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## Turkey Made Amendments on the Mining Law

## 31 May 2019

Turkey introduced certain amendments to the Mining Law Number 3213 ("**Mining Law**"), including revision of administrative fines, increase of licence fees, overlap provisions and provisions concerning right to develop proven reserves and registration of such right.

The Law on Amendments to the Mining Law and Certain Laws and Decree Law was published in the Official Gazette dated 28 February 2019 and numbered 30700.

Notable amendments to the Mining Law include:

- The right to develop proved reserves is defined as a mining right which will be registered to the Mining Registry. Furthermore, the discovery right can now be registered to the Mining Registry.
- In licensed mining sites, no business and operation license can be issued without the permission of the Turkish Ministry of Environment and Urbanization for the activities and/or facilities other than mine production activities and temporary facilities based on these activities.
- For the following cases, Turkish Ministry of Environment and Urbanization will give the decision on the mining and investment:
- Investments with the characteristics of public interest belonging to a real or legal person prevent each other
- The mining activity becomes unavailable.
- There are no other alternative areas for investment.

Turkish Ministry of Environment and Urbanization will be able to resolve on cancellation of the licence in whole as well as omitting the areas that becomes unavailable from the licence.

- In the event of an extension of the license term, all permits granted for mining activities and/or temporary facilities based on these activities will be deemed extended until the end of the period of expiry without any processing.
- Licenses can now be combined under the older license provided that the licensee makes an application by paying the license fees and that all licenses subject to the combination have a processing permit.
- The scope of mining incentives has been extended to cover gold, silver and platinum within the Group V (c) type mines. 40% of the state right will not be collected from these mines.
- If the declarations submitted by the license holders or technical personnel are found incorrect or incomplete, further to the monetary fines, the mining production activities will be seized until the declaration is corrected.
- In case technical personnel and permanent supervisor provide misleading declarations, they will be subject to monetary fines in addition to temporary prevention from the duty.
- In general, the amount of the monetary fines to be applicable in case of breach of Mining Law has been increased, taking into account the type of breach and repetitions. Furthermore, the scope of actions that are classified as breach of Mining Law has been extended.
- Based following points are required for consideration of the requests of the license holders (license transfer, royalty contract, permission area change, license combination, etc.) within the scope of the Mining Law:
  - Availability of the address of the registered electronic mail address or the corporate electronic notification system, which is the basis for the active notification,
  - No public debt within the scope of article 22/A of Law numbered 6183,
  - Absence of license fee, license price, warranties for compliance with the environment and state's right debt,

- o If necessary, the appointment of permanent supervisor,
- o Availability of an authorized legal entity contract.

Please see this <u>link</u> for the full text of The Law on Amendments to the Mining Law and Certain Laws and Decree Law published in Official Gazette numbered 30700 on 28 February 2019, entering into effect on the same day (Only available in Turkish).

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