

Turkey Introduces New Fee Waivers and Discounts for Mining Activities

13 Mar 2018

Turkey has introduced new fee waivers and discounts for mining activities, available during the first five or ten years of a mine's operation. Changes have also been made to criteria for canceling exploration activities, as well as issuing administrative fines.

Significant changes include:

- Fees will now be waived during the first 10 years for operation permits related to (excludes forestation fees under the Law on Forests number 6831; "**Forest Law**):
 - Group II. and Group IV. minefields.
 - Minefields transferred to Specialized Governmental Institutions and their subsidiaries.
 - Minefields to be tendered by the Directorate of Privatization Administration to Specialized Governmental Institutions and their subsidiaries.
- The Council of Ministers will determine whether any fees will apply to minefields holding Group IV. licenses by considering:
 - The mine field's features, reserves, location, and grade.
 - National employment and investment needs.
- For minefields not listed above, the permit fee under the Forest Law will be discounted 50% for the first 10 years of operating licenses.
- Exploration licenses will now be canceled if:
 - The following reports are not delivered to the Directorate General of Energy and Natural Resources Mining Works by the general exploration period:
 - Preliminary and general exploration activity.
 - Investment expenditure.
 - Missing documents are not completed within additional time offered, or documents are deemed improper.
 - Other institutions reject the license holder's applications for necessary permissions, or these cannot be obtained.
- During the first five years of an operation license:
 - Administrative fines will now be waived if the total production in the three years with lowest production are less than 30% of the annual production which was declared for the project.

- A 50,000 Turkish Lira administrative fine will now apply to license holders if their total production over three consecutive years after the first administrative fine is less than 30% of the annual production which was declared for the project.
- If a license holder receives two administrative fines within five years, the license will be canceled.

The changes were made to the Mining Law number 3213 by the Amendment Law on Certain Tax Laws and Certain Other Laws, published in Official Gazette number 30261 on 5 December 2017, entering into effect on the same date. Please see this [link](#) for full text of the relevant legislation (only available in Turkish).

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