

THE CROATIAN PARLIAMENT

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Pursuant to Article 89 of the Constitution of the Republic of Croatia, I hereby issue the

DECISION

ON PROMULGATING THE MINING ACT

I hereby promulgate the Mining Act passed by the Croatian Parliament at its session on 26 April 2013.

Class: 011-01/13-01/91

Reg. No: 71-05-03/1-13-2

Zagreb, 2 May 2013

President of the Republic of Croatia
Ivo Josipović, m.p.

THE MINING ACT

I. GENERAL PROVISIONS

Scope of the Act

Article 1

(1) The provisions of this Act refer to the exploration and exploitation of mineral raw materials found in the earth or its surface, in a river, lake or sea bed and underneath it, within interior sea waters or territorial sea of the Republic of Croatia, or within the continental shelf of the Republic of Croatia.

(2) This Act regulates management of mineral raw materials and planning of mining economic activity, exploration and establishment of mineral raw material reserves, preparation and verification of mining projects, exploitation of mineral raw materials, granting concessions for exploitation, construction and use of mining facilities and plants, preparation of mining plans and mining measurements performing, rehabilitation of excavated areas, concession fee, award of damages, occupational health and safety measures, qualifications for performing specific mining operations, administrative and inspection supervision, penal provisions, and other issues.

(3) By way of derogation from the provision of paragraph 2 of this Article, regulations on waters shall apply to the exploration and exploitation of renewable deposits of construction sand and gravel in areas of importance for the water regime; regulations on the maritime domain along with the provisions of this Act shall apply to the exploitation of construction sand and gravel from the sea bed; as well as regulations on conduct and competence in marine and submarine areas over which the Republic of Croatia has sovereignty or sovereign rights and jurisdiction, and for exploration and exploitation of mineral raw materials from non-renewable deposits in areas of importance for the water regime and in areas of sanitary protection of drinking water sources along with provisions of this Act shall apply regulations on waters.

Application of regulations

Article 2

(1) When pursuant to the provisions of this Act an approval is granted for exploration of mineral raw materials for the purpose of granting a concession for exploitation of mineral raw materials and concessions for exploitation of mineral raw materials, provisions of this Act shall apply, and for the issues not governed by this Act shall apply the provisions of the Concessions Act.

(2) Issues of environmental and nature protection and issues concerning forestry which are not regulated by this Act and by the regulations passed on the basis thereof shall be governed by provisions of regulations governing those areas and by provisions of special regulations.

(3) Issues of physical planning which are not regulated by this Act and by the regulations passed on the basis thereof shall be governed by provisions of regulations governing physical planning and by provisions of special regulations.

(4) Issues of the right of access to information which are not regulated by this Act and by the regulations passed on the basis thereof shall be governed by provisions of regulations governing the right of access to information.

(5) Procedural issues regulated by this Act and by the regulations passed on the basis thereof shall apply the provisions governing general administrative procedure.

(6) Issues not regulated by this Act shall be accordingly governed by other regulations of the Republic of Croatia.

Article 3

This Act comprises provisions in line with the following European Union legal acts:

- Directive 94/22/EC of the European Parliament and of the Council of 30 April 1994 on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons (OJ L 164, 30.6.1994)
- Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337 EEC, European Parliament and Council Directives 2006/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006 (OJ L 140, 5.6.2009).

Mineral resources

Article 4

- (1) Mineral resources are goods of interest to the Republic of Croatia, which enjoy its special protection and which are exploited under the conditions and in the manner laid down by this Act.
- (2) Mineral resources are owned by the Republic of Croatia.
- (3) For the purpose of this Act, mineral resources are all organic and inorganic mineral raw materials found in solid, liquid or gaseous state in original deposits, alluviums, tailing dumps, melting slags, or natural solutions (hereinafter: mineral raw materials).

Mineral raw materials

Article 5

For the purpose of this Act, mineral raw materials are:

1. energy mineral raw materials:

1.1 hydrocarbons (oil, natural gas, gas condensate and ozokerit),

1.2 fossil combustible substances: coal (peat, lignite, brown coal, anthracite), asphalt and oil rocks; radioactive ores; geothermal waters out of which accumulated heat may be used for energy purposes, except the geothermal waters used for healing, balneal and recreational and other purposes, which are covered by regulations on waters,

2. mineral raw materials for industrial processing: graphite, sulphur, barite, mica, gypsum, chalk, flint stone, flint sand, precious stones, bentonite, kaolin, ceramic and refractory clay, feldspar, talc, tuff, raw materials for the production of cement, carbonate mineral raw materials (lime stone and dolomite) for industrial processing, silicate mineral raw materials for industrial processing, all kinds of salts (sea salt) and saline waters, mineral waters from which may be obtained mineral raw materials, except mineral waters used for healing, balneal and recreational purposes or as water for human consumption and other purposes, which are covered by regulations on waters, brome, iodine, peloids,

3. mineral raw materials for production of construction materials: crushed stone (amphibolite, andesite, basalt, diabase, granite, dolomite and lime stone), construction sand and gravel from non-renewable deposits, construction sand and gravel from the sea bed, brick clay,

4. dimension stone,

5. mineral raw materials of metals.

Mineral Raw Materials Management Strategy

Article 6

(1) The Mineral Raw Materials Management Strategy shall be the basic document determining mineral raw materials management and planning of mining economic activities at the state level.

(2) The Mineral Raw Materials Management Strategy shall contain foundations for the direction and alignment of economic, technical, scientific, educational, organisational and

other measures, and measures related to the implementation of international commitments with the purpose of managing mineral raw materials.

(3) The Mineral Raw Materials Management Strategy shall determine the following: the state of mineral raw materials management, providing safe and reliable supply, rational and purposeful exploitation, sustainable use of mineral raw materials, providing environmental and nature protection in all areas of mining activity.

(4) The Mineral Raw Materials Management Strategy shall be passed by the Croatian Parliament at the proposal of the Government of the Republic of Croatia.

(5) The Government of the Republic of Croatia will at the latest within three years from the date of the entry into force of this Act submit a proposal of the Mineral Raw Materials Management Strategy to the Croatian Parliament for adoption.

(6) Local self-government units and regional self-government units shall ensure the implementation of the Mineral Raw Materials Management Strategy through their development acts and shall ensure its implementation within three years from the day of the adoption of the Mineral Raw Materials Management Strategy by the Croatian Parliament.

Mining-geology studies

Article 7

(1) Regional self-government units shall prepare mining-geological studies for their areas, comprising the existing and potential deposits of mineral raw materials, which must be in line with the Mineral Raw Materials Management Strategy.

(2) On the basis of the mining-geological studies referred to in paragraph 1 of this Article, local and regional self-government units shall, in their strategic physical planning acts, plan their needs and the manner of supply with mineral raw materials.

(3) Local (regional) self-government units shall develop mining-geological studies within three years from the date of the adoption of the Mineral Raw Materials Management Strategy by the Croatian Parliament.

(4) Mining-geological study referred to in paragraph 1 this Article, the local (regional) self-governments units shall submit to the ministry responsible for mining, the ministry responsible for physical planning and the ministry responsible for environmental and nature protection, within 30 days of its adoption.

(5) The content and method of making mining-geological studies referred to in this Article shall be specified by ordinance of the Minister responsible for mining.

Competent bodies

Article 8

(1) For the mineral raw materials referred to in Article 5 points 1, 2, 4 and 5 of this Act, the body competent for mining affairs shall be the ministry responsible for mining.

(2) For the mineral raw materials referred to in Article 5 point 3 of this Act, the body competent for mining affairs shall be the state administration body within the regional self-government unit.

Mining activities

Article 9

For the purpose of this Act, mining activities are all the activities performed in order to explore and exploit mineral raw materials, as well as activities concerning the rehabilitation of the area.

Exploration of mineral raw materials

Article 10

(1) For the purpose of this Act, exploration of mineral raw materials means:

- activities and explorations undertaken to determine the existence, location and form of mineral raw material deposits, their quantity and quality, and exploitation requirements.
- activities and explorations undertaken to determine the possibility of storage of hydrocarbons and permanent disposal of gases in geological structures, and exploitation requirements.

(2) For the purpose of this Act, the following shall not be deemed exploration of mineral raw materials: geological field prospecting; geological, geochemical, geophysical, pedological and geo-mechanical explorations carried out in order to discover minerals or to prepare complex geological maps; soil investigation, scientific exploration, etc.

Exploitation of mineral raw materials

Article 11

(1) For the purpose of this Act, exploitation of mineral raw materials means excavation or extraction of mineral raw materials from their deposits and processing of mineral raw materials.

(2) For the purpose of this Act, exploitation of hydrocarbons and of mineral and geothermal waters, when used for energy purposes, means also the transport of hydrocarbons and of mineral and geothermal waters by means of pipelines, when technologically connected with approved exploitation fields.

(3) For the purpose of this Act, storage of hydrocarbons and permanent disposal of gases in geological structures is also deemed exploitation of mineral raw materials.

(4) For the purpose of this Act, exploitation of dimension stone means extraction and shaping of the dimension stone into blocks on exploitation fields.

(5) For the purpose of this Act, processing of mineral raw materials means selecting, sorting out, crushing, grinding, and drying of mineral substances, separation of useful minerals from accompanying tailings, separation of individual mineral components, and removal of dirt and water from hydrocarbons, when the mentioned operations are technologically connected with the exploitation of mineral raw materials.

(6) Exploitation of mineral raw materials shall be permitted only within a determined mineral raw materials exploitation field and within the limits of the verified mining project on the basis of which the concession was granted.

Land rehabilitation

Article 12

For the purpose of this Act, the land rehabilitation means mining activities to implement safety measures to areas excavated by mining activities to exclude the possibility of danger to people and property, as well as to nature and the environment, and for the achieving of purpose determined by certain physical planning documents if requirements are met.

Mining facilities and plants

Article 13

For the purpose of this Act, mining facilities and plants are all facilities, plants, equipment, tools, devices and fittings used for performing of the mining activities referred to in Article 9 of this Act.

Mining economic entity

Article 14

(1) A mining economic entity, for the purpose of this Act, may be a natural person or a legal person with the headquarters or a branch-office in the Republic of Croatia and registered with the body competent for exploration and exploitation of mineral raw materials.

(2) By way of derogation from the provision of paragraph 1 of this Article, the mining economic entity may be a natural person or a legal person seated in any European Union Member State and registered for exploration and exploitation of mineral raw materials with the competent authority of the EU Member State.

Participation of parties in administrative proceedings

Article 15

In proceedings conducted in line with the provisions of this Act, owners of land plots in relation to whom such proceedings are conducted will be enabled to take part in the proceedings in the capacity of a party.

Records and supervision

Article 16

If facilities and plants within the meaning of this Act were erected while taking rehabilitation measures for the purpose of environmental and nature protection, records on those facilities and plants shall be kept by the body competent for mining affairs, whereas the supervision shall be carried out by the State Inspectorate.

Setting deadlines

Article 17

(1) The ministry responsible for mining shall, when setting deadlines laid down by the provisions of this Act for mineral raw materials referred to in Article 5 point 1 of this Act, adhere to the following criteria:

1. The deadlines referred to in Articles 34, 40 and 62 of this Act:

- within which public tender costs are to be settled shall be up to 30 days,
- within which a guarantee for costs of rehabilitation of an exploration area must be submitted to the ministry responsible for mining and within which the ministry responsible for mining must be notified of the appointment of the manager in charge of execution of mining activities shall be up to four months,
- within which execution of mining activities must commence shall be up to 12 months,
- within which the final report on the conducted exploration and rehabilitation of an exploration area must be submitted, in case that mineral raw material reserves or geological structures suitable for storage of hydrocarbons and permanent disposal of gases have not been determined by exploration activities, and within which the Study on mineral raw material reserves in an exploration area must be prepared and a decision on the determined quantity and quality of mineral raw material reserves obtained or a Study on geological structures suitable for storage of hydrocarbons and permanent disposal of gases prepared and a decision on the established structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases obtained shall be up to 48 months,
- within which a preliminary mining project for exploitation of mineral raw materials must be prepared and submitted to the ministry responsible for mining shall be up to 51 months,
- within which the location permit must be submitted to the ministry responsible for mining and within which the ministry responsible for mining must be asked to determine an exploitation field of mineral raw materials shall be up to 60 months,
- within which the general mining project must be prepared and submitted for verification to the ministry responsible for mining shall be up to 66 months,
- within which a concession contract for exploitation of mineral raw materials must be concluded with the ministry responsible for mining shall be up to 72 months.

2. The deadlines referred to in Article 49 of this Act:

- within which the body competent for mining affairs must be submitted an updated situation map of an exploitation field shall be up to three months,
- within which a preliminary mining project for exploitation of mineral raw materials must be prepared and submitted to the body competent for mining affairs shall be up to six months,
- within which execution of further exploration of mineral raw materials must commence shall be up to 12 months,
- within which the Study on mineral raw material reserves must be prepared and within which a decision on the determined quantity and quality of mineral raw material reserves must be obtained or a Study on geological structures suitable for storage of hydrocarbons and permanent disposal of gases prepared and a decision on the established structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases obtained shall be up to 18 months,

- within which the location permit must be submitted to the body competent for mining affairs shall be up to 30 months,
- within which the general mining project must be prepared and submitted for verification to the ministry responsible for mining shall be up to 36 months,
- within which a concession contract for exploitation of mineral raw materials must be concluded with the body competent for mining affairs shall be up to 42 months.

3. The deadlines referred to in Articles 75 and 76 of this Act:

- within which the body competent for mining affairs must be submitted a guarantee for costs of rehabilitation of an exploitation field, within which the body competent for mining affairs must be notified of the appointment of the manager in charge of execution of mining activities and within which a concession contract for exploitation of mineral raw materials must be concluded shall be up to three months,
- within which the execution of mining activities must commence shall be up to six months.

(2) The body competent for mining affairs shall, when setting deadlines laid down by the provisions of this Act for mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act, adhere to the following criteria:

1. The deadlines referred to in Articles 34, 40 and 62 of this Act:

- within which public tender costs must be settled shall be up to 30 days,
- within which the body competent for mining affairs must be submitted a guarantee for costs of rehabilitation of an exploration area and within which the body competent for mining affairs must be notified of the appointment of the manager in charge of execution of mining activities shall be up to three months,
- within which the execution of mining activities must commence shall be up to nine months,
- within which the final report on the conducted exploration and rehabilitation of an exploration area must be submitted, in case that mineral raw material reserves have not been determined by exploration activities or within which the Study on mineral raw material reserves in an exploration area must be prepared and a decision on the determined quantity and quality of mineral raw material reserves obtained shall be up to 24 months,
- within which the preliminary mining project for exploitation of mineral raw materials must be prepared and submitted for verification to the ministry responsible for mining shall be up to 26 months,
- within which the location permit must be submitted to the body competent for mining affairs and within which the body competent for mining affairs must be asked to determine an exploitation field of mineral raw materials shall be up to 36 months,
- within which the general mining project must be prepared and submitted for verification to the ministry responsible for mining shall be up to 42 months,
- within which a concession contract for exploitation of mineral raw materials must be concluded with the body competent for mining affairs shall be up to 54 months.

2. The deadlines referred to in Article 67 of this Act:

– within which the preliminary mining project for exploitation of mineral raw materials must be prepared and submitted for verification to the ministry responsible for mining shall be up to three months,

– within which the location permit must be submitted to the body competent for mining affairs shall be up to 15 months,

– within which the general mining project must be prepared and submitted for verification to the ministry responsible for mining shall be up to 21 months,

– within which a concession contract for exploitation of mineral raw materials must be concluded with the body competent for mining affairs shall be up to 27 months.

3. The deadlines referred to in Article 49 of this Act shall be laid down in paragraph 1 point 2 of this Article with the following deadline:

– within which an updated situation map of the exploitation field must be submitted, and for mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act the same shall contain the identified plots of land (cadastral and land registry plots), shall be 30 days.

4. The deadlines referred to in Articles 75 and 76 of this Act shall be laid down in paragraph 1 point 3 of this Article.

5. The deadline referred to in Article 101 paragraph 2 of this Act shall be up to six months.

6. The deadlines referred to in Article 102 of this Act shall be laid down by paragraph 1 point 2 of this Article with the following deadline:

– within which an updated situational map of the exploitation field must be submitted, and for mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act the same shall contain the identified plots of land (cadastral and land registry plot numbers), shall be 30 days,

– within which the preliminary mining project for exploitation of mineral raw materials must be prepared and submitted for verification to the ministry responsible for mining shall be up to 60 days,

– within which shall commence the performing of further exploration of mineral raw materials shall be up to nine months,

– within which a Study on mineral raw materials reserves shall be prepared for rehabilitation of an area and a decision on a determined quantity and quality of mineral raw material reserves obtained shall be up to 12 months,

(3) The deadlines referred to in paragraphs 1 and 2 of this Article shall be counted as from enforceability of the administrative act setting deadlines.

(4) In case of force majeure, deadlines set by administrative acts may be prolonged for the duration of force majeure by the body competent for mining affairs.

(5) The following shall be deemed to be circumstances of force majeure: circumstances beyond reasonable control of the body competent for mining affairs and the mining economic entity which could not have been foreseen, avoided or prevented, in particular war (declared or undeclared), threat of war or existence of circumstances of war, natural disasters, or

decisions of state administration bodies, local and regional self-government units the consequence of which is inability to execute mining activities.

(6) The following shall not be deemed circumstances of force majeure: lack of funds and/or any other financial instability of the mining economic entity, payment incapacity, and/or institute bankruptcy or liquidation proceedings against the mining economic entity.

Legal protection

Article 18

Legal protection throughout a single procedure of granting concession for exploitation shall be implemented in line with provisions of the Concessions Act.

II GRANTING A CONCESSION FOR EXPLOITATION OF MINERAL RAW MATERIALS

Single concession granting procedure for exploitation (scheme)

Article 19

(1) For exploitation of mineral raw materials shall be required a concession for economic use of general or other goods pursuant to the Concessions Act, or a concession for the exploitation of mineral raw materials.

(2) Granting a concession for exploitation shall be performed on the basis of one public tender in a single procedure consisting of the following phases:

- a) procedure with the aim to select the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation,
- b) procedure for the purpose of granting an approval for exploration,
- c) procedure for the purpose of determining an exploitation field,
- d) procedure for the purpose of granting a concession for exploitation.

(3) A concession shall be granted at the request to the natural person or legal person in compliance and in the manner laid down by the Concessions Act that has been selected in the public tender procedure in accordance with the provisions of this Act as the most advantageous bidder, provided that after the completion of the exploration activities mineral raw material reserves are verified or structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases, the exploitation field is determined in compliance with the location permit and the natural or legal person in question meets also other requirements laid down in this Act.

(4) By way of derogation from paragraph 3 of this Article, if in a certain area already exists a determined exploitation field, the beneficiary of which is the Republic of Croatia, a public tender for concession granting shall be announced.

(5) If in case referred to in paragraph 4 of this Article it is necessary to conduct further exploration activities a single procedure for concession granting will be carried out as referred to in paragraph 2 of this Article except the procedure for determination of the exploitation field. In such a case there will be a public tender for selection of the most advantageous

bidder for further exploration of mineral raw materials in order to grant concessions for exploitation.

(6) All the procedures comprised in an individual phase of the single concession granting procedure shall be conducted by a single body competent for mining affairs in compliance with the provisions of this Act.

Obstacles to exercising the right

Article 20

(1) The rights referred to in Article 19 of this Act shall not be exercised by:

1. natural or legal person that has outstanding liabilities on the basis of public fees and taxes, on the basis of unsettled fees for exploration and/or exploitation of mineral raw materials, on the basis of unsettled fees for the use of forests or forest land or agricultural land for the purpose of mineral raw materials exploitation, or on the basis on illegal exploration and/or exploitation of mineral raw materials, and unfulfilled obligations with regard to rehabilitation and nature and environment protection;
2. natural or legal person whose founder or co-founder is a natural or legal person that has outstanding liabilities referred to in point 1 of this paragraph.

(2) Rights referred to in Article 19 of this Act shall be accomplished by the mining economic entity having no obstacles referred to in paragraph 1 of this Article, which is evidenced by:

1. the certificate of the Tax Administration stating that there are no debts, which proves that the mining economic entity does not have outstanding liabilities arising from public fees and taxes in the Republic of Croatia,
2. the State Inspectorate's certificate that natural person or legal person has not been caught in illegal exploration and/or exploitation of mineral raw materials. In case that the natural person or the legal person has illegally explored and/or exploited mineral raw materials it shall submit a valid proof that has paid damages to the Republic of Croatia. Under the valid proof is also implied a deal closed under condition that the person has fulfilled the outstanding liabilities from the agreement,
3. certificate of the ministry responsible for mining and the ministry in charge of finances which proves that the mining economic entity does not have any outstanding liabilities arising from fees for exploration and/or exploitation of mineral raw materials in the Republic of Croatia,
4. certificate of the body competent for state property management that the mining economic entity does not have any outstanding liabilities arising from the use of forests and/or forest land, or agricultural land for the purpose of exploitation of mineral raw materials in the Republic of Croatia.

(3) Rights referred to in Article 19 of this Act may be obtained by the mining economic entity established in the EU Member States registered for exploration and exploitation of mineral raw materials with the competent authority of the EU Member State that meets the requirements referred to in paragraph 1 of this Article and that there are no obstacles for the exercise of rights are considered appropriate certificates referred to in paragraph 2 of this

Article issued by the competent bodies in the EU Member State in which the mining economic entity is seated.

Change of person of the beneficiary and/or concessionaire

Article 21

(1) If a natural person dies, its legal successor shall assume its legal position provided that it will perform the same activity and that meets other requirements laid down in this Act and in the Concessions Act.

(2) In the event of termination of the legal person in its legal position shall enter its legal successor provided it performs the same activity and that it meets the other requirements laid down by this Act and the Concessions Act. The legal successor shall imply legal persons established by statutory changes in compliance with the act governing companies.

(3) Based on the requirements of the legal heir or legal successor the competent authority will issue a separate decision to determine the legal successor to which the rights are transferred. With demand legal heir or legal successor shall submit certificate of inheritance or an excerpt from the relevant register and evidence referred to in Articles 14 and 20 of this Act.

(4) In the case referred to in paragraph 3 of this Article when an agreement on concession is already concluded the grantor of concession and the legal successor will enter into a new concession agreement which shall not reduce the quality and disrupt the continuity of the execution of the concession agreement.

(5) The decision referred to in paragraph 3 and the agreement referred to in paragraph 4 of this Article shall be entered in the register of exploitation areas or the register of exploitation fields kept by bodies competent for mining affairs and the register of concessions kept by the ministry responsible for finances.

**II a) PROCEDURE FOR SELECTING THE MOST ADVANTAGEOUS BIDDER FOR
EXPLORATION OF MINERAL RAW MATERIALS FOR THE PURPOSE OF
GRANTING A CONCESSION FOR EXPLOITATION**

Article 22

(1) The body competent for mining affairs in a single procedure for granting a concession shall announce a public tender to select the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation.

(2) The body competent for mining affairs shall issue a decision on implementation of a public tender for selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation:

- if it estimates there is a need to establish individual raw material reserves in a certain area and to establish their economic exploitability or the need to identify geological structures suitable for storage of hydrocarbons and permanent disposal of gases,
- on the basis of a proposal of a natural person or a legal person registered for the exploration and exploitation of mineral raw materials.

Special requirements, restrictions and approvals for announcement of a public tender

Article 23

- (1) A decision on implementation of a public tender for the selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation may be issued for areas planned for execution of mining activities in physical planning documents.
- (2) By way of derogation from paragraph 1 of this Article, the decision to carry out a public tender for selection of the most advantageous bidder for the exploration of hydrocarbons, geothermal waters from which may be used accumulated heat for energy purposes or storage of hydrocarbons and permanent disposal of gases for granting concessions for the exploitation can be made for all areas in which there are no obstacles in the zoning document for conducting explorations of these mineral raw materials.
- (3) If the Republic of Croatia is the owner of the land plots within the borders of a proposed exploration area, the body competent for mining affairs shall, at least 30 days prior to the announcement of the public tender, notify the body in charge of state property management, or the ministry responsible for maritime affairs if maritime domain is concerned, of its intent to announce the public tender for the selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation.
- (4) The body competent for mining affairs shall, at least 30 days prior to the announcement of the public tender, ask for special requirements, restrictions and approvals as regards the borders of the proposed exploration area from the state administration bodies, local and regional self-government units in whose territory the proposed exploration area is located, and legal persons vested with public authorities.
- (5) If the bodies and/or persons referred to in paragraphs 3 and 4 of this Article do not declare themselves within 30 days, it shall be deemed that those bodies and/or persons approve of the borders of the proposed exploration area and that they do not have special requirements or restrictions.
- (6) If the decision on the implementation of public bidding referred to in paragraph 2 of this Article is carried out for areas that are not planned for mining operations within the physical planning documents, in case that after the exploration works and the adoption of the decision referred to in Article 55 of this Act can not be initiated a procedure to determine the exploitation field, the mining economic entity shall not be entitled to a reimbursement of costs determined and used to implement the exploration of mineral raw materials.

Article 24

If a natural person or legal person submits a proposal for announcement of a public tender, the following must be indicated in or enclosed to the proposal:

1. name of the mineral raw material to be explored,
2. geographical location, size and name of the proposed exploration area,
3. programme of total exploration activities categorised by their type and scope, along with a detailed plan of activities which will be executed in the first year of the exploration,
4. total amount of funds required to perform the planned exploration activities and the manner of their provision,

5. excerpt from the court register or crafts register which shows that the person submitting the proposal is registered for exploration and exploitation of mineral raw materials,
6. geological or other documentation on the possibility of the existence of mineral raw materials or geological structures suitable for storage of hydrocarbons and permanent disposal of gases in the proposed exploration area,
7. proof referred to in Article 23 paragraph 1 of this Act,
8. for exploration of the mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act, a map of the proposed exploration area shall be submitted with delineated land plots and indicated cadastral and land registry numbers, along with enclosed land registry excerpts for the land plots within the scope of the proposed exploration area and/or an official navigational chart of the marine part.

Preparatory actions for the announcement of a public tender

Article 25

(1) Preparatory actions for the announcement of a public tender for the selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation shall be carried out by the body competent for mining affairs in line with the provisions of this Act, provisions of the Concessions Act and other regulations, depending on the type and location of the exploration area.

(2) All activities preceding the commencement of announcement of the public tender referred to in paragraph 1 of this Article shall be deemed to be preparatory actions, and in particular the following ones:

- appointment of the Expert Commission,
- drawing up of tender documentation,
- defining the tender guarantee,
- defining the amount of the fee for access to and purchase of the tender documentation,
- defining special requirements and restrictions for exploration of mineral raw materials for the purpose of granting a concession for exploitation,
- defining borders of the exploration area,
- defining types and quantities of the exploration activities,
- defining deadlines,
- defining criteria for the selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation.

Public tender procedure

Article 26

(1) The procedure of granting concessions in a single concession granting procedure for the exploitation shall begin on the day of sending for publication the notice of the intent to grant a concession, or the intent to select the most advantageous bidder for the exploration of mineral resources in order to grant a concession for the exploitation of the Electronic Public Procurement Classifieds of the Republic of Croatia and shall end with the enforceability of the decision on the selection of the most advantageous bidder for the exploration of mineral

raw materials in order to grant a concession for exploitation or enforceability of the decision to cancel the tender procedure.

(2) The notice referred to in paragraph 1 of this Article may be published in other mass media and on the website of the body competent for mining affairs.

(3) The notice referred to in paragraph 1 of this Article, after the publication in the Electronic Public Procurement Classifieds of the Republic of Croatia, the body competent for mining affairs shall deliver to the units of local and regional self-government in whose territory the proposed exploration area is located and they shall post it on their notice board for the duration of the public tender.

(4) The ministry responsible for mining shall publish the notice referred to in paragraph 1 of this Article in the Official Journal of the European Union for the purpose of granting a concession for exploitation of hydrocarbons at least 90 days prior to the expiry of the deadline for the submission of tenders.

Competence

Article 27

(1) A decision on the selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation shall be issued by the body competent for mining affairs at the proposal of the Expert Commission referred to in this Act. The same body shall also make other decisions in a single procedure referred to in Article 19 of this Act.

(2) If the decision referred to in paragraph 1 of this Article refers to the area:

– sanitary protection zones for drinking water pumping sites and/or in an area important for water regime, a decision approving the exploration of mineral raw materials shall adopt the body competent for mining affairs with the consent of the ministry responsible for water management,

– mineral or geothermal water reservoirs (when the final intended use of geothermal and mineral water is for energy purposes), the decision of approval for exploration of mineral raw materials shall adopt the ministry responsible for mining with the prior consent of the ministry responsible for water management,

– maritime domain, the decision of approval for exploration of mineral raw materials shall adopt the body competent for mining affairs with prior approval of the ministry responsible for maritime affairs,

– part of the internal waters and affecting the waterway, the decision of approval for exploration of mineral raw materials shall adopt the body competent for mining affairs with the prior approval of the body competent for inland waterways.

Principles of public tender procedures

Article 28

When implementing a public tender procedure, the body competent for mining affairs shall, in relation to all natural persons and legal persons, respect the principle of free movement of goods, the principle of free establishment, the principle of freedom to provide services, the principle of efficiency, as well as all other fundamental principles contained in the Constitution of the Republic of Croatia and the Treaty on the Functioning of the European Union, such as the principle of competition policy, principle of equal treatment, principle of prohibition of discrimination, principle of mutual recognition, principle of proportionality and principle of transparency.

Manner of submission and deadlines for submission of bids

Article 29

Natural persons or legal persons shall submit their bids in accordance with and in a manner specified in the Concessions Act within a deadline specified in the notification referred to in Article 26 of this Act.

Content of a bid

Article 30

(1) A bid for the public tender shall contain the following:

1. name or title, OIB (PIN), address, telephone number, fax number and e-mail of the bidder, and the excerpt from the register of the competent body which shows the registration for the exploration and exploitation of mineral raw materials,
2. personal, professional, technical and financial requirements which the bidders, in accordance with the notice of the public tender, must fulfil, and the documents to prove their fulfilment,
3. evidence that there are no obstacles referred to in Article 20 of this Act,
4. information pursuant to which a selection can be made in accordance with the published criteria for the selection of the most advantageous bid.

(2) In addition to what is laid down in paragraph 1 of this Article, the following shall be enclosed to the bid:

1. programme of total exploration activities categorised by type and scope, along with the cost estimate, drawn up in line with tender documentation,
2. detailed plan of activities which will be executed in the first year of exploration,
3. day by which the exploration is intended to be carried out,
4. total amount of funds required to perform the planned exploration activities and the manner of their provision,
5. day by which exploitation of mineral raw materials is intended to commence within the exploration area,
6. plan of rehabilitation of the exploration area,
7. tender guarantee,
8. proposed fee for a concession,
9. other evidence of importance when deciding about the most advantageous bidder, listed in the tender documentation,

10. for exploration of the mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act, a map of the exploration area shall be enclosed with delineated land plots and indicated cadastral and land registry numbers in line with the programme of total exploration activities and/or an official navigational chart of the maritime part.

Public opening of bids

Article 31

The body competent for mining affairs shall perform the public opening of bids in accordance with and in the manner specified in the Concessions Act.

Examination and evaluation of bids

Article 32

Examination and evaluation of bids is carried out in accordance with and in the manner specified in the Concessions Act.

Criteria for selection of the most advantageous bidder

Article 33

Criteria for selection of the most advantageous bidder shall be the criteria laid down in the Concessions Act, the criterion of the economically most advantageous bid in terms of the body competent for mining affairs, related to the subject of the concession provided by this Act, as follows:

1. well-foundedness of the envisaged programme of total exploration activities categorised by type and scope, containing the cost estimate, and a detailed plan of activities which will be carried out in the first year of exploration, in line with special requirements and restrictions,
2. the proposed concession fee,
3. time limit by which exploration of mineral raw materials is intended to be carried out,
4. time limit and plan of rehabilitation of the exploration area, i.e. time limit by which exploitation of mineral raw materials is intended to commence,
5. the amount of the appropriate funds sufficient for the performing of mining activities according to the submitted programme of total exploration activities referred to in point 1 of this Article,
6. better professional training and greater financial capacity of the bidder to perform mining activities.

Decision on the selection of the most advantageous bidder

Article 34

(1) The decision on the selection of the most advantageous bidder shall be carried out in accordance with and in the way of making a decision on concession granting specified in the Concession Act.

(2) The decision on the selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation shall contain, in addition to the data specified in the Concessions Act, the following:

1. name or title, OIB (PIN), of the selected most advantageous bidder that is approved exploration of mineral raw materials,
2. type of the mineral raw material,
3. name, boundaries, size and location of the exploration area,
4. deadline in which the final report on the conducted exploration and rehabilitation of the exploration area must be submitted, if mineral raw material reserves, or geological structure suitable for storage of hydrocarbons and permanent disposal of gases have not been determined by exploration activities.
5. deadline in which the study on mineral raw material reserves in the exploration area must be prepared and in which a decision on the determined quantity and quality of mineral raw material reserves must be obtained, or the Study on geological structures suitable for storage of hydrocarbons and permanent disposal of gases,
6. deadline in which the preliminary mining project for exploitation of mineral raw materials must be prepared and submitted to body competent for mining affairs,
7. deadline in which the location permit must be submitted to the body competent for mining affairs,
8. deadline in which the body competent for mining affairs must be asked to determine an exploitation field of mineral raw materials,
9. deadline in which the general mining project must be prepared and submitted for verification to the ministry responsible for mining,
10. deadline by which a concession contract for exploitation of mineral raw materials must be concluded with the body competent for mining affairs,
11. amount of rehabilitation costs of the exploration area and deadline in which the body competent for mining affairs must be submitted a guarantee for covering the rehabilitation costs of the exploration area,
12. deadline in which the body competent for mining affairs must be notified of the appointment of the manager in charge of mining activities execution,
13. amount and deadline in which costs of the public tender must be covered.

Decision on cancellation of a public tender procedure

Article 35

The decision on cancellation of public tender procedure shall be conducted in accordance with and in the way of making the decision on cancellation of the concession granting procedure specified in the Concessions Act.

Abolition of the decision on the selection of the most advantageous bidder

Article 36

A decision on the selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation shall be abolished if the

selected most advantageous bidder shall not meet deadlines and obligations specified in the decision referred to in Article 34 of this Act.

II b) PROCEDURE FOR THE PURPOSE OF GRANTING AN APPROVAL FOR EXPLORATION

Exploration of mineral raw materials

Article 37

- (1) Passing the decision on the selection of the most advantageous bidder referred to in Article 34 of this Act shall be followed by the procedure of granting an approval for exploration of mineral raw materials.
- (2) For the exploration referred to in paragraph 1 of this Article it shall be necessary to obtain a decision approving exploration of mineral raw materials for the purpose of granting a concession for exploitation. The decision shall be passed on the basis of an enforceable decision on the selection of the most advantageous bidder referred to in Article 34 of this Act.
- (3) Exploration of mineral raw materials shall be carried out for the purpose of determining mineral raw material reserves for the exploitation of which a concession is granted.
- (4) Exploration of mineral raw materials shall only be allowed within the area specified in the decision referred to in paragraph 2 of this Article.

Exploration area of mineral raw materials

Article 38

For the purpose of this Act, the exploration area of mineral raw materials is a part of the area defined by joining the endpoint coordinates on land and/or the sea, which is designated in a decision issued by the body competent for mining affairs, after a public tender had been conducted, for mineral raw materials exploration for the purpose of granting a concession for exploitation (hereinafter referred to as: exploration area).

Register of exploration areas

Article 39

- (1) Data on the exploration areas referred to in Article 38 of this Act shall be entered into the register of exploration areas kept by the body competent for mining affairs.
- (2) For exploration areas of the mineral raw materials referred to in Article 5 point 1 of this Act, data on all mining facilities located within the approved exploration area shall also be entered into the register of exploration areas kept by the ministry responsible for mining.

Decision approving exploration of mineral raw materials

Article 40

- (1) On the basis of a decision on the selection of the most advantageous bidder referred to in Article 34 of this Act, the body competent for mining affairs shall pass a decision approving exploration of mineral raw materials. The decision shall not be passed before the decision becomes enforceable.
- (2) The selected bidder shall, prior to the issuance of the decision referred to in paragraph 1 of this Article, submit to the body competent for mining affairs the appointment of the manager

in charge of mining activities execution, cover the public tender expenses and submit a guarantee for costs of rehabilitation of the exploration area.

(3) When the requirements referred to in paragraphs 1 and 2 of this Article have been met, the body competent for mining affairs shall issue a decision approving exploration of mineral raw materials no later than 10 days from the day when the decision on the selection of the most advantageous bidder referred to in Article 34 of this Act has become enforceable.

(4) The decision approving exploration of mineral raw materials shall, in addition to the data listed in the decision on the selection of the most advantageous bidder referred to in Article 34 of this Act, contain the following:

1. name or title of the beneficiary of the exploration area,
2. requirements and restrictions which the beneficiary of the exploration area must respect while executing mining activities,
3. name of the state administration body, local and regional self-government units, legal persons vested with public authorities and other parties which must be notified of the commencement of mining activities execution,
4. quantity and type of mining activities which must be executed during the first year of exploration,
5. quantity of mineral raw materials which may be excavated or extracted from their deposit for the purpose of technological explorations and establishment of exploitation conditions,
6. deadline in which the execution of mining activities must commence,
7. for the exploration of the mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act, the land plots on which exploration of mineral raw materials is approved (cadastral and land registry plots numbers),
8. specified requirements and reasons for revoking the approval for mineral raw materials exploration,
9. order to enter the approved exploration area into the register of exploration areas kept by the body competent for mining affairs,
10. deadline by which the decision approving exploration of mineral raw materials is valid.

(5) If the body competent for mining affairs has found, on the basis of the proposed scope and type of mining activities, that the planned mining activities are of such importance as to be performed only on the basis of a mining project, it shall order that prior to the commencement of the mining activities execution an appropriate project or technical documentation be prepared and submitted for verification pursuant to the provisions of this Act,

6) The beneficiary of the exploration area shall, prior to the commencement of mining activities execution in the exploration area, obtain from the owner/possessor of the land plots a written permission for the mining activities execution, and submit it to the body competent for mining affairs.

Delivery of the decision

Article 41

(1) A decision approving exploration of mineral raw materials shall be delivered to:

1. the beneficiary of the exploration area,

2. the ministry responsible for mining, or the state administration office in the regional self-government unit,
 3. the State Inspectorate,
 4. the ministry responsible for finances,
 5. the ministry responsible for physical planning,
 6. the local self-government unit in whose territory the exploration area is located,
 7. the regional self-government unit in whose territory the exploration area is located,
 8. the ministry responsible for water management if mining activities are executed in an area of sanitary protection of drinking water pumping stations and/or in an area important for the water regime,
 9. the ministry responsible for maritime affairs if mining activities are executed in a maritime domain,
 10. body competent for inland navigation if mining activities are executed on the part of the inland waters and affecting the waterway,
 11. if the Republic of Croatia is the owner of the land plots located within the borders of the exploration area, to the body competent for state property management.
 12. the ministry responsible for nature and environmental protection.
- (2) Local and regional self-government units in whose territory the exploration area is located shall, immediately upon receiving the decision approving exploration of mineral raw materials, post it on their notice board.
- (3) The decision approving exploration of mineral raw materials must be posted on the notice board for at least 30 days.

*Manager in charge of execution of mining activities in the exploration area
and liability of submitting reports*

Article 42

- (1) The manager in charge of mining activities execution in an exploration area, appointed by the beneficiary of the exploration area, shall submit to the body competent for mining affairs reports on the executed mining activities in the exploration area on a semi-annual basis.
- (2) Responsible manager in charge of mining activities execution in the exploration area shall have an adequate professional qualification, work experience and professional examination, specified in the ordinance referred to in Article 149 this Act.

*Obligatory notification of the commencement of mining activities execution
in the exploration area*

Article 43

The beneficiary of an exploration area shall notify all the entities listed in the decision approving exploration of mineral raw materials for the purpose of granting a concession for exploitation of mineral raw materials of the commencement of mining activities execution in

the exploration area, at least 15 days prior to the commencement of the mining activities in the exploration area.

Security measures

Article 44

- (1) The beneficiary of an exploration area shall be liable for the damage caused to nature and environment by the mining activities execution in the exploration area.
- (2) In the course of mining activities execution in an exploration area and after the termination or permanent suspension of mining activities execution, the beneficiary of the exploration area shall carry out rehabilitation of the area where the mining activities were executed and take all necessary security measures to prevent danger to people, property, nature and environment, and shall notify the State Inspectorate thereof.
- (3) If the State Inspectorate establishes that the taken measures referred to in paragraph 2 of this Article are sufficient, it shall issue the beneficiary of the exploration area a certificate to this regard and notify the body competent for mining affairs and the body competent for nature protection thereof.
- (4) After receiving the notification referred to in paragraph 3 of this Article, the body competent for mining affairs shall issue a decision on the expiry of the approval for exploration of mineral raw materials.
- (5) In the case referred to in paragraph 4 of this Article, the body competent for mining affairs may pass a decision on deleting the exploration area from the register of exploration areas.
- (6) If the beneficiary of an exploration area requests cancellation of mining facilities located within the approved exploration area of the mineral raw materials referred to in Article 5 point 1 of this Act, the beneficiary shall carry out all the activities specified in paragraph 2 of this Article for the areas in which the mining facilities are located within the approved exploration area.
- (7) If in the case referred to in paragraph 6 of this Article the State Inspectorate establishes that the taken security measures, measures of environmental and nature protection and land rehabilitation on which the mining facilities are located are sufficient, it shall issue the beneficiary of the exploration area a certificate to this regard and inform the ministry responsible for mining and the body in charge of nature protection thereof.
- (8) Upon receiving the certificate referred to in paragraph 7 of this Article, the ministry responsible for mining shall issue a decision on cancellation the mining facilities from the register of exploration areas kept by the ministry responsible for mining.

Elimination of deficiencies and implementation of other security measures

Article 45

- (1) If the State Inspectorate establishes that the taken security measures referred to in Article 44 of this Act are not sufficient, it shall order the beneficiary of the exploration area to eliminate the established deficiencies within a specific period of time, which may not be longer than six months, and if required, to take further security measures in the exploration area.
- (2) If the beneficiary of the exploration area does not proceed in accordance with the order referred to in paragraph 1 of this Article, the State Inspectorate shall notify the body

competent for mining affairs thereof, and this body shall undertake the necessary security measures of the exploration area at the expense of the beneficiary.

Cancellation of the decision

Article 46

- (1) A decision approving exploration of mineral raw materials shall be cancelled:
1. by the finality of the court verdict by which the decision approving exploration of mineral raw materials is declared null and void or is cancelled,
 2. upon the expiry of the decision,
 3. if the beneficiary of the exploration area does not respect deadlines and liabilities specified in the decision approving exploration of mineral raw materials,
 4. if the prescribed occupational health and safety measures and the required measures for the security of people, property and nature and environmental protection ordered by the decision of the State Inspectorate have not been implemented,
 5. if the mineral raw materials exploration obstructs or imperils exploration of other mineral raw materials within the same exploration area or exploration of mineral raw materials in neighbouring exploration areas,
 6. if the mineral raw materials exploration imperils future exploitation of mineral raw materials,
 7. if the mineral raw materials exploration obstructs or imperils exploitation of mineral raw materials on the approved exploitation fields,
 8. if within the framework of mineral raw materials exploration the exploitation of mineral raw materials is executed, except where this is permitted by a decision approving exploration of mineral raw materials,
 9. if, within the framework of mineral raw materials exploration for the purpose of technological explorations and establishment of exploitation conditions, larger quantities of mineral raw materials are exploited than laid down in the decision approving exploration of mineral raw materials,
 10. if the mineral raw materials excavated or extracted in the course of experimental exploitation are being sold,
 11. if the mineral raw materials excavated or extracted in the course of experimental exploitation have not been placed at the disposal of the Republic of Croatia in line with the provision of Article 68 paragraph 5 of this Act,
 12. if exploration of mineral raw materials is carried out outside the borders of the exploration area designated by the decision approving exploration of mineral raw materials,
 13. if exploration activities are carried out without a written permission of the owner and/or possessor of the land plots,
 14. if exploration of the mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act is carried out on land plots which are not specified in the decision approving exploration of mineral raw materials,
 15. if it is required by the interests of defence of the Republic of Croatia,
 16. if the mining activities determined by the decision approving exploration of mineral raw materials have not been executed.

(2) In the administrative act determining cancellation of the decision due to the reasons specified in points 3 through 16 of paragraph 1 of this Article, it shall be necessary to establish the reason in question and to specify the minutes of the State Inspectorate or any other competent body in which it was established.

Further exploration activities on already established exploitation fields

Article 47

(1) If the body competent for mining activities finds that on already established exploitation field it is necessary to carry out further exploration activities, ex officio, will launch a public tender for the selection of the most advantageous bidder for further exploration of mineral raw materials in order to grant a concession for exploitation.

(2) Further exploration activities will be carried out on the already established exploitation fields in the following situations:

– if on the exploitation field the mining activities have already been performed, but the right to perform activities have ceased on any basis, and it is necessary to re-establish the spreading, quantity and quality of mineral raw material reserves and the exploitation conditions,

– if on the exploitation field the mining activities have been performed illegally and a part of mineral raw materials has been excavated/extracted from the deposits and it is necessary to establish current state of spreading, quantity and quality of mineral raw materials reserves and exploitation conditions.

(3) Further exploitation activities shall not be performed on the exploitation areas:

- if there is verified and complete documentation on mineral raw materials reserves,
- on which mining activities have not been performed hitherto.

Article 48

(1) Public tender for the selection of the most advantageous bidder for further exploration of mineral raw materials on the already established field for the purpose of granting a concession for exploitation shall be carried out by a proper application Article 18, and Articles 22 to 36 of this Act.

(2) In the case of the procedure for selecting the most advantageous bidder for further exploration of mineral raw materials on the already established field for the purpose of granting a concession for the exploitation the provisions of Articles 58 to 61 of this Act shall not be applied.

Decision for further exploration of mineral raw materials on the already established exploitation field for the purpose of granting a concession for exploitation

Article 49

(1) Decision for further exploration of mineral raw materials on the already established exploitation field for the purpose of granting a concession for exploitation shall be passed by a proper application of Article 40 and Articles 62 to 64 of this Act.

(2) Decision for further exploration of mineral raw materials on the already established exploitation field for the purpose of granting a concession for exploitation, besides the data specified in paragraph 1 of this Article shall contain:

1. an indication of the Republic of Croatia as the holder of the exploitation field,
2. name or title of the mining economic entity as the beneficiary of the exploitation field and an identification of the decision on the basis of which the same has been selected as the most advantageous bidder and the approval for further exploration activities on the exploitation field,
3. quantity and type of further exploration activities on the exploitation field,
4. requirements and limitations that the mining economic entity must respect while performing mining activities,
5. name of the state administration body, local and regional self-government unit, legal person with public authorities and other parties to whom the commencement of the mining activities must be declared,
6. quantity of mineral raw material that may be excavated or extracted from the deposit for the purpose of technological tests and determining of exploitation conditions,
7. deadline by which an updated situation map of the exploitation field must be submitted that for the mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act, shall contain the identified land plots (cadastral and land registry plots numbers),
8. deadline by which the performing of mining activities shall commence,
9. if the body competent for mining affairs, based on the proposed scope and types of mining activities, determines that the anticipated mining activities are of such significance that may be performed only on the basis of the mining project, it will determine that an appropriate mining project or technical documentation shall be made prior to the commencement of the mining activities and submitted for verification under the provisions of this Act.

(3) The mining economic entity shall, prior to the commencement of the performing of mining activities on the exploitation field, obtain from the owner/holder of the land plots a written permission to perform further exploration activities (mining activities) and deliver it to the body competent for mining affairs.

Data collected in the course of exploration and/or exploitation of mineral raw materials

Article 50

(1) All the geological, geochemical, and geophysical data collected in the course of exploration and/or exploitation of mineral raw materials in the Republic of Croatia shall be the property of the Republic of Croatia.

(2) The ministry responsible for mining shall be in charge of collecting, storing, processing and disposal of all the geological, geochemical, and geophysical data and results established in the course of exploration and/or exploitation of mineral raw materials in the Republic of Croatia.

(3) The operational activities referred to in paragraph 2 of this Article shall be performed by the Croatian Geological Survey under the supervision of the ministry responsible for mining.

Article 51

(1) Types of geological, geochemical, and geophysical data and results referred to in Article 50 of this Act are:

1. Geological and geochemical data obtained by drilling in the Republic of Croatia, carried out for the purpose of exploration and/or exploitation of mineral raw materials are:

- a) Minutes on locating of wells,
- b) Reports on geological monitoring of wells,
- c) Reports on performed analyses: paleontological, sedimentological, petrographic, physical, chemical, geochemical, granulometric, establishment of porosity, permeability, analysis of oil, gas, water, DTS and other analyses related to wells,
- d) Description of cores,
- e) Inclination of layers,
- f) All logs,
- g) All electro-logging diameters,
- h) Geological cross-sections of wells.

2. The geophysical data and results of regional geophysical analyses including shallow and deep seismic imaging, 3D seismic imaging, and shallow and deep geoelectricity and geomagnetic researches.

3. Cores of wells.

(2) The provisions of this Article refer to all the geological, geochemical and geophysical data and results established so far which are in possession of mining economic entities, and to all future established geological, geochemical and geophysical data and results obtained through exploration and/or exploitation of mineral raw materials in the Republic of Croatia.

(3) As from the day of the entry into force of this Act, mining economic entities, in compliance with provisions of Article 50 of this Act, shall submit all the data and results referred to in paragraph 1 of this Article within a period of six months at the latest, otherwise the beneficiaries of exploration areas and/or exploitation fields of mineral raw materials shall be deleted from the register of exploration areas and/or register of exploitation fields of mineral raw materials kept by the body competent for mining affairs.

(4) The Croatian Geological Survey shall register the stored data and results referred to in paragraph 1 of this Article and appropriately make them available, including cartographic presentation of the existing and potential deposits of mineral raw materials, which also represents a basis for drafting and amending the Mineral Raw Materials Management Strategy and for preparation of all future plans regulating the territory of the Republic of Croatia in any manner whatsoever.

Obligation to submit data and documents on reserves of mineral raw materials

Article 52

(1) The beneficiary of an exploration area shall, within the deadline set by the decision approving exploration of mineral raw materials for the purpose of granting a concession for exploitation, submit the Commission for determination of mineral raw material reserves, referred to in Article 55 of this Act, the data and documents on mineral raw material reserves, together with a proposal of their classification into classes and categories.

(2) The mining economic entities shall, every five years counting from the day of issuance of the decision certifying quantity and quality of mineral raw material reserves, submit the Commission for determination of mineral raw material reserves, referred to in Article 55 of this Act, the data and documents on mineral raw material reserves, together with a proposal of their classification into classes and categories.

(3) The final deadline for submitting the data and documents referred to in paragraph 2 of this Article shall be set in the decision certifying quantity and quality of mineral raw material reserves, and may not be longer than 120 days from the day when the status of the mineral raw material reserves was established.

(4) The obligation to submit the data and documents on mineral raw material reserves referred to in this Article shall not refer to sea salt or construction sand and gravel from the sea bed.

Obligation to submit data and documents on the structure, shape and size of geological structures suitable for storage of hydrocarbons and permanent disposal of gases

Article 53

(1) The beneficiary of an exploration area shall, within the deadline set by the decision approving exploration of mineral raw materials for the purpose of granting a concession on exploitation, submit the Commission for determination of mineral raw material reserves the data and documents on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases.

(2) The mining economic entity shall notify the ministry responsible for mining of all deviations from the documents referred to in paragraph 1 of this Article.

(3) For significant deviations from the documents referred to in paragraph 1 of this Article, the mining economic entity shall prepare and submit to the Commission for determination of mineral raw material reserves the new data and documents on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases.

Classification of mineral raw material reserves and documents on reserves

Article 54

(1) Mineral raw material reserves shall be classified into classes and categories pursuant to regulations on the unified method of establishing, recording and collecting the data on mineral raw material reserves and a balance of these reserves.

(2) Documents on mineral raw material reserves and documents on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases may be prepared by legal persons that fulfil conditions for performing operations of preparation of documents on mineral raw material reserves.

(3) Legal persons that prepare documents on mineral raw material reserves and documents on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases shall, prior to commencement of their preparation, appoint the manager in charge.

(4) The manager in charge referred to in paragraph 3 of this Article shall be a person with necessary professional qualifications, professional examination passed and corresponding work experience as specified in the ordinance referred to in Article 149 of this Act.

Commission for determination of mineral raw material reserves

Article 55

(1) On the basis of a proposal submitted by a mining economic entity, which includes documents on mineral raw material reserves and documents on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases, the Commission for determination of mineral raw material reserves shall determine and verify quantities and quality of the mineral raw material reserves and shall determine and verify data on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases and shall issue a decision thereon.

(2) Members of the Commission for determination of mineral raw material reserves must have the necessary professional qualifications, professional examination passed and corresponding work experience as specified in the ordinance referred to in Article 149 of this Act.

(3) A member of the Commission for determination of mineral raw material reserves shall not perform control of the documents on mineral raw material reserves and documents on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases, in the preparation of which he/she participated entirely or partially or if those documents were entirely or partially prepared by the legal person in which he/she is employed.

(4) The minister responsible for mining shall set up the Commission for determination of mineral raw material reserves and appoint its members from among the ranks of staff of the ministry responsible for mining and scientific and expert workers.

(5) The mining economic entity submitting the proposal referred to in paragraph 1 of this Article shall cover the costs of the Commission for determination of mineral raw material reserves referred to in paragraph 4 of this Article.

Ordinance on mineral raw material reserves

Article 56

(1) The conditions that must be fulfilled by legal persons preparing documents on mineral raw material reserves and documents on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases, content of the application for confirmation of quantity and quality of mineral raw material reserves, and to verify the data on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of hydrocarbon gases, method and conditions for the classification of reserves of mineral raw materials in classes and categories, or the method and conditions for determining the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases, establishment and verification of mineral raw material reserves, and establishment and verification of data on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gas, forms for data specified in Article 57 of this Act, the work of the Commission for determination of mineral raw material reserves and content of the decision on confirmation of mineral raw material reserves, or the confirmation of information about the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases shall be specified in the ordinance issued by the Minister responsible for mining.

(2) Procedures for the performing of activities and tests that aim to determine the possibility of storage of hydrocarbons and permanent disposal of gases in geological structures, and

exploitation conditions, i.e. storage of hydrocarbons and permanent disposal of gases in geological structures specified in the ordinance passed by the Minister responsible for mining.

Records on mineral raw material reserves

Article 57

(1) Mining economic entities shall keep records on mineral raw material reserves and shall each year by 15 March submit the data on the mineral raw material reserves as per 31 December of the previous year to the ministry responsible for mining on the prescribed forms for submitting data specified in the ordinance referred to in Article 56 paragraph 1 of this Act.

(2) Concessionaire for exploitation of mineral raw materials shall also keep records on the annual exploitation of mineral raw materials and shall each year by 15 March submit the data on the annual exploitation of mineral raw materials as per 31 December of the previous year to the ministry responsible for mining and to the body competent for mining affairs on the prescribed forms for submitting data specified in the ordinance referred to in Article 56 paragraph 1 of this Act.

(3) Concessionaire for storage of hydrocarbons and permanent disposal of gases in geological structures shall keep annual records on the injected and/or extracted gas quantities from geological structures and shall each year by 15 March submit the data as per 31 December of the previous year to the ministry responsible for mining on the prescribed forms for submitting data specified in the ordinance referred to in Article 56 paragraph 1 of this Act.

(4) The mining economic entity shall submit each year by 15 March to the ministry responsible for mining and to the body competent for mining affairs financial reports on implementation of exploration and/or exploitation of mineral raw materials as per 31 December of the previous year in accordance with the provisions of the Concessions Act.

II c) PROCEDURE FOR THE PURPOSE OF DETERMINING AN EXPLOITATION FIELD

Exploitation field of mineral raw materials

Article 58

(1) Upon completion of exploration activities and passing the decision referred to in Article 55 of this Act, a procedure for determining an exploitation field shall be initiated.

(2) For the purpose of this Act, an exploitation field of mineral raw materials is a part of area defined by joining endpoint co-ordinates on the land and/or the sea on which exploitation of mineral raw materials shall be executed, determined by the body competent for mining affairs in accordance with the scope of certified balance reserves of mineral raw materials and location requirements of the executive building permits obtained from the authorities responsible for physical planning (hereinafter: the exploitation field).

(3) By way of derogation from the provisions of paragraph 2 of this Article, the exploitation field suitable for storage of hydrocarbons and permanent disposal of gases in geological structures shall be determined in accordance with the shape and size of geological structures

suitable for storage of hydrocarbons and permanent disposal of gases and location requirements from the executive location permit.

(4) As a holder of the exploitation field referred to in paragraphs 2 and 3 of this Article shall be determined and registered the Republic of Croatia. Exploitation fields shall be determined until the expiration of mineral raw material reserves.

(5) By way of derogation, exploitation fields approved to a certain mining economic entity under the former regulation, upon the expiration of concession or approval for performing mining activities, if it is not yet replaced by the concession, shall be transferred to the Republic of Croatia *vis legalis*, and as a holder of that field shall be confirmed and registered the Republic of Croatia.

(6) If the Republic of Croatia is the owner of the land plots for which the procedure for determining an exploitation field is being initiated, a notification of the commencement of the procedure shall immediately be submitted to the body competent for state property management.

(7) Exploitation fields shall not be approved to beneficiaries for a period longer than 40 years.

(8) After the beneficiary's rights have expired, the exploitation field in question shall retain the status of an exploitation field until all the reserves of mineral raw materials have been exhausted and the body competent for mining affairs may announce a new tender if all the requirements and other conditions referred to in this Act are met.

Register of exploitation fields

Article 59

(1) Data on exploitation fields shall be entered into the register of exploitation fields kept by the body competent for mining affairs.

(2) For exploitation fields of the mineral raw materials referred to in Article 5 point 1 of this Act, data on all the mining facilities located within the exploitation field shall also be entered into the register of exploitation fields kept by the ministry responsible for mining.

Competent bodies

Article 60

The exploitation fields referred to in Article 58 of this Act shall be determined by the body competent for mining affairs specified in Article 8 of this Act.

Procedure of determining exploitation fields

Article 61

(1) A decision on determination of an exploitation field shall be issued by the body competent for mining affairs by virtue of its office or at the request of the beneficiary of the exploration area pursuant to the provisions of this Act.

(2) The application for determination of an exploitation field submitted by the beneficiary of the exploration area shall contain the following:

1. decision on the selection of the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation,
2. decision approving exploration of mineral raw materials,
3. decision certifying quantity and quality of mineral raw material reserves,
4. preliminary mining project,
5. location permit,
6. map of the requested exploitation field with a delineated scope of certified balance reserves of mineral raw materials, or a map of the requested exploitation field with delineated shape and size of geological structures suitable for storage of hydrocarbons and permanent disposal of gases, in line with the requirements and restrictions specified in the executive location permit,
7. evidence that there are no obstacles referred to in Article 20 of this Act.

(3) The administrative acts referred to in paragraph 2 of this Article shall be enforceable.

(4) For determination of an exploitation field of the mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act, the land plots with indicated cadastral and land registry numbers shall also be shown on the enclosed map of the requested mineral raw materials exploitation field or positions on an official navigational chart of the maritime part.

(5) By way of derogation from the provisions of paragraph 2 of this Article, a decision on the data on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases in geological structures shall be enclosed a decision on determined structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases.

Decision on determination of an exploitation field

Article 62

(1) A decision on determination of an exploitation field shall contain the following:

1. an indication of the Republic of Croatia as the holder of the exploitation field,
2. name or title of the mining economic entity as the beneficiary of the exploitation field along with the indication of the decision on the basis of which the entity has been selected as the most advantageous bidder for exploration of mineral raw materials for the purpose of granting a concession for exploitation,
3. type of the mineral raw materials which will be exploited,
4. name of the exploitation field,
5. borders and size of the exploitation field,
6. total mineral raw material reserves within the determined exploitation field or data on the structure, shape, size and volume of the geological structures suitable for storage of hydrocarbons and permanent disposal of gases,
7. minimum and maximum quantities of annual exploitation of mineral raw materials,
8. deadline in which the general mining project must be prepared and submitted for verification to the ministry responsible for mining,

9. deadline in which a concession contract for exploitation of mineral raw materials must be concluded with the body competent for mining affairs,

10. order to enter the determined exploitation field into the register of exploitation fields kept by the ministry responsible for mining,

11. validity of the determined exploitation field.

(2) The decision on determination of an exploitation field of the mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act shall contain identification of the land plots on which the exploitation field is determined (cadastral and land registry plots numbers) or positions on an official navigational chart of the maritime part.

(3) By way of derogation from the provisions of paragraph 1 of this Article, a decision on determination of an exploitation field for storage of hydrocarbons and disposal of natural gases in geological structure shall not contain either total determined mineral raw material reserves or minimum and maximum annual quantities of mineral raw materials to be exploited.

Rights and liabilities of the beneficiary of the exploitation field

Article 63

(1) The mining economic entity that has been selected as the most advantageous bidder and has been issued a decision approving exploration, and upon whose request the exploitation field has been determined, shall have a legal interest in the preparation and verification of the general mining project and resolving of property relations for the land plots within the exploitation field.

(2) The mining economic entity referred to in paragraph 1 of this Act shall resolve property relations at least for the first ten years of exploitation in line with the project solutions under the verified general mining project.

(3) If the mining economic entity has not concluded a concession contract with the body competent for mining affairs within the deadline set in the decision, it shall lose the right to prepare and verify the general mining project and to resolve property relations for the land plots within the exploitation field.

(4) In the case referred to in paragraph 3 of this Article, the entire technical documentation and obtained documents shall be placed at the disposal of the Republic of Croatia as the holder of the exploitation field, in line with the provisions of this Act.

Delivery of the decision

Article 64

(1) A decision on determination of an exploitation field shall be delivered to:

1. the mining economic entity,
2. the ministry responsible for mining, or the state administration office in a regional self-government unit,
3. the State Inspectorate,
4. the ministry responsible for finances,

5. the ministry responsible for physical planning along with the preliminary mining project,
6. the local self-government unit on whose territory the exploitation field is located,
7. the regional self-government unit on whose territory the exploitation field is located,
8. the ministry responsible for of water management if the exploitation field is located in an area of sanitary protection of drinking water pumping stations and/or in an area of significance for the water regime,
9. the ministry responsible for maritime affairs if the exploitation field is located in a maritime domain,
10. the body competent for inland navigation if the exploitation field in located in the part of internal waters and is affecting the inland waterway,
11. if the Republic of Croatia is the owner of the land plots which are located within the borders of the exploitation field, to the body competent for state property management.
12. the ministry responsible for nature and environmental protection.

(2) Local and regional self-government units on whose territory the exploitation field is located shall, immediately upon receiving the decision on determination of the exploitation field, post it on their notice board.

(3) Decision on determination the exploitation field must be posted on the notice-board at least 30 days

*Determination of an exploitation field of sea salt or construction sand
and gravel from the sea bed*

Article 65

Exploitation fields of sea salt or construction sand of gravel from the sea bed shall be determined by the body competent for mining affairs specified in Article 8 of this Act, after conducted public tender for the selection of the most advantageous bidder for determination of an exploitation field of sea salt or construction sand and gravel from the sea bed for the purpose of granting a concession for exploitation, subject to consent of the ministry responsible for maritime affairs.

Article 66

A public tender for the selection of the most advantageous bidder and for determination of an exploitation field of sea salt or construction sand and gravel from the sea bed for the purpose of granting a concession for exploitation shall be implemented by s proper application of Article 18 and Articles 22 through 36 of this Act accordingly.

*Decision on determination of an exploitation field of sea salt or
construction sand and gravel from the sea bed*

Article 67

(1) A decision on determination of an exploitation field of sea salt or construction sand and gravel from the sea bed shall be passed by a proper application of Articles 61 to 64 of this Act accordingly.

(2) In addition to the data specified in paragraph 1 of this Article, a decision on determination of an exploitation field of sea salt or construction sand and gravel from the sea bed shall contain the following:

1. an indication of the Republic of Croatia as the holder of the exploitation field,
2. name or title of the mining economic entity as the beneficiary of the exploitation field along with the indication of the decision on the basis of which the entity has been selected as the most advantageous bidder for determination of an exploitation field of sea salt or construction sand and gravel from the sea bed,
3. requirements and restrictions which must be respected by the mining economic entity in the course of preparation of the preliminary mining project,
4. deadline in which the general mining project must be prepared and submitted for verification to the ministry responsible for mining.

Experimental exploitation of mineral raw materials

Article 68

(1) Mineral raw materials may be experimentally exploited for the purpose of conducting laboratory testings, technological tests and determining the conditions for exploitation, in the maximum quantities determined in the decision approving exploration of mineral raw materials and/or decision approving further exploration activities on the exploitation field.

(2) The mineral raw materials excavated or extracted by experimental exploitation of mineral raw materials shall be the property of the Republic of Croatia.

(3) It shall be prohibited to sell the mineral raw materials referred to in Article 5 points 2, 3, 4 and 5 of this Act excavated in the course of experimental exploitation of mineral raw materials.

(4) It shall be prohibited to sell the mineral raw materials referred to in Article 5 point 1 of this Act extracted in the course of experimental exploitation of mineral raw materials unless the fee determined in the decision approving exploration of mineral raw materials and/or decision approving further exploration activities on an exploitation field is paid for them in accordance with the provisions of this Act.

(5) The mining economic entity shall place the mineral raw materials referred to in paragraph 1 of this Article, which cannot be used for rehabilitation of the approved exploration areas/ exploitation fields, at the disposal of the Republic of Croatia as their legal owner and shall notify thereof the body competent for state property management, the body competent for mining affairs, the ministry responsible for finances, the State Inspectorate, the regional self-government unit and the local self-government unit on whose territory the exploration area/ exploitation field is located and the ministry responsible for maritime affairs if the mineral raw materials are exploited from the maritime domain.

Security measures

Article 69

(1) The mining economic entity shall be liable for the damage caused to nature and environment by the execution of mining activities on an exploitation field.

(2) In the course of execution of mining activities on the exploitation field and after the termination or permanent suspension of mining activities execution, the mining economic entity shall carry out rehabilitation of the area where the mining activities were executed and take all necessary security measures to prevent danger to people, property, nature and environment, and shall notify the State Inspectorate, the ministry responsible for nature and environmental protection, and the ministry responsible for maritime affairs if the mining activities are carried out in the maritime domain thereof.

(3) If the State Inspectorate and the Inspection for Environmental Protection establish that the taken measures referred to in paragraph 2 of this Article are sufficient, they shall issue a certificate to this regard to the mining economic entity and notify the body competent for mining affairs and the body competent for nature and environmental protection thereof.

(4) After receiving the notification referred to in paragraph 3 of this Article, the body competent for mining affairs shall issue the mining economic entity a decision on the expiry of the right to prepare and verify the general mining project and to resolve property relations for the land plots within the exploitation field, or positions on the maritime part of the exploitation field and determine the deletion of the mining economic activity as the beneficiary of the exploitation field from the register of exploitation fields.

(5) In the case referred to in paragraph 4 of this Article, the body competent for mining affairs may pass a decision on deleting the exploitation field from the register of exploitation fields.

Elimination of deficiencies and implementation of other security measures

Article 70

(1) If the State Inspectorate and the Inspection for Environmental Protection establish that the taken security measures referred to in Article 69 of this Act are not sufficient, they shall give an order to the mining economic entity to eliminate the established deficiencies within a specific period of time, which must not be longer than six months, and if required, to take further security measures on the exploitation field and notify the body competent for mining affairs and the ministry responsible for maritime affairs if the mining activities are performed on the maritime domain.

(2) If the mining economic entity does not proceed in accordance with the order referred to in paragraph 1 of this Article, the State Inspectorate and the Inspection for Environmental Protection shall notify the body competent for mining affairs thereof, and the said body shall undertake the necessary security measures on the exploitation field at the expense of the mining economic entity and notify the body competent for mining affairs and the ministry responsible for maritime affairs if the mining activities are performed on the maritime domain.

Termination of the right

Article 71

(1) A mining economic entity as the beneficiary of an exploitation field shall lose the right to prepare and verify the general mining project and to resolve property relations for the land plots within the exploitation field by proper application of the provisions of Article 46 of this Act.

(2) In the case referred to in paragraph 1 of this Article, after the measures specified in Articles 69 and 70 of this Act have been implemented, the body competent for mining affairs shall issue a decision on deleting the mining economic activity as the beneficiary of the exploitation field from the register of exploitation fields.

II d) PROCEDURE FOR THE PURPOSE OF GRANTING A CONCESSION FOR EXPLOITATION

Initiation of the procedure

Article 72

(1) After determination of an exploitation field, the procedure of passing a decision to grant concession and conclude a concession contract shall be initiated. This procedure shall be initiated at the request if all the requirements specified in Article 19 paragraph 3 of this Act are met prior to the initiation of the proceedings.

(2) Concession for exploitation of mineral raw materials (hereinafter: concession), for the purpose of this Act, shall be issued by the body competent for mining affairs.

Application for granting a concession

Article 73

(1) An application for passing a decision and concluding a concession contract shall be submitted by the mining economic entity as the beneficiary of the exploitation field that was selected as the most advantageous bidder referred to in Articles 34, or 48 or 66 of this Act, provided that all the requirements stipulated by this Act have been met, i.e. that exploration activities have been completed, the mineral raw material reserves certified or structure, shape, size and volume of structures suitable for storage of hydrocarbons and permanent disposal of gases are certified and the exploitation field determined in accordance to location permit obtained from the body competent for physical planning.

(2) In addition to requirements referred to in paragraph 1 of this Article, the following shall be necessary for a concession to be granted:

1. to obtain an executive location permit from the body competent for physical planning,
2. to obtain a statement by the ministry responsible for mining on the executed verification and acceptance of project solutions for the general mining project and/or additional mining project,
3. to resolve property relations for the land plots within the exploitation field, in line with the schedule of execution of mining activities contained in the verified general mining project and/or additional mining project for the time period for which the concession contract for exploitation of mineral raw materials is concluded.

Article 74

(1) A concession shall be granted by the body competent for mining affairs at the request of the mining economic entity referred to in Article 73 paragraph 1 of this Act in line with the provisions of this Act and the Concessions Act.

(2) By way of derogation from paragraph 1 of this Article, if a concession is obtained for an exploitation field the beneficiary of which is the Republic of Croatia, the concession shall be granted by the body competent for mining affairs by virtue of its office, on the basis of a public tender in line with the provisions of the Concessions Act.

(3) The following shall be enclosed to the application for granting of a concession:

1. decision on the selection of the most advantageous bidder referred to in Article 34, or Article 48 and Article 66 of this Act,
2. decision on determination of the exploitation field,
3. decision certifying quantity and quality of mineral raw material reserves or decision certifying data on the structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases,
4. location permit,
5. general mining project and/or additional mining project verified by the ministry responsible for mining,
6. written approval or confirmation of the verified general mining project and/or additional mining project issued by the bodies which determined requirements and restrictions for the execution of mining activities,
7. evidence on the right to use the land plots within the exploitation field or maritime domain of the part of the exploitation field, in line with the schedule of mining activities execution contained in the verified general mining project and/or additional mining project for the time period for which the concession contract for mineral raw material exploitation is concluded,
8. map of the exploitation field with the delineated scope of certified mineral raw material reserves or scope of geological structures suitable for storage of hydrocarbons and permanent disposal of gases and with the land plots, their cadastral and land registry numbers, and indicated surface areas of the land plots within the exploitation field and/or positions on an official navigational chart of the maritime part of the exploitation field,
9. evidence that there are no obstacles referred to in Article 20 of this Act.

(4) The administrative acts referred to in paragraph 3 of this Article must be enforceable.

(5) The following shall be in particular deemed to be the evidence referred to in paragraph 3 point 7 of this Article:

1. excerpt from the land register,
2. lease contract concluded with the owners of the land plots,
3. contract or decision issued by the competent state body on the basis of which the natural person or legal person acquired the ownership or easement right, the right of lease or any other right executing the right to use land plots or maritime or water domain,
4. partnership contract concluded with the owners of the land plots,
5. written consent of the fiduciary owner given to the former owner of the land plots.

(6) By way of derogation from the provisions of paragraph 3 of this Article, an application for granting a concession on an exploitation field of sea salt or construction sand and gravel from the sea bed shall not contain data on quantity and quality of mineral raw material reserves, i.e. it shall contain evidence on resolved property relations in maritime domain pursuant to a

special regulation and the approval for exploiting the maritime domain for economic purposes pursuant to a special regulation.

Decision on granting a concession

Article 75

(1) In addition to the data specified in the Concessions Act, a decision on granting a concession shall contain the following:

1. indication of the decision on the basis of which the mining economic entity as the beneficiary of an exploitation field was selected as the most advantageous bidder referred to in Article 34, or Article 48 and Article 66 of this Act,
2. establishment that exploration activities have been carried out,
3. name or title of the mining economic entity to which the concession for exploration of mineral raw materials is granted,
4. type of the mineral raw material which will be exploited,
5. name, location, borders and size of the exploitation field,
6. total determined and remaining balance mineral raw material reserves or data on structure, shape, size and volume of geological structures suitable for storage of hydrocarbons and permanent disposal of gases,
7. minimum and maximum annual quantities of mineral raw materials to be exploited or minimum and maximum amounts of gas injected and/or pumped from geological structures suitable for storage of hydrocarbons and permanent disposal of gases,
8. requirements and restrictions for mining activities execution,
9. verified general mining project and/or additional mining project on the basis of which the concession is granted,
10. cadastral district, surface area of the land plots with indicated cadastral and land registry numbers or positions on an official navigational chart of the maritime part of the exploitation field on which the mining activities execution is approved and for which the evidence referred to in Article 74 of this Act has been submitted,
11. name of the state administration body, local and regional self-government unit, legal person vested with public authorities and other parties which must be notified of the commencement of mining activities execution,
12. amount of costs of the exploitation field rehabilitation,
13. deadline by which the mining economic entity must submit the appointment of the manager in charge of mining activities execution and a guarantee for costs of rehabilitation of the exploitation field,
14. deadline by which the mining economic entity must conclude a concession contract for exploitation of mineral raw materials with the body competent for mining affairs,
15. deadline by which the execution of mining activities must commence.

(2) By way of derogation from the provisions of paragraph 1 of this Article, the decision on granting a concession for exploitation of sea salt or construction sand and gravel from the sea bed shall not contain either the total determined and remaining balance reserves of mineral raw materials or it shall contain evidence on resolved property relations in maritime domain

pursuant to a special regulation and the approval for exploiting the maritime domain for economic purposes pursuant to a special regulation.

(3) A decision on concession shall be delivered to the mining economic entity to which the concession for exploitation of mineral raw materials is granted along with a draft proposal of the concession contract for exploitation of mineral raw materials, to the ministry responsible for mining or the state administration body in charge of mining affairs, to the local self-government unit on whose territory the exploitation field is located, to the regional self-government unit on whose territory the exploitation field is located, and to the owners/possessors of the land plots on which execution of mining activities on the exploitation field is approved.

Concession contract for exploitation of mineral raw materials

Article 76

(1) On the basis of the decision on granting a concession referred to in Article 75 of this Act, the body competent for mining affairs must offer the mining economic entity to which the concession is being granted to conclude and sign a concession contract for exploitation of mineral raw materials (hereinafter: concession contract). The concession contract shall not be concluded and signed before the decision on granting the concession has become enforceable.

(2) The mining economic entity to which the concession for exploitation of mineral raw materials is granted shall prior to the conclusion and signing of a concession contract submit the appointment of the manager in charge of mining activities execution and a guarantee for costs of rehabilitation of the exploitation field to the body competent for mining affairs.

(3) After the requirements referred to in paragraph 1 and paragraph 2 of this Article have been fulfilled, the body competent for mining affairs shall conclude and sign a concession contract at the latest within 15 days from the day when the decision on granting a concession referred to in Article 75 of this Act became enforceable.

(4) In addition to the data specified in the decision referred to in Article 75 of this Act, a concession contract must contain the following:

1. name or title of the mining economic entity to which the concession for exploitation of mineral raw materials has been granted (hereinafter: concessionaire),
2. amount and method of payment of the concession fee,
3. time period for the duration of which the concession contract is being concluded.

(5) The concession contract shall determine the deletion of the Republic of Croatia as the holder of the exploitation field and from the entry of the concessionaire as the holder of the exploitation field into the register of exploitation fields kept by the ministry responsible for mining.

Concession contract for exploitation of mineral raw materials

Article 76

(1) On the basis of the decision on granting a concession referred to in Article 75 of this Act, the body competent for mining affairs shall offer the mining economic entity to which the

concession is being granted to conclude and sign a concession contract for exploitation of mineral raw materials (hereinafter: concession contract). The concession contract shall not be concluded and signed before the decision on granting the concession has become enforceable.

(2) The mining economic entity to which the concession for exploitation of mineral raw materials is being granted shall prior to the conclusion and signing of a concession contract deliver the appointment of the manager in charge of execution of mining activities and a guarantee for costs of rehabilitation of the exploitation field to the body competent for mining affairs.

(3) After the conditions referred to in paragraphs 1 and 2 of this Article have been fulfilled, the body competent for mining affairs shall conclude and sign a concession contract with the mining economic entity within 15 days, at the latest, from the day when the decision on granting a concession referred to in Article 75 of this Act became enforceable.

(4) In addition to the data specified in the decision referred to in Article 75 of this Act and in the provisions of the Concessions Act, a concession contract shall contain the following:

1. name of the mining economic entity to which the concession for exploitation of mineral raw materials has been granted (hereinafter: concessionaire),
2. amount and method of payment of the concession fee,
3. validity period of the concession contract.

(5) The concession contract shall prescribe deletion of the Republic of Croatia as the holder of the exploitation field or the entry of the concessionaire as the holder of the exploitation field into the register of exploitation fields kept by the ministry competent for mining.

Concession fee

Article 77

(1) The mining economic entity shall pay a concession fee for the exploitation field of the mineral raw materials in a manner stipulated by this Act.

(2) The amount of the minimum annual concession fee shall be prescribed by a regulation of the Government of the Republic of Croatia, upon the proposal of the minister in charge of mining.

(3) In the event of amendments to statutory regulations and secondary legislation that regulate the amount of the concession fee, the mining economic entity shall pay the concession fee pursuant to the applicable laws and regulations that will be regulated by the amendments to the decisions and contracts on granting concessions.

(4) A concession fee shall be the revenue of the state budget and/or the budgets of local and regional self-government units.

(5) The ministry competent for mining shall regularly monitor the payment of the concession fee, and shall supervise the collection of the concession fee for mineral raw materials referred to in Article 5, point 3 of this Act.

(6) A ratio of distribution of the concession fee income referred to in paragraph 1 of this Article shall be regulated by the Government of the Republic of Croatia by the regulation referred to in paragraph 2 of this Article.

(7) A mining economic entity shall every year, by 15 March deliver a proof of the accrued and paid concession fee amounts referred to in paragraph 1 of this Article for the previous year.

(8) By the regulation referred to in paragraph 2 of this Article, the Government of the Republic of Croatia shall regulate a fee for the recovered amount of hydrocarbons in the course of an experimental exploitation referred to in Article 68, paragraph 4 of this Act.

Rights acquired on the basis of a concession contract

Article 78

A concession contract shall provide entitlement for execution of mining activities for the use of the mineral raw materials in economic purposes, or the entitlement for execution of mining activities for a subsequent rehabilitation of a land.

Validity period of a concession contract

Article 79

(1) A concession contract may be concluded for a period of no more than 40 years.

(2) By way of derogation from the provision of paragraph 1 of this Article, a concession contract for a subsequent rehabilitation of a land may be concluded conditionally for duration of a maximum of five years.

(3) The concessionaire shall, for a subsequent rehabilitation of a land, by 15 March of the current year, deliver to the body competent for mining affairs a certificate of the State's Inspector Office that the land rehabilitation is being carried out in line with the requirements and restrictions defined in the concession contract for the land rehabilitation.

Delivery of a concession contract

Article 80

A concession contract shall be delivered to:

1. the concessionaire,
2. the ministry competent for mining or the state administration body in the regional self-government unit,
3. the State Inspector's Office,
4. the ministry competent for financial affairs,
5. the ministry competent for physical planning,
6. the local self-government unit in whose territory the exploitation field is located,
7. the regional self-government unit in whose territory the exploitation field is located,

8. the ministry competent for the water management if the mining activities are executed in an area of sanitary protection of drinking water pumping stations and/or in an area of significance for the water regime,
9. the ministry competent for maritime affairs if the exploitation field is located in the maritime domain,
10. the competent cadastral office for the purpose of its entry into the cadastral register,
11. the body competent for the state property management, if the Republic of Croatia is the owner of the land plots that are within the borders of the exploitation field,
12. the ministry competent for environmental and nature protection.

Obligation of rational exploitation of mineral raw materials

Article 81

- (1) The concessionaire shall exploit the mineral raw material deposits in a rational manner, in line with the concession contract.
- (2) For the purpose of this Act, it means that deposits of mineral raw materials are exploited in a rational manner when mineral raw materials are exploited and processed with small losses of useful mineral raw materials in line with professional rules, and when in addition to basic mineral raw materials, where economically feasible, other mineral raw materials in the deposit are also exploited or processed, pursuant to the concession contract and the verified main mining project and/or additional mining project on the basis of which the concession has been granted.
- (3) The obligations laid down in paragraphs 1 and 2 of this Article shall be fulfilled by the concessionaire in line with regulations governing environmental and nature protection.

Manager in charge of execution of mining activities

Article 82

The concessionaire shall, for the whole duration of the concession contract, at the position of the manager in charge of execution of mining activities of mineral raw materials exploitation on the exploitation field, have a permanently employed responsible expert with corresponding professional qualifications, work experience and passed licensing examination from the field of mining, as prescribed by an ordinance referred to in Article 149 of this Act.

Notification of commencement of execution of mining activities

Article 83

The concessionaire shall no later than 15 days prior to the commencement of execution of mining activities on the exploitation field, notify all the entities designated in the decision on granting a concession of the commencement of mining activities.

Temporary discontinuation of execution of mining activities

Article 84

(1) Should execution of mining activities on an exploitation field be temporarily discontinued due to unforeseeable circumstances, the concessionaire shall within 24 hours from the discontinuation of activities inform the following institutions thereof: the body competent for mining affairs, the State Inspector's Office and the ministry competent for maritime affairs if the mining activities are carried out in waterways.

(2) The concessionaire shall no later than 15 days prior to discontinuation of the activities notify the following institutions of the temporary discontinuation of mining activities planned in advance: the body competent for mining affairs, the State Inspector's Office, the ministry competent for the maritime affairs if the mining activities are carried out in waterways; and shall deliver to them the minutes on the causes of discontinuation and the measures undertaken for the removal of the threat of damage which might occur during discontinuation of the activities and their recommencement; and shall undertake security measures which exclude the possibility of a danger to people, property, nature and the environment.

(3) A temporary discontinuation of execution of mining activities in line with the provisions of this Act may not last longer than 180 days in a calendar year.

(4) If a temporary discontinuation of execution of mining activities lasts more than 180 days in a calendar year, it shall be considered that that the concessionaire has completely and permanently discontinued the execution of mining activities on the exploitation field.

(5) By way of derogation from provisions of this Article, a temporary discontinuation of execution of mining activities may last more than 180 days in a calendar year provided that this has been registered and indicated in the verified mining documents referred to in decision on granting concession and in the concession contract.

Discontinuation of execution of mining activities

Article 85

(1) Should a complete and permanent discontinuation of mining activities on an exploitation field occur, the concessionaire shall no later than 15 days prior to discontinuation of the activities notify the following institutions thereof: the body competent for mining affairs, the State Inspector's Office and the ministry competent for the maritime affairs if the mining activities are carried out in waterways.

(2) The body competent for mining affairs shall, in the event of discontinuation of the activities referred to in paragraph 1 of this Article, issue a decision establishing a commission to consider the reasons for discontinuation of the activities, the existence of mineral raw material reserves and the state of their exploitation.

(3) Should the commission referred to in paragraph 2 of this Article establish that the mineral raw material reserves have not been utilised and that there is a possibility of further execution of mining activities, the body competent for mining affairs shall determine measures for the protection of the remaining mineral raw material reserves.

Procedure with mining documentation in case of discontinuation of execution of mining activities

Article 86

(1) If a concessionaire discontinues completely and permanently the execution of mining activities on the exploitation field, the concessionaire shall deliver all the plans and drawings, measurement records and other documents on the status of the activities by that moment to the ministry competent for mining, within 30 days from the day of complete and permanent discontinuation of execution of the mining activities. The aforementioned documents shall become a property of the Republic of Croatia.

(2) The ministry competent for mining shall enable access to the documents referred to in paragraph 1 of this Article to any natural or legal person interested in the renewal of mining activities on the exploitation field.

Security measures to prevent danger to people, property, nature and the environment

Article 87

(1) After the concessionaire has completely and permanently discontinued execution of mining activities on an exploitation field or has executed a rehabilitation of the exploitation field, the concessionaire shall notify the State Inspector's Office and the Environmental Inspection that all the security measures in order to prevent danger to people, property, nature and the environment have been undertaken in the area where the mining activities had been executed.

(2) If the State Inspector's Office and the Environmental Inspection establish that the implemented security measures, nature and environmental protection measures and rehabilitation of a part of the exploitation field are sufficient, they shall issue the concessionaire a certificate to this regard and inform the body competent for mining affairs and the body competent for nature protection thereof.

(3) The concessionaire shall settle the fee for the concession of the exploitation field prior to the deletion of the exploitation field from the register of exploitation fields.

(4) After receiving the certificate referred to in paragraph 2 and the proof referred to in paragraph 3 of this Article, the body competent for mining affairs shall issue a decision on deleting the exploitation field from the register of exploitation fields and on the termination of the concession contract.

(5) Should the concessionaire request reduction of the exploitation field, the concessionaire shall execute all the actions referred to in paragraph 1 of this Article for the area which is to be excluded from the previously determined exploitation field.

(6) If, in the case referred to in paragraph 5 of this Article, the State Inspector's Office and the Environmental Inspection establish that the implemented security measures, nature and environmental protection measures and rehabilitation of a part of the exploitation field are sufficient, they shall issue the concessionaire a certificate to this regard and inform the body competent for mining affairs and the body competent for nature protection thereof.

(7) Having received the certificate referred to in paragraph 6 of this Article, the body competent for mining affairs shall issue a decision on the reduction of the exploitation field in line with the provisions of this Act.

(8) If the concessionaire requests deletion of mining facilities located within an exploitation field of the mineral raw materials referred to in Article 5 point 1 of this Act, this

concessionaire shall execute all the actions referred to in paragraph 1 of this Article for the areas on which the mining facilities are located within the exploitation field.

(9) If, in the case referred to in paragraph 8 of this Article, the State Inspector's Office and Environmental Inspection establish that the taken security measures, nature and environmental protection measures and rehabilitation of the land on which the mining facilities are located are sufficient, they shall issue the concessionaire a certificate to this regard and notify the ministry competent for mining and the body competent for nature protection thereof.

(10) Having received the certificate referred to in paragraph 9 of this Article, the ministry competent for mining shall issue a decision on deleting the mining facilities from the register of exploitation fields kept by the ministry competent for mining.

Elimination of defects and implementation of other security measures

Article 88

(1) If the State Inspector's Office and the Environmental Inspection establish that the taken security measures referred to in Article 87 of this Act are not sufficient, they shall order the concessionaire to eliminate the established defects on the exploitation field within a specific period of time, not longer than six months, and if required, to take additional security measures, and to notify the body competent for mining affairs and the ministry competent for maritime affairs thereof if the mining activities carried out in the maritime domain.

(2) If the concessionaire does not proceed in accordance with the order referred to in paragraph 1 of this Article, the State Inspector's Office and the Environmental Inspection shall notify the body competent for mining affairs thereof, and this body shall undertake the necessary security measures at the concessionaire's expense.

Termination of a concession contract

Article 89

In line with the provisions of this Act and the Concessions Act, a concession contract shall cease to be valid:

- a) upon the expiry of its validity period,
- b) upon the death of a natural person or termination of a legal person acting as the concessionaire if there is no legal successor or if the legal successor does not act in accordance with the provisions of Article 21 of this Act,
- c) for other reasons as prescribed by the provisions of the Concessions Act.

Cancellation of a concession contract

Article 90

(1) The body competent for mining affairs shall cancel a concession contract unilaterally and revoke all the previously acquired rights of the concessionaire on the exploitation filed without compensation, including all technical documentation and obtained legal documents, in line with the provisions of this Act, in the following cases:

1. if the obligations under the concession contract have not been fulfilled,
2. if the prescribed occupational safety and health measures and required measures for the security of people, property, nature and environmental protection ordered in the decision of the State Inspector's Office and the Environmental Inspection have not been taken,
3. if the execution of mining activities obstructs or imperils exploration of other mineral raw materials within the neighbouring exploration areas and/or exploitation fields,
4. if the execution of mining activities is conducted outside the borders of the exploitation field,
5. if the mining activities are executed on land plots or locations at the official navigational chart of the maritime domain that are not mentioned in the concession contract,
6. if, notwithstanding a written warning of the body competent for mining affairs, the concessionaire has not paid the concession fee even within a subsequently set deadline,
7. if needed for the defence of the Republic of Croatia,
8. if, notwithstanding a written warning of the body competent for mining affairs, the mineral raw material deposit has not been exploited in a rational manner,
9. if, notwithstanding a written warning, the concessionaire does not submit the data and documents stipulated by Articles 52, 53 and 57 of this Act to the ministry competent for mining,
10. if the concessionaire for a subsequent rehabilitation of a land does not submit the certificate referred to in Article 79 paragraph 3 of this Act,
11. if a court verdict becomes final by which a decision on determination of an exploitation field or a decision on granting a concession is declared null and void or is cancelled, or a concession contract is declared null and void or is cancelled,
12. if the Croatian Parliament passes a decision determining that this is of a public interest.

(2) The body competent for mining, prior to unilateral breach of the concession contract and taking away to the concessionaire of all previously acquired rights with regard to the exploitation field without pecuniary compensation, shall notify the concessionaire in writing on intention and reasons of the unilateral breach of the contract and shall set a deadline of 90 days for resolving the reasons for breach of the concession contract and declaring the reasons thereof.

III MINING PROJECTS

Types of mining projects

Article 91

(1) For the execution of the mining activities referred to in Article 9 of this Act and for the construction of mining facilities and plants referred to in Article 13 of this Act, mining projects shall be developed.

(2) If, in the procedure for the purpose of exploration, the body competent for mining affairs has found, on the basis of the proposed scope and type of mining activities, that the planned mining activities are of such an importance as to be performed only on the basis of a mining project, it shall determine in a decision approving exploration of mineral raw materials or in a

decision approving additional exploration activities on an exploitation field that an appropriate mining project shall be developed.

(3) A preliminary mining project shall be developed as a technical basis for drawing up of an environmental impact study of the mining intervention, an assessment of acceptability of the intervention to the environmental network and for obtaining a site permit.

(4) For the execution of mining activities and for the construction of the mining facilities and plants referred to in this Act, a main mining project, an additional mining project and a simplified mining project shall be drawn up.

(5) The main and the additional mining projects referred to in paragraph 4 of this Article may be drawn up and used as standardised mining projects.

(6) The main mining project and the additional mining project shall be subject to verification by the ministry competent for mining in line with the provisions of this Act.

(7) The preliminary mining project referred to in Article 67, paragraph 2, point 4 and in Article 102, paragraph 4 of this Act shall be subject to verification by the ministry competent for mining in line with the provisions of this Act.

Ordinance on mining projects

Article 92

The content of the mining projects referred to in Article 91 of this Act shall be regulated in an ordinance passed by the minister in charge of mining.

Preliminary mining project

Article 93

The preliminary mining project shall be drawn up as:

1. a technical basis for the drawing up of an environmental impact study of the mining intervention, an assessment of acceptability of the intervention to the environmental network and for obtaining a site permit,
2. in the procedure of determination of the exploitation field of the sea salt or construction sand and gravel from the seabed referred to in Article 67 of this Act,
3. in the procedure of the subsequent rehabilitation of a land referred to in Article 102 of this Act.

Main mining project

Article 94

The main mining project shall be drawn up for the execution of mining activities, or for the construction of mining facilities and plants referred to in this Act.

Additional mining project

Article 95

An additional mining project shall be drawn up for major deviations from the main mining project in the course of execution of mining activities or construction of mining facilities and plants referred to in this Act.

Simplified mining project

Article 96

(1) A simplified mining project shall be drawn up for:

1. exploration of mineral raw materials and additional exploration activities on an exploitation field if the body competent for mining affairs establishes that exploration of mineral raw materials and additional exploration activities on the exploitation field may be executed on the basis of a simplified mining project;
2. wells in the course of exploration and exploitation of the mineral raw materials referred to in Article 5 point 1 of this Act, executed in accordance with the main and/or additional mining project;
3. experimental exploitation of mineral raw materials for the purpose of conducting laboratory testing, technological tests and determining the conditions for exploitation;
4. minor deviations from the main and/or additional mining project in the course of execution of mining activities;
5. minor deviations in the course of construction and/or reconstruction of the mining facilities and plants referred to in this Act.

(2) Prior to the drawing up of a simplified mining project, an approval of the body competent for mining affairs shall be obtained for the drawing up of a simplified mining project for experimental exploitation of mineral raw materials for the purpose of conducting laboratory testing, technological tests and determining the conditions for exploitation, and for minor deviations from the main and/or additional mining project in the course of execution of mining activities or in the course of construction and/or reconstruction of the mining facilities and plants referred to in this Act.

(3) The mining economic entity shall submit to the body competent for mining affairs one copy of the simplified mining project, indicating how the technical solution from the simplified mining project fits into the existing verified mining project documentation.

(4) The body competent for mining affairs shall, within 15 days from the delivery of the simplified mining project referred to in paragraph 3 of this Article, establish whether the simplified mining project has been drawn up in line with the issued approval referred to in paragraph 2 of this Article and issue a certificate thereof to the mining economic entity.

(5) Having obtained a certificate of the body competent for mining affairs referred to in paragraph 4 of this Article, the mining economic entity may commence execution of mining activities according to the simplified mining project.

(6) The mining economic entity shall submit a notification of the commencement and termination of mining activities according to the simplified mining project to the body competent for mining affairs and to the State Inspector's Office.

Persons authorised to prepare mining projects

Article 97

- (1) Mining projects may be prepared only by the legal persons meeting the requirements for preparation of mining projects regulated by an ordinance referred to in Article 100 of this Act.
- (2) The responsible designer and the designer of separate parts of mining projects shall be natural persons employed at a legal person referred to in paragraph 1 of this Article that meet the requirements regulated by the ordinance referred to in Article 149 of this Act.
- (3) Prior to the commencement of preparation of a mining project, legal persons that prepare mining projects shall appoint a designer responsible for the mining project and, as required, designers of individual parts of the mining project.

Verification of mining projects

Article 98

- (1) Mining projects shall be subject to verification regarding rational exploitation of mineral raw materials, measures and standards of occupational safety and health, security of the people, plants, and of the underground, surface and neighbouring facilities, and regarding compliance of the project with the provisions of this Act, other acts and regulations for their implementation.
- (2) Verification of a mining project for all the mineral raw materials referred to in Article 5 of this Act shall be performed by the expert commission for verification of mining projects of the ministry competent for mining.
- (3) A member of the expert commission for verification of mining projects shall not perform verification of the mining project in the preparation of which he/she participated in entirety or in part or if that project was entirely or partially prepared by the legal person he/she is employed with.
- (4) Members of the expert commission for verification of mining projects shall be appointed by a decision of the minister in charge of mining from among employees of the ministry competent for mining and scientific and expert workers.
- (5) The mining economic entity shall defray the costs of the expert commission for verification of mining projects referred to in paragraph 4 of this Article.

Importance of mining projects

Article 99

- (1) Concession shall be granted on the basis of a verified main and/or additional mining project, only for the scope and quantity of activities determined by these projects.
- (2) It shall be considered that the mining economic entity acts illegally if in the course of exploitation, executes activities outside the borders of excavation/recovery area designated in line with the verified main and/or additional mining project.

- (3) More than one concession may be granted on one exploitation field.
- (4) The additional mining project shall not deviate from the site permit with regard to the surface area to be exploited, in terms of its depth, width and height, in terms of the quantity of mineral raw materials and in terms of the time period of exploitation.
- (5) The additional mining project shall not change the elements under the public tender with regard to the quantity, time period and scope of exploitation.

Ordinance on professional requirements

Article 100

The conditions to be fulfilled by the legal persons preparing mining projects, the content of the application for verification of mining projects, or the procedure of verification of mining procedures, work of the expert commission for verification of mining projects and form and the content of declaration on performed verification of mining projects shall be prescribed in an ordinance by the minister in charge of mining.

IV LAND REHABILITATION

Regular rehabilitation

Article 101

- (1) Each mining economic entity shall execute rehabilitation of the land where mining activities were carried out.
- (2) If the concessionaire does not execute rehabilitation or the successive rehabilitation of the land where the mining activities are carried out, pursuant to the verified mining project on the basis of which the concession has been granted, the body competent for mining affairs which granted the concession shall order the implementation of the rehabilitation activities within appropriate time.
- (3) If the concessionaire does not execute the rehabilitation, this will be done by a third party, and costs will be borne by the concessionaire. For the purpose of implementation of the decision rendered by the body competent for mining affairs which granted the concession for the purpose of the forced rehabilitation, the state prosecutor's office will take legal actions before the court.

Subsequent rehabilitation

Article 102

- (1) If a person that exploited mineral raw material without conducting rehabilitation does not exist or if it is unknown, the subsequent rehabilitation shall be conducted.
- (2) For the implementation of the land rehabilitation referred to in paragraph 1 of this Article, the following shall be necessary:
1. to execute additional exploration of mineral raw materials,

2. to acquire a concession for the land rehabilitation,
3. to conclude and sign a concession contract for the land rehabilitation with the body competent for mining affairs.

(3) Provisions of Act that regulate granting concession for exploitation of mineral raw materials shall be applied to the procedure of a subsequent rehabilitation.

(4) By way of derogation from the provisions of this Act which stipulate the procedure of approving additional exploration of mineral raw materials for the purpose of granting a concession for exploitation, the mining economic entity shall, in order to implement the land rehabilitation, prepare a preliminary mining project and have it verified by the ministry competent for mining prior to the commencement of execution of mining activities.

(5) The mining economic entity shall draw up a study on mineral raw material reserves for the purpose of the land rehabilitation in line with project solutions under the verified preliminary mining project referred to in paragraph 4 of this Article.

(6) The study on mineral raw material reserves for the purpose of the land rehabilitation shall determine the quantities of mineral raw material reserves which may be exploited by mining activities exclusively with the aim of implementation of measures for securing the areas which exclude the possibility of danger to people, property, nature and the environment.

Article 103

(1) In the procedure of implementation of the land rehabilitation, the body competent for mining affairs shall notify the following institutions of its intent to set up the expert commission for the selection of the most advantageous bidder for additional exploration of mineral raw materials: the State Inspector's Office, the ministry competent for physical planning, the local self-government unit in whose territory the area is located and the ministry competent for maritime affairs if the additional exploration of mineral raw materials is executed in the internal sea waters, territorial sea and continental shelf of the Republic of Croatia.

(2) The State Inspector's Office, the ministry competent for physical planning and the local self-government unit in whose territory the area is located and the ministry competent for maritime affairs, if the additional exploration of mineral raw materials is executed in the internal sea waters, territorial sea and continental shelf of the Republic of Croatia, may appoint their own representative as a member of the expert commission within ten days from the day of receipt of the notification referred to in paragraph 1 of this Article.

Execution of mining activities under special circumstances

Article 104

(1) A site permit, conditions set by the ministry competent for mining and a special decision shall be necessary for the execution of the land rehabilitation in accordance with regulations on environmental protection or for the adaptation of the area to be used for another purposes in accordance with physical planning regulations, if, at the same time, it is necessary to execute limited exploitation by mining activities on that area.

(2) A decision on rehabilitation in addition to exploitation, or decision on execution of activities in addition to exploitation referred to paragraph 1 of this Article shall be rendered by the Government of the Republic of Croatia.

(3) A decision referred to in paragraph 2 of this Article shall contain the following:

- the purpose of rendering the decision (authorisation for the rehabilitation in addition to exploitation or authorisation for execution of activities for the purpose of transformation of the area in addition to the exploitation),
- the real property that it refers to,
- the quantity and quality of the mineral raw material that will be excavated during the activities,
- methods, conditions and deadline of the limited exploitation,
- the amount of fee,
- obligation to submit monthly reports on executed mining activities, pursuant to the decision referred to in paragraph 2 of this Article,
- number, date and label of the issuer of the site permit, or other enactments that are reason for rendering the decision,
- validity period of the decision.

(4) Period for the limited exploitation referred to in paragraph 1 of this Article may not extend five years.

(5) The ministry competent for mining and the body competent for the state property management, including the State Inspector's Office and other bodies, depending on a purpose of rendering the decision, shall be responsible for the supervision of the implementation of the decision referred to in paragraph 2 of this Article.

V CONSTRUCTION OF MINING FACILITIES AND PLANTS

Building permit

Article 105

(1) For the construction of mining facilities and plants, within the meaning of this Act, a building permit shall be required.

(2) A building permit for the construction of mining facilities and plants shall be issued by the body competent for mining affairs.

Participants in the construction of mining facilities and plants

Article 106

Participants in the construction of mining facilities and plants, within the meaning of this Act, shall be as follows:

- investor,

- designer,
- contractor,
- supervisory engineer.

Investor

Article 107

- (1) The investor shall be the concessionaire within the meaning of this Act.
- (2) The investor shall entrust the development of the construction design of the mining facilities and plants, the construction of the mining facilities and plants and the expert supervision of the construction of the mining facilities and plants to persons that fulfil the requirements for the performance of those activities prescribed by this Act.
- (3) The investor that is at the same time the contractor shall entrust the expert supervision of the construction of mining facilities and plants to a person that fulfils the requirements for the performance of expert supervision of the construction of mining facilities and plants prescribed by this Act.

Persons authorised to develop construction designs of mining facilities and plants

Article 108

- (1) Construction designs of mining facilities and plants may be developed only by legal persons that meet the requirements for performing the activity of development of designs for the construction of mining facilities and plants prescribed by the ordinance referred to in Article 112 of this Act.
- (2) The main designer, designer and authorised person in charge of preparing individual parts of a construction design of mining facilities and plants shall be natural persons who meet the requirements prescribed by the ordinance referred to in Article 149 of this Act.
- (3) The designer shall be responsible for compliance of the designs he/she develops with the prescribed conditions, in particular for compliance of the designed mining facilities and plants with the site permit and with the prescribed requirements. In the event that several designers are involved in the design development, the main designer shall be responsible for the completeness and mutual harmonisation of the individual designs.
- (4) Prior to the commencement of preparation of construction designs of mining facilities and plants, legal persons that prepare these designs shall appoint the main designer, designers and persons authorised to prepare individual parts of construction designs of mining facilities and plants.
- (5) By way of derogation from paragraph 2 of this Article, the designer in charge of the mechanical engineering design, electrical engineering design and land surveying design, which form a constituent part of the construction design of mining facilities and plants, shall be a person with the professional title of authorised engineer of the appropriate profession pursuant to a special regulation.
- (6) The designer shall not be employed with the person acting as a contractor in the construction of the same mining facilities and plants.

Supervisory engineer

Article 109

- (1) The supervisory engineer shall be a natural person who meets the requirements prescribed by the ordinance referred to in Article 112 of this Act.
- (2) By way of derogation from paragraph 1 of this Article, the engineer in charge of supervising the execution of mechanical engineering, construction and electrical engineering works shall be a person with the professional title of an authorised engineer of the appropriate profession pursuant to a special regulation.
- (3) At mining facilities and plants where more than one type of work or works of a greater extent are carried out, expert supervision shall be carried out by several supervisory engineers of appropriate professions.
- (4) The main supervisory engineer and the supervisory engineer shall be appointed by the investor.
- (5) In the implementation of expert supervision over construction, the supervisory engineer shall be responsible for compliance of the construction with the building permit, with this Act and special regulations, shall duly inform the investor of all defects or irregularities which he/she detects in the course of construction activities and shall notify the investor and the competent inspection services of the undertaken measures.
- (6) The main supervisory engineer shall be responsible for the completeness and mutual coordination of the expert supervision over the construction of mining facilities and plants and shall draw up a final report thereon.
- (7) The supervisory engineer shall not be employed with the person acting as a contractor in the construction of the same mining facilities and plants.

Contractor

Article 110

- (1) The contractor is a person constructing or executing individual activities on the construction of the mining facilities and plants.
- (2) Construction or execution of individual activities on mining facilities and plants may be performed by a natural person or a legal person registered for the performance of those activities.
- (3) The contractor shall perform construction in compliance with the building permit and shall in this regard:
 - entrust the execution of construction works at mining facilities and plants and other activities to persons meeting prescribed requirements for the performance of those works i.e. those activities,
 - perform works in such a manner that the prescribed requirements for the mining facilities and plants are met,

- provide evidence on the quality of executed works and the usability of incorporated products and equipment,
- properly dispose the construction waste generated during construction, and
- draw up a written statement on the executed works and on the maintenance requirements for the mining facilities and plants.

Responsible persons

Article 111

- (1) The contractor shall appoint the site engineer, i.e. performance manager in the capacity of the responsible person in charge of the construction or of individual works. The site engineer i.e. performance manager shall be responsible for the implementation of the obligations referred to in Article 110 of this Act.
- (2) If two or more contractors are participating in the construction, the investor shall appoint the principal contractor in charge of mutual coordination of activities, who will in turn be responsible for appointing the main site engineer.
- (3) The main site engineer shall be responsible for the completeness and mutual coordination of work, coordination of the implementation of the obligations referred to in Article 110 of this Act and at the same time, shall coordinate the application of regulations governing safety and health of the workers in the course of performance of the works.
- (4) The main site engineer, the site engineer and the performance manager may be natural persons meeting the requirements prescribed by the ordinance referred to in Article 112 of this Act.

Professional requirements

Article 112

Requirements to be met by legal persons developing construction designs of mining facilities and plants and the professional qualifications, licensing examination and work experience of the supervisory engineer, main site engineer, site engineer and performance manager shall be prescribed by an ordinance issued by the minister in charge of mining.

Main construction design

Article 113

- (1) The main construction design of mining facilities and plants shall represent a coherent assembly of mutually harmonised designs providing a technical solution for the construction of mining facilities and plants, in addition to providing evidence on the fulfilment of the requirements pursuant to this Act and special regulations as well as technical specifications.
- (2) The main construction design of mining facilities and plants shall be in compliance with the verified mining project.
- (3) The investor, i.e. the investor's legal successor shall provide a permanent safekeeping for the main construction design of mining facilities and plants along with the building permit.

Content of the main construction design

Article 114

(1) The main construction design of mining facilities and plants, depending on the type of the mining facility and plant in question, shall contain the following:

- technical and technological design,
- mechanical engineering design,
- construction design,
- electrical engineering design,
- land surveying design,
- fire protection measures,
- measures for occupational safety and health,
- nature and environmental protection measures,
- cost estimate for the planned works.

(2) The designs referred to in paragraph 1 of this Article shall also present the manner in which the technical solution fits in the existing verified mining project documentation, the planned life-cycle of use of the mining facilities and plants, and the maintenance requirements.

Detailed construction design and as-built drawings

Article 115

(1) The detailed construction design of mining facilities and plants shall elaborate the technical solution given in the main construction design of the mining facilities and plants. The detailed construction design of mining facilities and plants shall be prepared in conformity with the main construction design of mining facilities and plants.

(2) As-built drawings, with all incorporated amendments as to the main construction design, and the detailed construction design of mining facilities and plants shall be kept by the investor, i.e. the investor's legal successor for the entire period of use of the mining facilities and plants.

Ordinance on the mandatory content of construction designs of mining facilities and plants

Article 116

The mandatory content and elements of designs for the construction of mining facilities and plants, equipping methods, conditions for amendment to the content and methods for labelling a design shall be prescribed in an ordinance issued by the minister in charge of mining.

Technical and technological unit

Article 117

A building permit shall be issued for the construction of mining facilities and plants defined in the site permit which represents a separate technical and technological unit, or for a separate technical and technological unit if pursuant to a special regulation a site permit is not required.

Request for issuance of a building permit

Article 118

(1) The building permit shall be issued on the basis of a submitted investor's request pursuant to the provisions of this Act

(2) A request submitted by the investor shall contain the following:

- three copies of the main construction design of mining facilities and plants, along with a bound site permit,
- a map with delineated borders of the exploitation field, clearly showing the land plots or position on the official navigational chart of the maritime domain covered by the building permit in question,
- a concession contract, and
- a proof that the investor is entitled to construct mining facilities and plants.

(3) The following shall be particularly deemed to be the proof referred to in paragraph 2 subparagraph 4 of this Article:

1. a registered land certificate,
2. a lease contract concluded with the owners of the land plots,
3. a contract or a decision issued by the competent state body on the basis of which the natural person or the legal person acquired the ownership, usufruct, leasehold or other relevant right enabling easement on land plots, i.e. water or maritime domain,
4. a partnership contract concluded with the owners of the land plots,
5. a written consent of the fiduciary owner given to the former owner of the land plots.

(4) By way of derogation from paragraph 2, subparagraph 1 of this Article, the main construction design of mining facilities and plants for which a special regulation prescribes that a site permit does not need to be issued, shall not include a site permit.

Procedure of issuance of a building permit

Article 119

(1) In the procedure of issuing a building permit for the construction of mining facilities and plants, the body competent for mining affairs shall obtain, from the bodies and/or persons designated by special regulations, approvals or opinions (hereinafter: certificates) on the compliance of the main construction design of mining facilities and plants with special regulations.

(2) The body competent for mining affairs shall, at the latest within thirty days from the day of receiving an orderly request for the issuance of a building permit for the construction of

mining facilities and plants, invite the bodies and/or persons designated by special regulations that participated in the issuance of the site permit for the mining facilities and plants in question, to inspect the main construction design, for the purpose of obtaining the certificates referred to in paragraph 1 of this Article on the compliance of the main construction design of mining facilities and plants with special regulations.

(3) The body competent for mining affairs shall also invite other state administration bodies, legal persons vested with public authorities and independent experts for the purpose of obtaining the certificates referred to in paragraph 1 of this Article.

(4) The investor and the responsible designer shall be present at the inspection of the main construction design of mining facilities and plants.

(5) The certificate referred to in paragraph 1 of this Article shall be considered to be issued if the bodies and/or persons referred to in paragraphs 2 and 3 of this Article give their comments orally in the course of inspection of the main construction design of mining facilities and plants, or subsequently provide comments in writing within a set deadline.

(6) If the bodies and/or persons designated by special regulations, on the occasion of the inspection of the main construction design of mining facilities and plants or subsequently at the latest within fifteen days from the day the inspection was held, establish that the main construction design of mining facilities and plants is not in compliance with the provisions of special regulations, the body competent for mining affairs shall issue a conclusion to the investor defining an appropriate deadline for bringing the design into compliance. If the investor does not take appropriate actions in accordance with the issued conclusion, the body competent for mining affairs shall reject the request for issuance of the building permit for the construction of mining facilities and plants.

(7) If the investor acts pursuant to the conclusion referred to in paragraph 6 of this Article, the body competent for mining affairs will again act pursuant to paragraphs 2 and 3 of this Article. If a body and/or a person, designated under special regulations, respond to a repeated invitation to the inspection of the main construction design of mining facilities and plants and on that occasion establish that the main construction design of mining facilities and plants has not been brought in line with the provisions of special regulations, they shall make a written statement thereof and deliver it to the investor and the body competent for mining affairs within fifteen days, at the latest, from the day of the repeated inspection of the main construction design of mining facilities and plants.

(8) The certificate referred to in paragraph 1 of this Article shall be considered to be issued, i.e. it shall be considered that the main construction design of mining facilities and plants is in compliance with the provisions of special regulations, also if the bodies and/or persons referred to in paragraphs 2 and 3 of this Article do not respond to the invitation for the inspection of the main construction design of mining facilities and plants or do not give their comments in the course of inspection or subsequently within the set deadline, or if they do not, after the repeated inspection of the main construction design of mining facilities and plants, submit to the body competent for mining affairs the written statement referred to in paragraph 7 of this Article.

Obligation to reimburse the costs

If the inspection of the main construction design of mining facilities and plants is carried out outside the place of the seat or branch-office of the competent body or the seat of the person designated by special regulations, the investor shall refund that body or person the travelling costs and per diem expenses of invited representatives of the body and/or persons in the amount laid down by special regulations.

Establishment of requirements for issuance of a building permit

Article 121

(1) In the procedure of issuance of a building permit for construction of mining facilities and plants, it shall be established that:

- the main construction design of mining facilities and plants has been developed in accordance with the site permit and the concession contract,
- the main construction design of mining facilities and plants has been developed in accordance with the provisions of this Act, regulations adopted on the basis of this Act and regulations adopted on the basis of special acts,
- the certificates of the bodies and/or persons referred to in Article 119 of this Act have been obtained,
- the documents referred to in Article 118 of this Act have been enclosed to the request for issuance of the building permit for construction of mining facilities and plants.

(2) If the requirements stipulated by this Act have been met and following the investor's submission of proof of settled utility and water charges and the building fee in line with a special act, the body competent for mining affairs shall issue a building permit for construction of mining facilities and plants within 60 days.

(3) If the body competent for mining affairs establishes that the stipulated requirements for issuance of a building permit for construction of mining facilities and plants have not been met, the investor shall be issued a conclusion setting an appropriate deadline to meet these requirements, which may not be longer than 30 days.

(4) If the investor has not met the stipulated requirements within the deadline set in the conclusion referred to in paragraph 3 of this Article, the body competent for mining affairs shall issue a decision declining the request for the issuance of a building permit for construction of mining facilities and plants.

(5) The building permit for construction of mining facilities and plants shall cease to be valid if the investor does not commence construction of the mining facilities and plants within two years from the date of issuance of the building permit.

(6) The validity of the building permit for construction of mining facilities and plants shall be prolonged once by two more years at the investor's request if the conditions established in line with the provisions of this Act and other conditions on the basis of which the building permit was issued have not changed.

(7) The body competent for mining affairs shall provide a permanent safekeeping for the main construction design of mining facilities and plants and the building permit for construction of mining facilities and plants.

Obligation to submit notification of the commencement of construction

Article 122

(1) At least 15 days prior to the commencement of construction of mining facilities and plants or the continuation of construction activities after discontinuation lasting longer than three months, the investor shall submit a written notification on the commencement of construction of mining facilities and plants or the continuation of construction activities to the State Inspector's Office and to all the entities listed in the building permit for the construction of mining facilities and plants.

(2) In case of discontinuation of construction of mining facilities and plants, the investor shall undertake measures for the purpose of securing the mining facilities and plants and the neighbouring buildings, land and other items.

Securing mining facilities and plants

Article 123

During construction, mining facilities and plants shall be secured in a manner that meets stipulated fire and explosion protection measures, occupational safety and health measures and all other human health, nature and environmental protection measures.

Documents which the contractor shall keep on the construction site

Article 124

(1) During construction of mining facilities and plants, the contractor shall keep the following documents on the construction site:

- decision on entry into the court register or a craftsmen licence,
- document on the appointment of the main site engineer, site engineer or performance manager,
- document on the appointment of the supervisory engineer or main supervisory engineer,
- building permit for construction of the mining facilities and plants along with the main construction design of the mining facilities and plants,
- detailed construction designs of the mining facilities and plants,
- construction site logbook,
- proof of quality of the executed works and of the usability of incorporated products and equipment,
- other documentation, permits and approvals, as laid down by special regulations, which the investor shall keep on the mining facilities and plants' construction site after the commencement of construction.

(2) The form, requirements and manner of keeping the construction site logbook for mining facilities and plants shall be defined by an ordinance issued by the minister in charge of mining.

(3) Following finalisation of construction of mining facilities and plants, the investor or the investor's legal successor shall provide a permanent safekeeping for the documentation referred to in paragraph 1 of this Article.

Approval for use

Article 125

(1) Mining facilities and plants may be put into use, i.e. into operation after the body competent for mining affairs has issued an approval for use.

(2) The approval for use shall be issued by the body competent for mining affairs after the technical inspection has established that the mining facilities and plants have been constructed in line with the building permit.

(3) The approval for use for mining facilities and plants for which, in line with special regulations, integrated requirements for nature and environmental protection are established, shall cease to be valid in the part referring to these requirements, within the deadline and under the conditions laid down in the said regulation.

Treatment of illegally constructed mining facilities and plants

Article 126

For the purpose of this Act, illegally constructed mining facilities and plants are new mining facilities and plants or reconstructed parts of the existing mining facilities and plants referred to in Article 13 of this Act which have been constructed without a legal act approving their construction or contrary to such a legal act, and which are recorded on a digital orthophoto map (DOF 5) in the scale 1:5 000 of the State Geodetic Directorate made on the basis of the aerial photogrammetric imaging of the Republic of Croatia of 21 June 2011, if all construction and other works had been carried out by that day, if the mining facilities and plants are used or may be used and if they are, with regard to their purpose, size and location, constructed in line with the physical plan which is in force on the day of the entry into force of this Act.

Basic conditions for legalisation of illegally constructed mining facilities and plants

Article 127

(1) Under the conditions and in the procedure stipulated by this Act, illegally constructed mining facilities and plants which are, with regard to their purpose, size and location, constructed in line with the physical plan, which is in force on the day of the entry into force of this Act, shall be legalised unless their legalisation is ruled out by paragraph 3 of this Article.

(2) Under the conditions and in the procedure stipulated by this Act, illegally constructed mining facilities and plants which are not, with regard to their purpose, size and location, constructed in line with the physical plan, which is in force on the day of the entry into force of this Act, shall also be legalised unless their legalisation is ruled out by paragraph 3 of this Article and provided that consents of the competent public legal bodies have been issued.

(3) The provisions of this Act shall not refer to the illegally constructed mining facilities and plants located in an area where according to physical planning documents there are obstacles for the execution of mining activities.

Procedure of legalisation of illegally constructed mining facilities and plants

Article 128

(1) Illegally constructed mining facilities and plants shall be legalised by means of issuance of an approval for use in line with the provisions of this Act.

(2) Request submitted by the investor for issuance of an approval for use with regard to illegally constructed mining facilities and plants shall contain the following:

– a declaration issued by the ministry competent for physical planning stating that in the physical planning documents there are no obstacles for issuance of an approval for use with regard to illegally constructed mining facilities and plants;

– relevant documents referred to in Articles 118 and 130 of this Act, as well as other documents, licences and approvals which the investor shall have at mining facilities and plants in accordance with the obligation prescribed by special regulations;

– a map with delineated borders of the exploitation field, clearly showing the land plots or locations at the official navigational chart of the maritime domain covered by the building permit in question;

– the survey location plan of the as-built drawings for the constructed mining facilities and plants, certified by the cadastral office as part of the land-survey study;

– a concession contract;

– a proof that the investor is entitled to construct mining facilities and plants;

– a proof of settled utility and water charges and the building fee pursuant to a special act.

(3) The following shall particularly be deemed to be the proof referred to in paragraph 2 subparagraph 6 of this Article:

1. a registered land certificate,

2. a lease contract concluded with the owners of the land plots,

3. a contract or a decision issued by the competent state body on the basis of which the natural person or the legal person acquired the ownership, usufruct, leasehold or other relevant right enabling easement on land plots, i.e. water or maritime domain,

4. a partnership contract concluded with the owners of the land plots,

5. a written consent of the fiduciary owner given to the former owner of the land plots.

Article 129

(1) Investor's request for issuance of an approval for use with regard to illegally constructed mining facilities and plants shall be submitted by 31 December 2013 at the latest; upon expiry of the said deadline, it shall no longer be possible to submit it.

(2) Requests for issuance of an approval for use with regard to illegally constructed mining facilities and plants submitted after 31 December 2013 shall be rejected by a decision.

Request for issuance of an approval for use

Article 130

- (1) An approval for use shall be issued on the basis of a submitted investor's request, pursuant to the provisions of this Act.
- (2) A request submitted by the investor shall contain the following:
 - a building permit for construction of the mining facilities and plants,
 - data on the participants in the construction of the mining facilities and plants,
 - contractor's written statement on the executed works and on the maintenance requirements for the mining facilities and plants,
 - list of evidence on the quality of executed works and the usability of incorporated products and equipment,
 - recapitulation of the attesting and technical documentation,
 - final report by the supervisory engineers on the execution of mining facilities and plants,
 - as-built drawings.

Technical inspection of mining facilities and plants

Article 131

- (1) The body competent for mining affairs shall within 30 days from the date of receipt of an orderly request for the issuance of an approval for use carry out technical inspection of mining facilities and plants.
- (2) If the request is incomplete, the body competent for mining affairs shall ask for the request to be supplemented within 30 days from the day of receipt of the request.
- (3) The technical inspection shall be carried out by the commission appointed by the body competent for mining affairs.
- (4) The body competent for mining affairs shall appoint the chairperson of the commission and specify bodies and persons designated by special regulations that are to select their representative as a member of the commission.
- (5) The chairperson and members of the commission shall be experts and representatives of the bodies and persons designated by special regulations that have issued the certificates referred to in Article 119 of this Act, representatives of other state administration bodies and legal persons vested with public authorities and independent experts appointed by the founder of the commission.
- (6) The bodies and persons referred to in paragraph 4 of this Article shall ensure participation of their representative in the work of the commission.
- (7) The manner in which technical inspection is carried out, the content of the contractor's written statement on executed works and conditions of maintenance of mining facilities and plants, as well as the content of the final report to be drawn up by the supervisory engineer shall be prescribed by an ordinance of the minister in charge of mining.

Article 132

- (1) The body competent for mining affairs shall invite persons involved in the construction of mining facilities and plants, whose presence is crucial for carrying out the technical inspection, to attend the technical inspection. The persons involved in the construction of mining facilities and plants who have been invited shall respond to the invitation and participate in the work of the commission.
- (2) The body competent for mining affairs shall notify the investor of the place, date and hour of carrying out of the technical inspection. The investor shall ensure that the persons involved in the construction of mining facilities and plants are present at the technical inspection.
- (3) The chairperson of the commission shall draw up minutes on the performed technical inspection, which shall also include the opinion of the members of the commission on whether the constructed mining facilities and plants may be used or the detected inadequacies shall be eliminated as the prerequisite for issuance of an approval for use.
- (4) If a representative of a body or of person designated by special regulations was not present at the technical inspection, and has not submitted the opinion referred to in paragraph 3 of this Article to the body competent for mining affairs within eight days from the day when the technical inspection was performed, it shall be considered that the opinion of the said body or person has been given in the sense that the mining facilities and plants may be used and that the approval for use may be issued.

Investor's obligations regarding technical inspection

Article 133

The investor shall, by the date of technical inspection at the latest, submit the following to the technical inspection commission:

- the documents referred to in Articles 118 and 130 of this Act, as well as other documents, licences and approvals which the investor shall keep at mining facilities and plants in accordance with the obligation prescribed by special regulations;
- the survey location plan of the as-built drawings for the constructed mining facilities and plants, in accordance with the issued document certified as part of the land-survey study by the cadastral office for the land area, and by the Hydrographic Institute of the Republic of Croatia for the maritime area.

Issuance of an approval for use

Article 134

- (1) The body competent for mining affairs shall issue an approval for use for constructed mining facilities and plants within 30 days following the performed technical inspection, if the technical inspection commission has submitted an opinion confirming that the mining facilities and plants may be used.
- (2) An application for the issuance of an approval for use shall be rejected by virtue of a decision if:

- the mining facilities and plants are constructed contrary to the building permit for the construction of mining facilities and plants,
- the defects found are not eliminated within 90 days from the date of completion of the technical inspection,
- a procedure for quashing the building permit for the construction of mining facilities and plants is underway,
- a procedure by the State Inspector's Office related to the suspension of construction or removal of the mining facilities and plants is underway,
- the mining facilities and plants are not left in an orderly state after their construction.

Obligation of reimbursement of technical inspection costs

Article 135

If technical inspection is carried out outside the place of the seat or branch-office of the body competent for mining affairs, i.e. the seat of the person designated by special regulations, the investor shall refund that body or person the travelling costs and per diem expenses of members of the technical inspection commission in the amount laid down by special regulations.

Delivery of an approval for use

Article 136

(1) Within 15 days from the day when the approval for use of mining facilities and plants became enforceable, the investor shall deliver it to the competent cadastral office for the purpose of entering the mining facilities and plants into the cadastral register.

(2) In the case referred to in Article 87 paragraph 10 of this Act, the investor shall, within 15 days from the day when the decision on deleting the mining facilities and plants from the register of exploitation fields kept by the ministry competent for mining became enforceable, deliver the said decision to the competent cadastral office for the purpose of deletion of the mining facilities and plants from the cadastral register.

Liability for maintenance of mining facilities and plants

Article 137

(1) The investor shall be liable for maintenance of mining facilities and plants.

(2) In case of damage to the mining facilities and plants which may pose a threat to the life and health of people, nature and the environment, other constructions and objects or the stability of the surrounding land, the investor shall undertake urgent measures for eliminating such threats and mark such mining facilities and plants as hazardous until such damage is removed.

Obligation to submit notification of the commencement of an approval for use realisation

Article 138

The investors that have been issued an approval for use of mining facilities and plants shall at least 15 days prior to the commencement of use of the mining facilities and plants notify the State Inspector's Office and all the entities specified in the approval for use of the mining facilities and plants on the commencing a realisation of the approval for use of the mining facilities and plants.

Standardised mining plants

Article 139

Standardised mining plants for execution of mining activities may be used in an exploration area or on an exploitation field, in line with decisions from the verified mining project, in accordance with regulations on occupational safety and health.

VI MINING PLANS AND MINING MEASUREMENTS

Obligations with regard to mining plans and measurements

Article 140

A mining economic entity shall, on the basis of measurements, draw up and supplement plans, i.e. maps from which the status of mining activities and mining facilities, their mutual position, the position of mining activities and mining facilities in relation to old mining activities and mining facilities, and in relation to other facilities on the surface may be determined.

Obligatory documents

Article 141

(1) A mining economic entity shall have the following:

1. a site plan of the exploration area or of the exploitation field,
2. a registered certificate from the cadastral plan and/or location on the official navigation chart with delineated borders of the exploration area or of the exploitation field with the scope of certified mineral raw materials,
3. a geological map of the exploration area or of the exploitation field and its surroundings, and the characteristic geological profiles.

(2) The mining economic entity referred to in paragraph 1 of this Article shall also have other documents regulated by this Act and special regulations.

Preparation of a location plan of the exploration field/the exploitation field

Article 142

(1) A mining economic entity shall, at least once a year, draw up a location plan of the exploration area/exploitation field showing the status of the mining activities per 31 December.

(2) The location plan of the exploration area/exploitation field referred to in paragraph 1 of this Article shall be drawn up by authorised persons with appropriate professional qualifications.

Certified measurement records

Article 143

(1) A mining economic entity shall keep certified measurement records of all the measurements performed.

(2) Measurement records shall be verified according to the regulations on verification of business records. Measurement records may also be kept in the electronic format.

(3) The site plan of the exploration area or the exploitation field and the mining measurements that serve as the basis for preparation of the mining plans shall be connected to the state land survey system.

VII TREATMENT OF MINERAL RAW MATERIALS DURING CONSTRUCTION ACTIVITIES

Article 144

(1) Where during the building of constructions which are built pursuant to provisions of building regulations there remains a surplus of excavated materials which will not be incorporated into the constructions in question and which contains mineral raw materials, the investor shall place the surplus of excavated materials at the disposal of the Republic of Croatia as its legal owner.

(2) Whether the excavated materials represent mineral raw materials shall be established on the basis of samples obtained during geomechanical exploration of the ground.

(3) All investors of constructions for which an obligatory inspection with regard to mechanical resistance and the stability of the constructions and the formation soil of the main construction design has been stipulated by a special regulation, shall within 30 days before commencement of the activities, notify the body in charge of state property management and the State Inspector's Office of the surplus of excavated materials which will remain in the course of construction, in line with the main construction design and the cost estimate.

(4) The body in charge of state property management shall establish records of reported surpluses of excavated materials according to county areas within 30 days from the day of the entry into force of this Act.

(5) Quantities of mineral raw materials shall be continuously recorded and controlled, starting from their takeover until their final disposal (sale, incorporation into another construction, etc.). The records referred to in paragraph 4 of this Article shall contain all these data, including the name of the person who conducted control.

(6) The procedure, method of establishment and sale or disposal of the mineral raw materials referred to in paragraph 1 of this Act shall be stipulated in an ordinance passed by the minister in charge of mining.

VIII SINGLE INFORMATION SYSTEM OF MINERAL RAW MATERIALS OF THE REPUBLIC OF CROATIA

Obligation to maintain the register, its constituent parts and records

Article 145

(1) For the purpose of sustainable management and protection of mineral raw materials, the ministry competent for mining shall keep a single information system of mineral raw materials of the Republic of Croatia.

(2) The bodies competent for mining affairs shall keep the register of exploration areas and the register of exploitation fields, as well as records on all requested exploration areas / exploitation fields, a collection of documents, and a list of mining economic entities.

(3) For the mineral raw materials referred to in Article 5 point 3 of this Act, the body competent for mining affairs shall deliver the data and files collected pursuant to the provision of paragraph 2 of this Article, upon their receipt or issuance, to the ministry competent for mining.

(4) The ministry competent for mining shall each year publish and submit to the European Commission a report containing the following:

- information on geographical areas which are open for exploration and exploitation of hydrocarbons,
- a list of mining economic entities,
- data on the established reserves of hydrocarbons in the Republic of Croatia.

Ordinance on the single information system and on the registers

Article 146

The single information system of mineral raw materials, the register of exploration areas, the register of exploitation fields, the method of keeping records on requested exploration areas and/or exploitation fields, the method of keeping the collection of documents and the list of mining economic entities shall be prescribed in an ordinance passed by the minister in charge of mining.

IX QUALIFICATIONS REQUIRED FOR THE PERFORMANCE OF SPECIFIC ACTIVITIES

Requirements for tasks and duties of expert management

Article 147

- (1) Tasks and duties of expert management when performing mining activities, supervision, independent mining measuring, independent handling of explosives and other activities related to the execution of mining activities shall be performed solely by workers who, with regard to the level and type of their professional qualifications, passed licensing examination and work experience, fulfil the conditions prescribed by an ordinance referred to in Article 149 of this Act.
- (2) Persons in charge of preparation of studies on mineral raw material reserves, verification of studies on mineral raw material reserves, development of mining projects and verification of mining projects shall pass the licensing examination and improve and perfect their knowledge.
- (3) The licensing examination referred to in paragraphs 1 and 2 of this Article shall include testing of knowledge on applicable regulations in the area of mining, geology, labour legislation and other regulations of importance for the mining sector.
- (4) The licensing examination referred to in paragraphs 1 and 2 of this Article shall be taken in the premises of the ministry competent for mining. The examination shall be conducted by the examination commission for licensing examinations, set up by the minister in charge of mining.
- (5) Members of the examination commission referred to in paragraph 4 of this Article shall be appointed by a decision issued by the minister in charge of mining from among employees of the ministry competent for mining and from the ranks of scientists and experts in the area of mining.
- (6) The person applying for the licensing examination shall settle the expenses of the examination commission referred to in paragraph 5 of this Article.

Obligation of professional training and testing of professional abilities

Article 148

- (1) Persons employed on jobs which, pursuant to the provisions of this Act, require appropriate professional qualifications and work experience, shall improve and perfect their professional knowledge.
- (2) Mining economic entities performing mining activities shall organise testing of professional abilities of employees assigned to jobs which, pursuant to the provisions of this Act, require appropriate professional qualifications and work experience.

Licensing examination

Article 149

The syllabus, conditions and method of taking the licensing examination, the organisation and method of work of the examination commission for licensing examinations, the applications of persons taking licensing examinations, the requirements to be fulfilled for the taking of

licensing examinations, and other issues concerning professional qualifications, testing of professional qualifications and professional training shall be prescribed by an ordinance passed by the minister in charge of mining.

X OCCUPATIONAL SAFETY AND HEALTH MEASURES

Implementation of occupational safety and health measures

Article 150

A mining economic entity shall implement occupational safety and health measures pursuant to the provisions of this Act, regulations on occupational safety and health and regulations that stipulate conditions for safety at work, environmental and nature protection and health of workers engaged in the execution of mining activities.

Measures for the protection of lives and health of people, protection of property, nature and the environment

Article 151

(1) When mining activities are executed, mining economic entities shall also implement measures necessary for the protection of lives and health of people and protection of property, nature and the environment in accordance with the applicable regulations.

(2) When mining activities are executed, mining economic entities shall keep a mining supervision log where all the orders issued by mining inspectors and the responsible technical personnel for the purpose of preventing immediate threats to lives and health of people and protection of property shall be entered.

(3) Persons possessing or owning the land plots and facilities located in the exploration areas and on exploitation fields, as well as other citizens, when moving and working in the exploration areas and on exploitation fields, shall adhere to protection measures and instructions of the mining economic entities.

Rescue team and fire-fighting unit

Article 152

(1) Mining economic entities shall, according to their specific circumstances, organise a rescue team and fire-fighting unit and provide them with necessary equipment in line with special regulations.

(2) Duties and tasks of the rescue team and fire-fighting unit shall be performed by workers specially qualified for these activities.

Obligations of subcontractors with regard to occupational safety and health regulations

Article 153

- (1) If, for the needs of the mining economic entity, mining activities are executed by one or several other natural persons or legal persons, the employees of these persons shall, before commencement of the activities, inform themselves on occupational safety and health regulations and measures and on the dangers that may occur during the execution of the activities.
- (2) The persons referred to in paragraph 1 of this Article shall, when executing mining activities, act pursuant to the provisions of this Act.
- (3) Supervision of implementation of the prescribed technical standards and occupational safety and health measures shall be carried out by specially appointed workers employed with the natural persons or legal persons executing the activities, in addition to the workers in charge employed with the natural and legal persons for whose needs these activities are executed.
- (4) Mutual relations of the natural persons and legal persons referred to in paragraphs 1 and 3 of this Article shall be regulated in a contract.

Obligation to adhere to technical standards of measures of occupational safety and health and fire-fighting measures

Article 154

- (1) Any worker employed with a natural person or a legal person executing mining activities shall adhere to prescribed technical standards, measures of occupational safety and health and fire-fighting measures.
- (2) Natural persons, responsible persons in legal persons, other persons in charge of the execution of mining activities designated by general regulations on occupational safety and health measures, and workers supervising occupational safety and health shall have the right to temporarily suspend from work a person who has breached any of the prescribed measures and thus jeopardised personal and general safety.

Notification of danger

Article 155

- (1) Any worker employed with a natural person or a legal person executing mining activities shall as soon as possible notify the responsible worker of any occurrence of danger in the course of execution of mining activities, and especially of the appearance of explosive, suffocating and poisonous gases, of water bursts, fire bursts, rock bursts, uncontrolled eruptions of hydrocarbons or mineral and geothermal water, and of other occurrences that may endanger the safety of people, property, nature and the environment.
- (2) Natural persons and legal persons executing mining activities shall as soon as possible notify the State Inspector's Office of the occurrences referred to in paragraph 1 of this Article.

Obligation to notify competent authorities of cases of death and serious injury at work

Article 156

Natural persons and legal persons executing mining activities shall as soon as possible notify the State Inspector's Office and the competent police station of every case of death, group injury, serious injury at work and any other accident at work.

XI ADMINISTRATIVE AND INSPECTIONAL SUPERVISION

Article 157

(1) Administrative supervision of implementation of this Act and the regulations passed on the basis thereof shall be carried out by the ministry competent for mining.

(2) Inspectional supervision of implementation of this Act and the regulations passed on the basis thereof shall be carried out by the State Inspector's Office and other inspection bodies in accordance with this Act and other regulations.

Special measures during implementation of inspectional supervision

Article 158

(1) When implementing inspectional supervision, a mining inspector of the State Inspector's Office shall prohibit or order the following to the mining economic entity:

1. prohibit the execution of mining activities if irregularities and defects are of such nature that they might cause immediate danger to life and health of workers and other citizens, or serious material damage,
2. prohibit the execution of mining activities on exploration of mineral raw materials if the exploration activities are executed without a decision approving exploration of mineral raw materials or contrary to the decision approving exploration of mineral raw materials,
3. prohibit additional exploration activities on an exploitation field if it is found that the mining activities are executed without a decision approving additional exploration activities on the exploitation field or contrary to the decision approving additional exploration activities on the exploitation field,
4. prohibit the execution of mining activities on exploration of mineral raw materials, if it is found that the mining activities are executed without a concession contract or contrary to the concession contract and the verified mining documents listed in the concession contract,
5. prohibit the execution of mining activities on exploitation field under simplified mining project if it is found that the mining activities are executed without a certificate referred to in Article 96, paragraph 4 of this Act,
6. prohibit the execution of mining activities if a person fulfilling the conditions prescribed by this Act for the duties of the manager in charge of the execution of mining activities is not employed,
7. order a discontinuation of the construction of mining facilities and plants if they are constructed without a building permit or if the activities are not executed in line with the building permit,
8. prohibit the use of mining facilities and plants if they are used without an approval for use or if they are not used in conformity with the approval for use,

9. order removal of the mining facilities and plants or parts thereof referred to in Article 13 of this Act:

- if they are being or have been constructed without a building permit or if they are not constructed in line with the building permit,
- if they are being or have been constructed without required mining documentation regulated under this Act,

10. prohibit a person to perform activities of the manager in charge of execution of mining activities, supervision, independent mining measuring, handling of explosive materials, handling of mining machinery and plants and performing other actions when executing mining activities if this person does not fulfil the conditions prescribed by this Act,

11. prohibit the use of mining machinery or plants without an obtained certificate of their proper operation.

(2) When implementing inspection supervision, a mining inspector of the State Inspector's Office shall issue the following decisions to natural persons and legal persons:

- a decision prohibiting the execution of mining activities of mineral raw materials exploration if the exploration activities are executed without the decision approving exploration of mineral raw materials,
- a decision prohibiting additional exploration activities on an exploitation field if it is found that the activities are executed without the decision approving additional exploration activities on the exploitation field,
- a decision prohibiting the execution of mining activities of mineral raw materials exploitation if it is found that the activities are executed without a concession contract,
- a decision ordering the investor to place the surplus of mineral raw materials excavated in the course of building of the construction in line with building regulations, which cannot be incorporated in the construction of that structure, at the disposal of the Republic of Croatia pursuant to this Act.

(3) An appeal against the decision of the State Inspector's Office referred to in paragraphs 1 and 2 of this Article shall not postpone the execution of the decision.

Elimination of established defects

Article 159

In addition to the measures of prohibition referred to in Article 158 of this Act, if a mining inspector of the State Inspector's Office, while carrying out inspection supervision, establishes violation of provisions of this Act or regulations passed on the basis thereof, the inspector shall, in a decision, order the natural and legal persons to eliminate the established defects or irregularities within a set deadline.

XII PENALTY PROVISIONS

Article 160

(1) A fine for a misdemeanour amounting from HRK 100 000.00 to HRK 500 000.00 shall be administered to a natural person or a legal person if they:

1. do not carry out in line with the provisions of this Act the transfer of the decisions and/or contracts obtained pursuant to the provisions of this Act,
2. perform mining activities on exploration of mineral raw materials without a decision approving exploration of mineral raw materials or contrary to the decision approving exploration of mineral raw materials,
3. execute additional exploration activities in an exploitation field without a decision approving additional exploration activities on the exploitation field or contrary to the decision approving additional exploration activities on the exploitation field,
4. execute mining activities of mineral raw materials exploitation without a concession contract or contrary to the concession contract and the verified mining documents listed in the concession contract,
5. do not notify of the commencement and termination of execution of mining activities in an exploration area in line with the decision approving exploration of mineral raw materials,
6. fail to submit a proof of the calculated and paid amounts of the concession fee within the deadline laid down in this Act,
7. during experimental exploitation of mineral raw materials, excavate or recover a larger quantity of mineral raw materials than the one laid down in the decision approving exploration of mineral raw materials or the decision approving additional exploration activities on the exploitation field,
8. do not treat the mineral raw materials excavated or recovered during experimental exploitation of mineral raw materials in line with the provisions of Article 68 of this Act,
9. during the execution of mining activities and upon the termination or permanent discontinuation of mining activities do not take all the necessary security measures and/or do not execute rehabilitation of the land where the mining activities were carried out,
10. do not notify of the commencement and termination of approved mining activities on an exploitation field in line with the decision approving additional exploration activities on the exploitation field or with the concession contract,
11. while constructing a structure which is constructed in line with building regulations, do not place the surplus of the excavated materials representing mineral raw materials at the disposal of the Republic of Croatia, and/or do not indicate the mineral raw materials which cannot be incorporated in the construction of that structure in the detailed design,
12. construct mining facilities and plants without a building permit,
13. use mining facilities and plants without an approval for use,
14. do not submit data to the ministry competent for mining in line with the provision of Article 51 of this Act,
15. do not submit data in line with the provision of Article 167, paragraph 9 of this Act.

(2) A responsible person in a legal person shall also be fined for the misdemeanours referred to in paragraph 1 of this Article, in the amount from HRK 10 000.00 to HRK 50 000.00.

Article 161

(1) A fine for a misdemeanour amounting from HRK 50 000.00 to HRK 250 000.00 shall be administered to a natural person or a legal person if they:

1. during the execution of mining activities do not submit semi-annual reports on the executed mining activities in the exploration area to the body competent for mining affairs,
2. within the set deadline, do not submit the commission for determination of mineral raw material reserves the documents on mineral raw material reserves,
3. do not submit the data specified in Article 57 of this Act to the ministry competent for mining within the set deadline,
4. upon complete and permanent discontinuation of mining activities on an exploitation field, do not submit for safekeeping all the mining plans and drawings, measurement records and other documents on the status of the mining activities at the time of complete and permanent discontinuation of the mining activities to the ministry competent for mining,
5. on the basis of measurements do not draw up or supplement the plans, i.e. maps from which the status of the mining activities and mining facilities and their mutual position may be determined, and if they do not have a location plan of the exploration area/exploitation field showing the status of the mining activities on 31 December drawn up by authorised persons with appropriate professional qualifications,
6. execute mining activities at the exploitation field under simplified mining project without the certificate referred to in Article 96, paragraph 4 of this Act.

(2) A responsible person in a legal person shall also be fined for the misdemeanours referred to in paragraph 1 of this Article, in the amount from HRK 5 000.00 to HRK 25 000.00.

Article 162

(1) A fine for a misdemeanour amounting from HRK 25 000.00 to HRK 150 000.00 shall be administered to a natural person or a legal person if they:

1. do not appoint a manager in charge of the execution of mining activities in the exploration area, pursuant to the provisions of Article 40 paragraph 2 of this Act,
2. do not appoint a manager in charge of the execution of mining activities on the exploitation field, pursuant to the provisions of Article 82 of this Act,
3. within 24 hours from the discontinuation of mining activities do not submit a notification that the execution of mining activities has to be temporarily discontinued due to unforeseen circumstances, or if they, 15 days prior to the temporary discontinuation of mining activities that has been planned in advance, or at least 15 days prior to the complete and permanent discontinuation of mining activities on the exploitation field, do not submit a notification thereof to the State Inspector's Office, the body competent for mining affairs, the ministry competent for maritime affairs if the mining activities are carried out in the waterways,
4. do not submit notification of the commencement of construction of mining facilities and plants, or of the continuation of execution of the activities after their suspension, within the set deadline,
5. do not submit notification of the commencement of use of mining facilities and plants within the set deadline,

6. assign persons to perform activities of the manager in charge of execution of mining activities, supervision, independent mining measuring, handling of explosive materials, handling of mining machinery and plants and performing other actions when executing mining activities, who do not fulfil the conditions prescribed by this Act,
7. do not keep a mining supervision log pursuant to the provisions of this Act.

(2) A responsible person in a legal person shall also be fined for the misdemeanours referred to in paragraph 1 of this Article, in the amount from HRK 2 500.00 to HRK 15 000.00.

Article 163

For the misdemeanours referred to in Article 160, paragraph 1, points 1, 2, 3, 4, 7 and 8 of this Act, the following measures shall be pronounced in addition to the fine:

- protective measure of seizing the items which were intended to be used or which were used for committing the misdemeanour or which were made by committing the misdemeanour, regardless of whether they belong to the perpetrator or not;
- measure of confiscation of pecuniary gain acquired by unlawful activity.

Illegal exploitation

Article 164

For the purpose of this Act, illegal exploitation means any exploitation of mineral raw materials without valid documentation prescribed by the Act or contrary to the valid documentation, and in particular the following:

1. exploitation of mineral raw materials within the framework of mineral raw materials exploration, except when it is permitted by a decision approving exploration of mineral raw materials;
2. exploitation of mineral raw materials within the framework of additional exploration activities on an exploitation field, except when it is permitted by a decision approving additional exploration activities on the exploitation field;
3. sale of the mineral raw materials excavated during experimental exploitation of mineral raw materials, with the exception of the mineral raw materials referred to in Article 5 point 1 of this Act recovered during experimental exploitation of mineral raw materials, if the fee for the recovered amounts of hydrocarbons has not been paid;
4. exploitation of mineral raw materials outside the borders of project solutions contained in the verified mining projects on the basis of which concession has been granted;
5. exploitation of mineral raw materials on land plots on which concession was not granted and/or outside the scope determined by the verified mining project on the basis of which the concession was granted or contrary to the concession contract for exploitation of mineral raw materials.

Obligation of damage compensation

Article 165

(1) A natural person or a legal person that executed mining activities without a legal basis shall compensate for the damage due to illegal execution of the activities caused to the Republic of Croatia as the legal owner of the mineral resources or the land owner or the

competent authority on a public good, and for all the damage on roads, nature and in the environment caused by reduction in the value and quality of the nature and landscape, except where evidence may be produced that the damage was caused by force majeure, by an action of the injured party or a third person.

(2) The abovementioned refers also to mining economic entities that possess all the documents stipulated by law but execute activities outside the borders of the verified mining project on the basis of which the concession for exploitation of mineral raw materials was granted, regardless of whether the activities were carried out within or outside an exploitation field.

(3) Compensation of the damage caused by alienation of mineral raw materials shall be calculated according to the table of market values of raw materials for certain areas, which shall be prescribed in a regulation by the Government of the Republic of Croatia, depending on market trends. The market value of mineral raw materials shall be determined on a biannual basis.

(4) Compensation of other aspects of damage shall be calculated in the manner prescribed by the rules of the law of obligations and special regulations.

(5) On the basis of minutes on the conducted supervision, the competent mining inspector of the State Inspector's Office shall determine the quantities of illegally excavated or recovered mineral raw materials.

XIII TRANSITIONAL AND FINAL PROVISIONS

Replacement of approvals on the execution of mining activities with decisions on granting a concession

Article 166

(1) If a natural person or a legal person acquired the right to exploit mineral raw materials on the basis of a legally valid act – approval for execution of mining activities issued according to regulations which were previously in force, the approval in question shall be replaced by a decision on granting concession for the purpose of alignment with regulations on concessions and provisions of this Act until the expiry of the set deadline of the approval in question.

(2) If the approval does not specify the deadline by which mining activities may be executed, the remaining time period shall be determined in a decision in line with the verified mining projects on the basis of which the decision was issued, and this time period may not exceed 40 years.

(3) On the basis of the decision replacing the approval for concession, the body competent for mining affairs shall conclude a concession contract.

(4) The body competent for mining affairs shall conduct the procedure referred to in paragraph 3 of this Article within two years from the day of the entry into force of this Act.

(5) Where prior to the entry into force of this Act the approval was already replaced by a concession without a legal basis, without public tendering procedure, such concession shall not be legally effective and it shall be deemed that the approval for the execution of mining activities is still in force.

(6) A concession contract concluded as part of implementation of this Article shall be submitted to the register of concessions kept by the ministry competent for financial affairs.

Acquired rights

Article 167

(1) In the areas where exploitation is prohibited on the basis of statutory regulations or secondary legislation (e.g. amendments to physical plans, protected coastal area, expansion of borders of legally protected area, etc.), for the locations on which a mining economic entity was already granted a concession, a mining concession or an approval for the execution of mining activities pursuant to a formerly effective regulation prior to the setting of prohibition, the mining economic entity in question shall be entitled to continue exploitation unless the Republic of Croatia and/or local/regional self-government units issue a decision revoking the concession and deliver the said decision to the body competent for mining affairs.

(2) In the event referred to in paragraph 1 of this Article, the public authority which demands revocation of the concession shall compensate the mining economic entity for the damage caused by loss of the right.

(3) The mining economic entity shall not have the rights referred to in paragraph 1 of this Article if the mining economic entity is only a holder of a decision approving exploration or decision approving an exploitation field, for which the concession has not been granted till the entry into force of the Mining Act (Official Gazette 75/09 and 49/11).

(4) When the deadline set in the decision approving an exploitation field issued on the basis of a former regulation expires, the exploitation field in question shall be transferred to the Republic of Croatia by virtue of the law.

(5) A natural person or a legal person that was issued a decision approving an exploitation field of mineral raw materials and that did not obtain concession for exploitation of mineral raw materials within a set deadline shall lose the right to the exploitation field upon expiry of that deadline, regardless of the time period for which the exploitation field was determined.

(6) The body competent for mining affairs which issued the decision approving an exploitation field shall notify the beneficiary of the exploitation field of the termination of the beneficiary's right.

(7) In the event referred to in paragraph 5 of this Article, the Republic of Croatia shall become the beneficiary of the exploitation field by virtue of the law.

(8) The body competent for mining affairs shall by virtue of its office delete the beneficiary of an exploitation field from the register of exploitation fields if the beneficiary in question was deleted from the court register or crafts register and shall enter the Republic of Croatia as the beneficiary of the exploitation field.

(9) Beneficiaries of exploration areas/exploitation fields shall, within 12 months from the day of the entry into force of this Act, submit data on all the mining facilities located within the approved exploration area/exploitation field of the mineral raw materials referred to in Article 5 point 1 of this Act to the ministry competent for mining, for the purpose of their entry into the register of exploration areas/exploitation fields kept by the ministry competent for mining.

(10) The deadlines set in this Article may not be prolonged, i.e. if the obligations have not been fulfilled within the deadlines set in this Article, the natural persons or legal persons shall lose the acquired rights referred to in this Article and all the acquired rights shall be transferred to the Republic of Croatia by virtue of this Act.

(11) In the event referred to in paragraph 10 of this Article, the body competent for mining affairs shall issue a decision in this regard and set a deadline not longer than three months in which the natural persons or legal persons whose acquired rights have been revoked are obliged to settle their obligations based on the concession fee.

Disposition of the exploitation fields with partially or completely finalised exploitation

Article 168

(1) If the exploitation has been completely finalised on a part of the exploitation field, and pursuant to physical plan documents it has been established that this part is to be used for another purpose (e.g. tourism, sport, recreation and other) then it may be separated from the remaining part of the exploitation field and adapted to the new purpose.

(2) Within four months from the entry into force of this Act, the State Inspector's Office will, in cooperation with the ministry competent for mining, deliver to the body competent for the state property management the list of all exploitation fields where the exploitation has been partially or completely finalised.

(3) With regard to the exploitation fields referred to in paragraph 1 of this Article, the body competent for mining affairs will issue a special decision within for months from the entry into force of this Act confirming the fact that the exploitation has been partially finalised and establishing the part that this refers to, or that the exploitation has been finalised on the entire field and will deliver this to the body competent for the state property management.

(4) After verification of the intended use of the exploitation fields from the list referred to in paragraph 2 of this Article, the body competent for the state property management will submit a detailed report to the Government of the Republic of Croatia within four months.

(5) If the Republic of Croatia is the owner of the land referred to in paragraph 1 of this Article, it shall have a free disposition of that land.

(6) The Government of the Republic of Croatia may render a special decision on the basis of which, and with regard to a particular part of the land and its adaptation to the final purpose and for the implementation of an important project, or an investment, it will announce a public tendering procedure to choose the best bidder only for the execution of mining activities for the adaptation of the land to its final purpose.

Takeover of competences

Article 169

The ministry competent for mining shall, within five years from the day of the entry into force of this Act, successively take over the competence for mineral raw materials referred to in Article 5 point 3 of this Act.

Adoption of secondary legislation

Article 170

(1) The Government of the Republic of Croatia shall adopt implementation regulations referred to in Article 77 paragraph 2 and Article 165 paragraph 3 of this Act within three months from the entry into force of this Act.

(2) The minister in charge of mining shall issue implementation regulations referred to in Article 7 paragraph 5, Article 56, Article 92, Article 100, Article 112, Article 116, Article 124 paragraph 2, Article 131 paragraph 7, Article 144 paragraph 6, Article 146 and Article 149 of this Act within twelve months from the entry into force of this Act.

(3) The minister in charge of mining shall issue an implementation regulation referred to in Article 56, paragraph 2 of this Act by 30 June 2013.

Secondary regulations remaining in force

Article 171

Pending the adoption of secondary regulations by virtue of authorisations under this Act, the following secondary regulations shall remain in force:

- Ordinance on the Cadastre of exploration areas and exploitation fields and on the method of keeping the records, collection of documents and lists of the mining companies and sole traders that have been issued approvals for exploration or exploitation of mineral raw materials (Official Gazette 44/91),
- Ordinance on the collection of data, the method of recording and establishing mineral raw material reserves and preparing a balance of these reserves (Official Gazette 48/92 and 60/92),
- Ordinance on the exploration of mineral raw materials (Official Gazette 125/98),
- Ordinance on the exploitation of mineral raw materials (Official Gazette 125/98),
- Ordinance on the procedure for establishing and certifying mineral raw material reserves (Official Gazette 140/99),
- Ordinance on the procedure for mining project verification (Official Gazette 140/99),
- Ordinance on professional qualifications for the execution of specific mining tasks (Official Gazette 9/00),
- Ordinance on the content of the long-term and annual programmes and on the content of mining projects (Official Gazette 196/03 and 6/04),
- Regulation on the concession fee for exploitation of mineral raw materials (Official Gazette 40/11),
- Regulation on the procedures regarding surplus of excavated materials representing mineral raw materials (Official Gazette 40/11).

Completion of initiated procedures

Article 172

(1) The administrative procedures initiated prior to the entry into force of this Act, and judicial or other related procedures, shall be completed pursuant to provisions of the regulations which were in force until the entry into force of this Act.

(2) The misdemeanour procedures initiated by the day of the entry into force of this Act shall be completed pursuant to the regulations according to which they were initiated.

Article 173

The Government of the Republic of Croatia shall submit a proposal of an Act establishing the Croatian Chamber of Mining, Geology and Petroleum Engineers at the latest within two years from the day of the entry into force of this Act.

Article 174

On the day of the entry into force of this Act, the Mining Act (Official Gazette 75/09 and 49/11) shall cease to have effect.

Article 175

This Act shall enter into force on the eight day after the day of its publication in the Official Gazette, except of the provisions of Article 14 paragraph 2, Article 20 paragraph 3, Article 26 paragraph 4 and Article 145 paragraph 4, which shall enter into force on the day of accession of the Republic of Croatia to the European Union.

Class: 310-06/13-01/01

Zagreb, 26 April 2013

THE CROATIAN PARLIAMENT

The President of
the Croatian
Parliament

Josip Leko, m. p.