no.80/87);
- 12. Rule Book on technical standards for preparation of mineral resources minerals, non-ferrous metals ("Official Gazette of SFRJ", no. 36/79);
- 13. Rule Book on technical standards in handling explosives and use of explosives in mines ("Official Gazette of ", no. 26/88 i 63/88);
- 14. Rule Book on technical standards for underground mining of coal ("Official Gazette of SFRJ", no. 4/89, 45/89, 3/90 and 54/90);
- 15. Rule Book on technical standards for underground exploitation of mineral resources metal and non-metals ("Official Gazette of SFRJ", no. 24/91);
- 16. Rule Book on technical standards when transporting people and materials through mines ("Official Gazette of SFRJ", no. 4/80, 12/85, 35/87 and 51/88);
- 17. Rule Book on technical standards in the transport of people in mines with underground exploitation of mineral resources through horizontal and sloping areas ("Official Gazette of SFRJ", no. 34/89);
- 18. Rule Book on technical standards for belt conveyor transporting in mining ("Official Gazette of SFRJ", no. 5/73, 12/74, 4/86 and 4/89) with the exception of Articles 23- 85 and Articles 90-112.;
- 19. Rule Book on technical standards for the construction of cave magazines for explosive materials in mines with underground exploitation of mineral resources ("Official Gazette of SFRJ", no. 12/88);
- 20. Rule Book on technical standards for vehicles with diesel engines for use in underground mining operations in non-methane pits ("Official Gazette of SFRJ", no. 66/78);
- 21. Rule Book on technical standards for surface mining equipment ("Official Gazette of SFRJ", no. 4/86 and 62/87);

- 22. Rule Book on technical standards for surface exploitation of architectural and building stone (ornamental stone), technical stone, gravel and sand, and processing of architectural and building stone ("Official Gazette of SFRJ", no. 11/86);
- 23. Rule Book on technical standards for construction of getting sea salt and for the production of sea salt ("Official Gazette of SFRJ", br. 20/78);
- 24. Rule Book on technical standards for mining from exploration and mining of deposits of rock salt ("Official Gazette of SFRJ", br. 8/79);
- 25. Rule Book on technical standards for research, production and preparation of nuclear mineral raw materials ("Official Gazette of SFRJ", no. 39/85 and 40/86);
- 26. Rule Book on technical standards for electrical systems, devices and installations in underground mines ("Official Gazette of SFRJ", no. 21/88 and 90/91);
- 27. Rule Book on technical standards for electric plants and facilities in mines with surface exploitation of mineral resources ("Official Gazette of SFRJ", no. 66/87);
- 28. Rule Book on technical measures and safety in mining underground works ("Official Gazette of SFRJ", no. 11/67, 35/67, 60/70, 9/71, 3/73 and 5/73);
- 29. Order on mandatory attestation of ropes for mine winding plants ("Official Gazette of SFRJ", no. 27/80 and 67/80);
- 30. Rule Book on the mode of transport of dangerous items in road traffic ("Official Gazette of SFRJ", no. 82/90);
- 31. Rule Book on protective measures when handling explosives and blasting in mining ("Official Gazette of SFRJ", no. 8/87 and 12/88);
- 32. Rule Book on technical standards for escalators and people movers ("Official Gazette of SFRJ", no. 66/78, 13/82 and 42/88);
- 33. Rule Book on general measures and norms of protection at work while working with tools for work and equipment ("Official Gazette of SFRJ", no. 18/67);
- 34. Rule Book on technical standards for cranes ("Official Gazette of SFRJ", no. 65/91);
- 35. Rule Book on devices of personal protection at work and personal equipment for protection ("Official Gazette of SFRJ", no. 35/69);
- 36. Rule Book on technical standards for ski lifts ("Official Gazette of SFRJ", no. 2/85 and 11/85);
- 37. Rule Book on technical standards and the occupational protection in the course of research and exploitation of oil and natural gases ("Official Gazette of SFRJ", no. 46/60, 37/64, 2/67 and 14/67);
- 38. Rule Book on labelling of poisons that are placed on the domestic market ("Official Gazette of SFRJ", no. 32/86);
- 39. Rule Book on technical standards for plastic processing of non-ferrous metals ("Official Gazette of SFRJ", no. 25/86);
- 40. Rule Book on technical standards for the fire and explosion protection of the warehouse ("Official Gazette of SFRJ", no. 24/87);
- 41. Rule Book on technical standards of research and exploitation of oil, natural gases and tier waters ("Official Gazette of SFRJ", no. 43/79, 41/81 and 15/82);
- 42. Rule Book on technical standards for stationary pressure vessels ("Official Gazette of SFRJ", no. 16/83);
- 43. Rule Book on technical standards for passenger transport ("Official Gazette of SFRJ", no. 29/86);
- 44. Rule Book on technical standards for low voltage electrical installations ("Official Gazette of SFRJ", no. 53/88 and 54/88);
- 45. Rule Book on technical standards for the construction of overhead electrical power lines with a nominal voltage of 1 kV to 400 kV ("Official Gazette of SFRJ", no. 65/88);
- 46. Rule Book on technical standards for the construction of overhead power lines ("Official Gazette of SFRJ", no. 51/73, 69/73, 11/80, 36/86 and 65/88);
- 47. Rule Book on technical standards of electric lifts for vertical transport of persons and goods ("Official Gazette of SFRJ", no. 16/86 and 28/89);

- 48. Rule Book on technical measures for lifts ("Official Gazette of SFRJ", no. 51/78, 16/88 and 28/89);
- 49. Rule Book on the mandatory certification of electric lifts for vertical transport of persons and goods and on the conditions to be met by organizations of associated labour authorized for attesting such products ("Official Gazette of SFRJ", no. 27/90);
- 50. Rule Book on technical standards for electric lifts for vertical transport of cargo with cabin not accessible by people ("Official Gazette of SFRJ", no. 55/87);
- 51. Rule Book on technical standards for the fire protection of power facilities and equipment ("Official Gazette of SFRJ", no. 74/90);
- 52. Rule Book on technical standards for the construction of low voltage overhead lines ("Official Gazette of SFRJ", no. 6/92);
- 53. Rule Book on technical regulations on the lightning rods ("Official Gazette of SFRJ", no. 13/68);
- 54. Rule Book on technical measures for devices with glowing tubes ("Official Gazette of SFRJ", no. 14/67);
- 55. Rule Book on technical standards for the protection of power plants against overvoltage ("Official Gazette of SFRJ", no. 7/71 and 47/76);
- 56. Rule Book on technical standards for protection against static electricity ("Official Gazette of SFRJ", no. 62/73);
- 57. Rule Book on technical standards and requirements for the design and execution of electrical installations in rooms where explosives are handled ("Official Gazette of SFRJ", no. 17/74);
- 58. Rule Book on technical standards for electric power plants with a nominal voltage above 1000 V ("Official Gazette of SFRJ", no. 4/74 and 13/78);
- 59. Rule Book on technical standards for the protection of low voltage networks and associated substations ("Official Gazette of SFRJ", no. 13/78);
- 60. Rule Book on technical standards for devices of power plants with a nominal voltage of 10 kV for operation at 20 kV voltage ("Official Gazette of SFRJ", no. 10/79);
- 61. Rule Book on technical standards for devices in which will be applied and dried paints ("Official Gazette of SFRJ", no. 57/85);
- 62. Rule Book on technical measures for the operation and maintenance of power plants ("Official Gazette of SFRJ", no. 19/68);
- 63. Order on mandatory certification of portable tools with electric motors ("Official Gazette of SFRJ", no. 21/87);
- 64. Order on mandatory certification (homologation) of electrical equipment protected with antiexplosion proof which are intended for use in areas potentially danger with explosive mixtures of ("Official Gazette of SFRJ", no. 25/89);
- 65. Regulations for explosion protection ("Official Gazette of SFRJ", no. 18/81);
- 66. Rule Book on technical standards for setting up overhead electric power lines and telecommunication cable lines ("Official Gazette of SFRJ", no. 36/86);
- 67. Rule Book on occupational safety in the preparation of explosives and gunpowder and manipulation of explosives and gunpowder ("Official Gazette of SFRJ", no. 55/69);
- 68. Rule Book on technical standards for electric lifts for facades ("Official Gazette of SFRJ", no. 19/86);
- 69. Rule Book on technical standards for suspended electric scaffolds ("Official Gazette of SFRJ", no. 19/86);
- 70. Rule Book on technical standards and conditions to be met by retail stores of explosive materials, containers and other warehouses for keeping explosive substances and on the conditions and method of use ("Official Gazette of SR BiH", no. 21/78);
- 71. Rule Book on the content of long-term programs and mining projects ("Official Gazette of SRBiH", no. 28/79);
- 72. Rule Book on recording forms of produced and procured explosive materials ("Official Gazette of SRBiH", no. 21/78);

- 73. Rule Book on safety at work and on technical measures for developers of acetylene and acetylene stations ("Official Gazette of SRBiH", no. 32/87);
- 74. Rule Book the professional examination of workers for jobs in the mining industry ("Official Gazette of SRBiH", no. 2/82);
- 75. Rule Book on the method and program of taking professional exams of geology profession workers ("Official Gazette of RBiH", no. 16/93);
- 76. Rule Book on the wash of precious metals from river sediments ("Official Gazette of SRBiH", no. 1/75);
- 77. Rule Book on the content of programs, projects and studies of geological exploration ("Official Gazette of RBiH", no. 16/93);
- 78. Rule Book on the manner of keeping records and cadastre of approved exploration areas ("Official Gazette of RBiH", no. 16/93);
- 79. Rule Book on conditions for the establishment of jobs with special working conditions and medical examinations of workers in these workplaces ("Official Gazette of SRBiH", no. 2/91);
- 80. Rule Book on the procedure for reducing working hours in workplaces with special working conditions ("Official Gazette of SRBiH", no. 2/91);
- 81. Rule Book on the conditions which in terms of personnel and technical equipment must meet the organizations that carry out periodic inspections and tests in the field of occupational safety ("Official Gazette of SRBiH", no. 2/91);
- 82. Rule Book on keeping records and documents and content of annual reports from the field of safety at work ("Official Gazette of SRBiH", no. 2/91) and
- 83. Rule Book on occupational safety when using electricity ("Official Gazette of SRBiH", no. 34/88)

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