

Pursuant to Article 95 item 3 of the Constitution of Montenegro, I hereby pass the

DECREE PROMULGATING THE LAW ON MINING

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I hereby promulgate the Law on Mining passed by the 23rd General Assembly of Montenegro at the fourth sitting of the second regular session in 2008 on 22 October 2008.

No 01-1850/2

Podgorica, 24 October 2008

The President of Montenegro

Filip Vujanović, m.p.

LAW ON MINING

I BASIC PROVISIONS

Article 1

This Law governs the conditions for and the manner of exploitation of mineral wealth, mining measurements and mining plans, professional qualifications of employees managing technical operations during exploitation, safety at work measures and environmental protection measures during execution of mining works, as well as other matters having importance for mineral resources exploitation.

Article 2

Mineral wealth, as a general-interest weal, shall be the state ownership and may be used under conditions and in the manner stipulated by law.

A fee shall be paid for the utilization of mineral wealth in accordance with law.

Article 3

Mineral wealth, for the purpose of this Law, shall be deemed to be all organic and inorganic mineral resources in solid, liquid and gaseous state located at the primary deposit, alluvium, dumpsites, as well as technogenic mineral resources created during the exploitation process (hereinafter referred to as: the mineral resources).

Article 4

For the purpose of this Law, the mineral resources shall include:

- 1) All types of coal and oil shale;
- 2) Hydrocarbons in liquid and gaseous state (oil and gas) and other natural gases;
- 3) Metallic mineral resources and usable compounds thereof;
- 4) Non-metallic mineral resources and raw materials used for the production of the construction materials;
- 5) Radioactive mineral resources;
- 6) All types of salts and saline waters
- 7) Mineral and geothermal waters used to obtain useful mineral resources and geothermal energy, as well as groundwaters related to the mining technology and gases present therein (hereinafter referred to as: the groundwaters);
- 8) Technogenic mineral resources created during the process of exploitation and processing of mineral resources.

Article 5

As used in this Law, specific terms shall have the following meaning:

- 1) Exploitation of mineral resources shall mean the execution of works concerning the opening, preparation and excavation of deposits as well as transport of mineral resources and execution of other mining works in the ground and on its surface; execution of works on the preparation of mineral resources, and in case of oil and natural gas exploitation works related to the separation of oil and gas, preparation of oil and gas at the exploitation field for transportation and storage, separation of liquefied natural gases (ethane,

- propane, butane and natural gasoline) at stripping plants and similar facilities, as well as the transportation of these resources in gathering oil pipelines and gas pipelines at the exploitation field;
- 2) Preparation of mineral resources shall mean: fining of mineral resources (crushing, screening, grinding, classification), concentration and/or separation of useful minerals from tailings (manual or automatic selection, gravitational, flotation, magnetic and electrostatic concentration, pickling of mineral resources and excavations and further preparation of solutions aimed at the concentration of useful components), dewatering of concentration or separation products (compacting, filtering and drying); processes pertaining to concentration of mineral resources and concentrates (pelletizing and briquetting), sand, gravel and stone separation, and processes of primary processing of decorative and other stone;
 - 3) Mineral resources deposit shall mean the part of the Earth's crust that contains space-delineated concentration (accumulation) of mineral resources, which is practical for use (exploitation) in terms of quantity, quality, and other features;
 - 4) Rational use of the mineral resources deposit shall mean exploitation of useful-core mineral resource with small losses, as well as exploitation of associated mineral resources located in the deposit when so economically viable;
 - 5) Open pit mine shall mean a mine with surface exploitation of the mineral resource deposit;
 - 6) Sub-surface production system (shaft) shall mean a mine for sub-surface exploitation of the mineral resource deposit;
 - 7) Dumpsite (tailings dumpsite) shall mean a mining structure where useless components obtained in the course of execution of mining works are disposed to;
 - 8) Excavation method shall mean a set of technical procedures and measures in the process obtaining (excavation) of mineral resources by applying mining works;
 - 9) Safety pillar shall mean a part of the mineral resource deposit where no exploitation is allowed, which serves to protect sub-surface or surface structures or common weal;
 - 10) Concession shall mean contract-based granting the use of mineral resources for commercial purposes;
 - 11) Reclamation shall represent mining works executed on the exploitation field aimed at rehabilitating surfaces degraded by mining works, in accordance with a mining project.

Article 6

This Law shall apply to the exploitation of mineral resources and to the construction, maintenance and use of structures and facilities for exploitation of mineral resources.

Article 7

This Law shall not apply to extraction of sand and gravel on the riparian area which does not contain elements of other mineral resources being of general interest, as well as mineral resources used for medicinal purposes.

The riparian area shall consist of bed and banks of watercourses, lakes, coastal waters, reservoirs, and other surface waters in accordance with a law that governs waters.

Article 8

Mining operation, for the purposes of this Law, shall mean the following: construction of wells, construction of adits, declines and shafts, reconstruction of mining structures and facilities; works pertaining to the preparation, opening and exploitation of deposits; works pertaining to disposal of tailing materials and depositing of useful mineral resources; works pertaining to disposal of floatation tailings; mining works executed in the course of exploration of mineral resources; works during installation, technical protection, maintenance, and works executed with the aim of the construction of structures on surface and sub-surface by using explosives and explosive devices for which the ministry in charge of construction of structures issues a building permit.

Article 9

Mining structures and facilities, for the purpose of this Law, shall be the following:

- 1) Structures and facilities within the mine directly connected to the technological process of exploitation, preparation, enrichment, improvement and processing of mineral resources;
- 2) Transport systems, industrial railways, aerial tramways, workshops for overhaul and maintenance of equipment used in the technological process for exploitation of mineral resources; roads and motor vehicles for loading and transportation of mineral resources from the place of extraction to the structures for enrichment and improvement, and of the tailings to the dumpsite, except for public traffic routes;
- 3) Structures and facilities for dewatering and ventilation of the mine;

- 4) Structures and facilities on oil and gas fields used in the process of technological exploitation and transportation of oil and gas on the exploitation field;
- 5) Main and ancillary sub-surface storage facilities for explosives and explosive devices;
- 6) Electrical energy structures and facilities used in the mining production and making an integral part with the electricity network of the mine;
- 7) Lamp rooms, changing rooms with bathrooms, premises of the rescue station, premises for accommodation and maintenance of self-rescuers and instruments for control of microclimate and mine gases.

Structures for feeding and accommodation of employees and business premises outside of the exploitation field shall not be deemed to be mining structures and facilities.

Article 10

The exploitation of mineral resources shall be performed in such manner that enables rational use of the mineral resource deposit.

Article 11

Business companies having the legal entity status (hereinafter referred to as the business companies) meeting requirements stipulated by this Law may engage in exploitation of mineral resources, preparation of the project documentation and execution of works pertaining to the construction of mining structures and facilities.

Article 12

A business company engaged in exploitation of mineral resources shall be obliged to carry out additional geological explorations aimed at updating the status of reserves within the exploitation field simultaneously with the exploitation, in line with the law governing the geological explorations.

Additional geological explorations referred to in paragraph 1 of this Article shall not be carried out when in the deposits, being part of the exploitation field, have been established mineral resources reserves in accordance with Article 40, paragraphs 3 and 4 of this Law.

Article 13

During the exploitation of mineral resources, a business company shall be obliged to attain to the rules concerning safety at work, environmental protection, protection against fire and explosions, technical regulations pertaining to such type of works and structures, and to implement measures for safety of citizens, property and environmental protection.

Article 14

A business company shall be liable for damage caused during execution of mining works, except for the damage caused as a result of the *force major* and actions of a claimant or third party.

Article 15

The ministry in charge of mining (hereinafter referred to as the Ministry) shall carry out the supervision of the application of provisions of this Law and regulations adopted pursuant to it, technical regulations concerning safety at work, environmental protection, and protection against fire and explosions during the exploitation of mineral resources.

Article 16

Regulations governing construction of structures shall also apply to the construction and reconstruction of mining structures.

II COMPETENCIES

Article 17

The Government of Montenegro (hereinafter referred to as the Government) shall:

- 1) Issue the State Plan for Exploitation of Mineral Resources and rules for implementation of measures set forth by this Plan (hereinafter referred to as the State Plan);
- 2) Stipulate detailed requirements and manner of granting the use of mineral resources;
- 3) Issue decisions on awarding mining-related concessions;

- 4) Stipulate criteria for assessing the amount of funds for rehabilitation and reclamation of the area where mining works are executed, the manner of calculation, payment and use of such funds;
- 5) Carry out other tasks in accordance with laws.

Article 18

The Ministry shall:

- 1) Stipulate the manner of carrying out of mining measurements and development of mining plans; contents of mining projects; requirements and the manner of taking professional exams in the mining sector; manner of keeping measurement books and manner of keeping a cadastre of exploitation fields; detailed requirements for issuing licenses, amount of the fee for issuing and authentication of licenses; and the manner of keeping records on issued licenses;
- 2) Decide upon appeals in the second-instance administrative procedure;
- 3) Carry out inspection supervision;
- 4) Perform other activities in accordance with law.

Article 19

The administration authority in charge of mining (hereinafter referred to as the competent authority) shall carry out expert and related administrative activities, and so follows:

- 1) Prepares an expert baseline document for development of the State Plan;
- 2) Prepares an expert baseline document for development of a plan for concessions award;
- 3) Prepares documentation required for determining a subject matter of the concession (detailed studies, analysis, studies) and prepares a proposals for the issuance of concession documents;
- 4) Keeps records on concluded concession contracts;
- 5) Calculates annual concession fees;
- 6) Prepares reports on implementation of concession contracts and of the State Plan;
- 7) Prepares an expert baseline document for development of enabling regulations pertaining to:
 - Criteria for determining a fee for exploitation and exploration of mineral resources,

- Requirements for and the manner of granting the use of mineral resources,
 - Content of mining projects,
 - Mining measurements and development of mining plans,
 - Programme and the manner of taking mining-related professional exams,
 - Regulations concerning technical norms and other mining-related technical regulations;
- 8) Issues licenses in accordance with this Law;
 - 9) Issues approvals for exploitation of mineral resources;
 - 10) Organises revision and issues approval for execution of works as set by projects;
 - 11) Organises technical inspections of constructed mining structures and facilities and issues approval for use of such structures;
 - 12) Establishes whether requirements are met for development of mining projects, carrying out the exploitation of mineral resources and technical control of mining projects;
 - 13) Issues a consent to the project documentation concerning the execution of works using explosives and explosive devices, for which a building permit is issued by the ministry in charge of construction of structures;
 - 14) Calculates funds required for rehabilitation and reclamation of space whereon the mining works are executed and approves and monitors the use of such funds;
 - 15) Carries out other activities in accordance with law.

Article 20

A complaint may be lodged with the Ministry against documents of the competent authority.

An administrative dispute may be initiated against a decision of the Ministry.

III PLANNING PERTAINING TO THE EXPLOITATION OF MINERAL RESOURCES

Article 21

The exploitation of mineral resources shall be carried out based on the State Plan, which consists of a general plan and exploitation plan for individual mineral resources.

A strategic environmental impact assessment, prepared in accordance with the law, shall make a constituent part of the State Plan referred to in paragraph 1 of this Article.

The Government shall issue the State Plan for the period not exceeding 10 years, upon obtaining opinion of the local administration authority having on its territory a planned exploitation of mineral resources.

Before the expiry of the validity period of the State Plan, the Government shall decide on the need whether to prepare a new plan, to change it or extend it, based on a report on its implementation.

The Government shall stipulate the contents of the State Plan by way of its regulation.

IV EXPLOITATION OF MINERAL RESOURCES

1. Conditions for Exploitation of Mineral Resources

Article 22

The exploitation of mineral resources may be carried out by a business company based on a concession contract and licensed for execution of mining operations.

A business company registered for exploitation of mineral resources and having at least one employed graduated mining engineer and required number of engineers of relevant professions meeting conditions referred to in Article 93 of this Law and having adequate technical equipment for carrying out the exploitation operations may be issued a license.

The required number of engineers of relevant professions referred to in paragraph 2 of this Article shall be set forth by a bylaw of the business company, subject to the consent of the competent authority.

Foreign legal entities may also carry out exploitation of mineral resources in accordance with the law.

The competent authority shall establish whether requirements set forth in paragraphs 1, 2, and 3 of this Article are met and shall issue the license.

Article 23

The owners of the land may carry out the exploitation of mineral resources for obtaining construction materials for own purposes without a concession contract based on an approval and under supervision of the competent authority of the local administration.

The owners of the land shall be obliged to carry out the rehabilitation of surfaces degraded by works, referred to in paragraph 1 of this Article, upon completion of works concerning the exploitation of mineral resources and no later than 30 days from the day of the cessation of exploitation.

Article 24

The exploitation of mineral resources (gravel, sand, and stone) used for construction and maintenance of local infrastructural structures may be carried out without a concession contract based on an approval and under supervision of the competent authority of the local administration.

The exploitation referred to in paragraph 1 of this Article may be approved on the land's surface without the mining procedure, except for locations referred to in Articles 7 and 63 of this Law.

A fee shall be paid for the exploitation of mineral resources referred to in paragraph 1 of this Article.

The competent authority of the local administration shall set the amount of the fee referred to in paragraph 3 of this Article.

Article 25

If a mineral resource referred to in Article 4, paragraph 4 of this Law is obtained in the course of execution of works pursuant to regulations on construction of structures, the mineral resource may be used only in accordance with conditions set forth in the building permit.

Article 26

A right to exploitation of mineral resources deposit shall be obtained pursuant to a concession contract entered into in accordance with law and approval:

- 1) For the exploitation of mineral resources on the exploitation field;
- 2) For the execution of works in line with projects;
- 3) For the use of constructed mining structures and facilities.

The competent authority shall issue approvals referred to in paragraph 1 of this Article.

Article 27

The subject matter of the concession may be:

- 1) Deposits with an ongoing exploitation;
- 2) Deposits located within existing exploitation fields, however where no exploitation is taking place;
- 3) Deposits located within existing exploitation fields, however where the exploitation is interrupted;
- 4) Deposits explored and located outside of existing exploitation fields and where no exploitation is taking place;
- 5) Deposits where no detailed geological explorations were carried out, however where there is an interest for exploration and exploitation;
- 6) Technogenic deposits of mineral resources (mine landfills and tailings dumps).

Funds generated from a fee for use of the mineral wealth (concession fee) shall be the revenues of the Budget of Montenegro with its portion of 70%, while 30% shall be the revenues of the municipality at whose territory the exploitation of mineral resources is being carried out.

2. Exploitation Field

Article 28

The exploitation of mineral resources shall be carried out on the approved exploitation field.

The exploitation field shall cover the exploration area whereon the balance reserves of mineral raw materials were certified, the area for overburden disposal –

tailings dumps and the construction of mining structures, delimited by corresponding lines along the surface or natural boundaries, and stretching without limitations into the Earth's depth, between vertical planes distributed along such lines or natural borders.

If there are conditions for the opening more mines on a single deposit of a mineral resource, the competent authority may limit the exploitation filed to a part of the mineral resource deposit by way of approval for exploitation.

A part of the exploitation field, which includes the area for obtaining a mineral resource, shall represent borders set by a concession contract.

A business company engaged in the exploitation of mineral resources (hereinafter referred to as the Concessionaire) shall be obliged to mark the borders of the exploitation filed by visible markings in accordance with special regulations.

Article 29

Owners of land and structures on the exploitation field, as well as other citizens, shall be obliged to adhere to safety measures established by the Concessionaire under a separate document when moving on and working on the exploitation field.

Article 30

Only structures serving for the exploitation may be constructed on the exploitation field and overburden dumpsites (tailings dumps).

No fee shall be allocated for structures constructed contrary to paragraph 1 of this Article and for removal thereof.

Article 31

Exceptionally from Article 30 of this Law, the construction of structures, railroads, public road, postal and telecommunication lines, and high-voltage electricity lines on certain protective pillars may be carried out if in compliance with a spatial plan of the municipality and upon previously obtained consents of the concessionaire.

Prior to developing technical documentation for structures referred to in paragraph 1 of this Article, the investor shall be obliged to obtain an opinion from the concessionaire concerning the most favourable direction and orientation for construction of these structures on the exploitation field.

Article 32

Exploitation of mineral resources from gravel, sand and other alluviums and abandoned dumpsites (tailings dumps), as well as the exploitation of granular and banded iron ores (surface mineral resources), shall be carried out on the exploitation field that extends depth-wise to the background holding the mineral resource.

3. Approval for the Exploitation of Mineral Resources on the Exploitation Field

Article 33

The competent authority shall issue an approval for the exploitation of mineral resources on the exploitation field (hereinafter referred to as the exploitation approval) upon a request of the concessionaire.

The request referred to in paragraph 1 of this Article shall contain, including but not limited to, as follows: name and type of mineral resources intended for exploitation, data on the party submitting a request, planned commencement and schedule of execution of works.

Along with the request referred to in paragraph 2 of this Article, the following evidence shall be submitted:

- 1) Concession contract;
- 2) Layout map in scale of 1:10000 (or higher) containing borders of the exploitation field, public traffic routes, mining works and other structures located within the exploitation field, description of borders, name of the exploitation field, and indication of the municipality where it is located;
- 3) Certificate on balance reserves of mineral resources issued in accordance with applicable regulations on classification and categorisation of reserves;
- 4) Feasibility study concerning the exploitation of mineral resources deposits with presentation of conditions and the manner of exploitation and the preparation of mineral resources with the schedule of execution of works and the data concerning the methane redundancy, dustiness and water permeability, improvement, usage and disbursement, protection measures and rehabilitation of environment, as well as data concerning the technical equipment and professional staff;
- 5) opinion of the competent authority for the environmental protection to the feasibility study of the exploitation;

- 6) act by the competent authority for assignments of urbanization regarding the harmonization of the planned exploitation of mineral resources with appropriate spatial and/or urban plans;
- 7) licenses for the execution of works;
- 8) other data significant for the issuance of approvals at the request of the competent authority.

Article 34

Approval for the exploitation particularly consists of:

- 1) the name of the business company that is being granted the exploitation;
- 2) position, surface area, borders and the name of the exploitation field;
- 3) type of mineral resources that are subject of exploitation;
- 4) layout map with delineated borders of the exploitation field certified by the authority that gives the approval
- 5) deadline by which the preparatory works have to be completed and the exploitation has to commence;
- 6) terms and the limitations given in acts of the authorities competent for the operations of the space arrangement and the environmental protection;
- 7) deadline to which mineral resource is given to utilization.

Article 35

If the concession agreement and the approval for the exploitation do not include all types of mineral resources located at the exploitation field, the usage of other mineral resources may be granted to the same or other concessionaire based on the concession agreement concluded in accordance with the law.

Article 36

At the exploitation field where sub-surface exploitation of mineral resources is conducted, competent authority may approve the surface exploitation of the same or other mineral resources, if the surface exploitation does not endanger the sub-surface exploitation.

Competent authority may, apart from the approval for the surface exploitation, approve the sub-surface exploitation of the same or other mineral resources, if the sub-surface exploitation does not endanger the surface exploitation.

Before the issuance of approvals referred to in paragraphs 1 and 2 of this Article, the competent authority shall obtain the opinion of the concessionaire carrying out the exploitation of mineral resources.

Article 37

Approval for the exploitation shall be submitted to the competent authority of the local administration at the territory of which the exploitation field is located as well as to the authority of state administration in charge for the area arrangements operations.

Article 38

Competent authority shall revoke the approval for the exploitation if:

- it does not commence with the exploitation within the envisaged period;
- works are not executed in accordance with the mining project;
- exploitation endangers the lives and health of employees and third parties or property and other natural good, while other measures stipulated by this law and other regulations are not sufficient to prevent that.

The Concessionaire shall not be entitled to damage compensation in case of approval revocation for the exploitation referred to in paragraph 1 of this Article.

Article 39

Approval for the exploitation shall cease to apply by:

- 1) termination of the existence of concessionaire as legal entity;
- 2) exhaustion of mineral resource at the exploitation field;
- 3) giving up from the approval for the exploitation;
- 4) expiry of deadline to which the exploitation was granted;
- 5) taking away of the concession;
- 6) permanent suspension of the exploitation of mineral resources.

4. Technical documentation and designing

Article 40

Mining works shall be executed in accordance with technical documentation for the execution of mining works, consisting of particularly:

- 1) long-term programs of exploitation of mineral resources;
- 2) mining projects, studies and study solutions that form an integral part of mining projects;
- 3) annual plans for the execution of works;
- 4) mining plans and maps;
- 5) geological documentation;
- 6) documentation on monitoring of impact of mining works on environment.

Technical documentation referred to in paragraph 1 of this Article shall be produced based on project task, results exploration works, analysis, study and other documentation by which the following conditions are elaborated and analyzed: technical (urban planning, energetic, water management, traffic, geo-technical, seismic etc) and economic conditions of execution of works, terms of protection from fires and explosions, environmental protection, water protection, work safety and other conditions with impact on the assessment of technical-technological and economic justification of exploitation and the execution of mining works.

Mining projects shall be made based on the balance reserves of mineral resources A, B and C1 category, contained in the area included in the project.

The share of balance reserves of A and B category, in terms of paragraph 3 of this Article, cannot be lower than 60 %.

Long-term programs referred to in paragraph 1, sub-paragraph 1 of this Article shall be made in accordance with deadlines set forth in the concession agreement, and annual plans shall be made no later than 31 December of the current year and submitted to the Ministry.

Article 41

Construction of mining structures and /or exploitations of mineral resources shall be conducted based on approved mining projects.

Approvals and consents for the execution of works shall be given to main mining project, supplementary project and simplified mining project.

Article 42

Main mining project shall be made for the construction of new sub-surface and surface mining structures and reconstruction of the system of opening and the preparation of mining structures for the exploitation of deposits of mineral resources, as well as for opening of new mining deposits in the existing mines.

Main mining project specifically contains:

Technical description of opening and development of the deposit, description of technical-technological process of the exploitation and methods of excavation, description of security and protection pillars, protection of neighboring structures from the impact of exploitation, zone of impact of mining works on the surface with calculations, and specifically the calculation and the description of ventilation and dewatering, estimated bill of quantities of works, the description of power supply, geological maps and mining plans, necessary graphs, as well as results of hydrological and geomechanical testing.

Main mining project shall contain project solutions of infrastructure and infrastructural structures, operations safety and protection from dangerous gases, pit fires, explosive coal dust, aggressive mineral dust, ionizing radiation, breakthrough of water, necessary means and measures of collective and personal protection of employees, as well as environmental protection measures harmonized with the study of assessment of impact to which a consent has been given by the state administrative authority competent for the environmental protection operations.

Main mining project for the open pit mines, apart from elements referred to in paragraph 2 of this Article, shall contain the description of technology of excavation of overburden and its disposal, as well as the reclamation of land damaged by the mining works.

Article 43

Supplementary mining project shall be made for the execution of mining works in existing mines at the opening and the exploitation of new horizons, stories or parts of layer and ore bodies, making of new mining exit and air shafts, construction of pit storages of explosives or new or important change of existing excavation method, larger reconstruction of mining structures, structures of permanent works suspension, rehabilitation of lager landslides and other larger rehabilitation.

Supplementary mining project referred to in paragraph 1 of this Article shall contain elements under Article 42 of this law if they are not included in the main mining project.

Article 44

Simplified mining project shall be made for mining works: at structures and facilities that are not included by the main or supplementary mining projects; for smaller reconstructions at the existing structures and facilities that do not change the conception of the main or supplementary mining project; exploitation of ore bodies up to 15, 000 tones within the exploitation field, and of ore bodies in the exploitation field whose exploitation shall not last longer than one year.

Simplified mining project shall be made for the execution of mining works at the exploration mineral resources conducted based on the projects of approved geological explorations.

Simplified mining project shall contain: technical description, estimated bill of quantities, graphic documentation and the description of the required work safety measures.

Article 45

The Ministry shall determine the detailed content of the mining works.

Article 46

Mining projects under Article 41 of this law may be designed by a business company in the capacity of a legal entity and/or other legal entity licensed for the designing of mining projects (hereinafter: project designer).

License may be awarded to a business company and/or other legal entity if registered for the designing of mining projects having at least two graduated engineers employed from the area for which the project is designed, and who meet the terms mentioned in Article 90 of this law.

License referred to in paragraph 1 of this Article shall be issued by the competent authority.

When designing the project, the project designer shall adhere to all stipulated measures of work safety, environmental protection, protection from fires and explosions, as well as standards and technical norms for the mining works and shall use reliable data of determined quantities and the quality of mineral resources and the terms of the exploitation.

Mining projects as well as their integral parts shall be also signed by persons who, as responsible designers, have managed their design.

A person employed in the legal entity, that issues terms for the project design (water management, geological, energetic, traffic, environmental protection, sanitary) as well as a person employed in the Ministry cannot take part in the designing of the main and supplementary mining project.

Article 47

Mining project shall be subjected to technical control (review).

Technical control referred to in paragraph 1 of this Article shall include:

control of project solutions regarding rational utilization of mineral resources, application of stipulated norms of work safety, environmental protection, protection from fires and explosions, safety of people and sub-surface, surface and adjacent structures, as well as the control of harmonization of technical documents with technical regulations that refer to the execution of works that are subject to mining project.

Review of the main and supplementary mining project shall be carried out by the competent authority via expert committee or legal entity (hereinafter: reviewer) licensed for the designing of mining projects.

Review of the simplified mining project may be carried out by the investor via expert committee or legal entity licensed for designing of mining projects.

Members of the expert committee under paragraphs 3 and 4 of this Article may be persons that fulfill the terms mentioned in Article 90 of this law.

Costs of review under paragraph 2 and 3 of this Article shall be borne by the project investor.

Article 48

Mining projects performed abroad shall be subjected to technical control in accordance with this law.

Technical control referred to in paragraph 1 of this Article, apart from the control of fulfillment of terms Article 47 of this law, shall check whether the applied regulations, measures and terms used for the designing of project documents correspond to the regulations applied in Montenegro.

Article 49

Review of the main and supplementary mining project cannot be made by:

- legal entity that designed the project and the investor;
- persons employed with the project designer;
- persons employed with the investor at the posts of implementation of mining project.

Review of mining projects (main, supplementary and simplified) cannot be made by persons employed with the Ministry and/or competent authority.

Article 50

Reviewer confirms by a review clause at the mining project that the reviewed project has been made in accordance with Articles 42, 43 and 44 of this law.

Review clause shall contain the first and last name and signature of persons that reviewed the project and certain parts of the project, and if review is carried out by the legal entity, the clause shall be certified, signed and stamped by an authorized person that reviewed the mining project.

Along with the reviewed project, reviewer referred to in paragraph 1 of this Article shall attach the evidence that the persons that executed the review of the mining project fulfill the terms under Article 90 of this law, as well as the report of the reviewer of executed review of the mining project.

Article 51

Licenses issued in accordance with this law shall be:

- 1) License for the execution of mining works;
- 2) License for the design of mining projects.

Licenses referred to in paragraph 1 of this Article shall be issued based on the request.

License shall be issued to the period of five years and shall be certified every year.

A fee shall be paid for the issuance and the certification of license.

Funds from fees shall be the revenue of the Budget of Montenegro.

The license holder shall, no later than 31 December of the current year, submit to the competent authority the data proving that for the following calendar year it fulfills the terms for the certification of license.

The license holder shall notify the competent authority of each change of terms for the issuance of license within eight days of the change of terms.

Competent authority shall take away the license if:

- 1) The license holder obtained the license based on incorrect data;
- 2) The license holder fails to submit data before the expiry of the deadline set forth in paragraph 6 of this Article;
- 3) The license holder fails to perform assignments in accordance with the law.

The competent authority shall keep the records of issued licenses.

The Ministry shall stipulate the detailed terms for the issuance of licenses, in terms of technical equipment and the necessary number of engineers of adequate profession, the form of licenses, the amount of fees for the issuance and certification of licenses and the manner of keeping records of issued licenses.

5. Approval for the execution of works

Article 52

Competent authority shall issue the approval for the execution of works by the main and supplementary mining project.

Article 53

The execution of works at the exploitation of mineral resources and the construction of mining structures may be carried out only based on the approved mining projects, upon obtaining approvals for the exploitation.

Along with the request for the issuance of approval for the execution of works by the main and supplementary mining project shall be submitted:

- mining project with the review clause;
- certificate-consent of the authority that issued the terms that the mining project has been made in accordance with the issued terms;
- urban and technical terms;
- evidence of property right or utilization on land and/or usufruct for at least two years of exploitation of mineral resources according to schedule stipulated under the concession right;
- consent of the state administrative authority competent for assignments of environmental protection to the study of assessment of impact on environment or to the decision that it is not necessary to carry out the assessment of impact that are issued in accordance with the special regulation;
- water management consent to projects when the exploitation of mineral resources impacts the water regime;
- traffic license for the access to public roads;
- license for the execution of works;
- evidence of paid fee for the change of purpose of utilization of agricultural land.

For the construction of mining structures and facilities shall be also submitted the documentation in accordance with regulations of the construction depending on type of structure and terms prescribed for the producing of technical documentation, especially the following consents: electro-energetic, work safety, sanitary, fire protection, water, for access to the telecommunication network.

Article 54

Technical manager of mining works employed with the concessionaire shall issue the approval for the execution of works upon simplified mining project under Article 44 paragraph 1 of this law.

Approval for the execution of works by the project referred to in paragraph 1 of this Article shall be issued by previously obtained consent of the competent authority.

If the works by simplified mining project influence the regime of waters and compromise the environment, consents shall be obtained from the body competent for water management and/or environmental protection operations .

The Concessionaire shall notify the mining inspection of the commencement of the execution of mining works no later than 15 days before the commencement of execution of works.

Article 55

If the concessionaire, instead of feasibility study of exploitation of mineral resources under Article 33 of this law, possesses revised mining projects for the execution of works along with the accompanying documents stipulated for the issuance of approvals for the execution of work, exploitation of mineral resources and the execution of works by projects may be approved by the same approval.

Article 56

Concessionaire to whom an approval has been issued under Articles 52, 54 and 55 of this law shall during the execution of mining works provide technical management of works by mining project documents, technical regulations from the area of mining, regulations of work safety and environmental protection and professional supervision in accordance with the regulations concerning the construction of the facility.

Article 57

Concessionaire shall inform the competent authority, mining inspection and competent authority of the local self-government of the commencement of execution of works no later than 15 days before the commencement of execution of works and shall appoint persons who will perform assignments of technical management at mining works and professional supervision at the construction of mining structures.

The Ministry competent for duties of water management and/or the Ministry competent for environmental protection shall be informed of the execution of works influencing the regime of water and environment.

Article 58

The necessary deviations regarding the execution of mining works and the construction of mining structures by which it is not significantly deviated from mining projects may be conducted along with the consent of the competent authority.

For deviation referred to in paragraph 1 of this Article, the Concessionaire shall, along with the request for the issuance of consent for deviation from approved project, submit the project designer's opinion.

Concessionaire conducting the exploitation of oil and natural gas may, due to geological terms and the terrain configuration, change the locations of wells envisaged in the project and plans whereof it informs the Ministry in writing and submits the study of justification of change of location with the opinion of the competent authority of the state administration competent for environmental protection operations.

The Ministry shall issue the consent for the change of location.

6. Approval for the utilization of mining structures

Article 59

Constructed mining structures or parts of mining structures that may be independently used, before the commencement of utilization, shall be subjected to technical control.

Technical control referred to in paragraph 1 of this Article, depending on the type of structure, shall include the control of: mining and construction works, electric facilities, devices and installations and mining equipment and facilities.

Article 60

Technical control shall ascertain the harmonization of executed works with technical documentation based on which the approval for the execution of works has been issued, technical regulations whose application is mandatory during the construction of mining structures and measures and norms of the work safety and environmental protection.

The investor shall bear the costs of technical control.

Article 61

Technical control and approval for the utilization of mining structures and facilities constructed based on the main and supplementary mining project shall be carried

out, and/or issued by the competent authority according to regulations of construction of the structure.

Approval for the utilization of mining structures and facilities constructed based on simplified mining project shall be issued by technical manager responsible for the work of structures and facilities, constructed based on the simplified mining project.

If, by a special law, it is stipulated the obligation to previously obtain the consent or a permit of other authorities or organizations for issuance of approvals for the use of mining project, then along with the request for the issuance of approvals shall be submitted the consent and/or permit.

Article 62

Competent authority via expert committee or legal entity shall carry out technical control of the mining structure or a part of the structure referred to in Article 59 of this law, in accordance with regulations regarding the construction of the structure.

Technical control referred to in paragraph 1 of this Article cannot be made by legal entities and natural persons that took part in the making and technical control of the mining project.

Article 63

Exploitation of mineral resources shall not be carried out at an area where urban settlements are located, public roads, water supply line, gas pipeline and oil pipeline, electric lines of high voltage, areas of sources of mineral and thermal waters, cultural monuments, natural rarities and cemeteries, as well as the area proclaimed to be protected (national parks, protected forests etc.) or in their immediate vicinity.

Exceptionally from paragraph 1 of this Article, the Government may allow exploitation at these areas and/or areas referred to in paragraph 1 of this Article, along with the consent of the authority in the competence of which are included operations that refer to those areas and/or territories and determine measures that have to be undertaken for the protection of those areas and/or territories.

Article 64

Concessionaires at adjacent exploitation fields must allow opening or hole breakthrough for ventilation and dewatering, if these works do not endanger the constructed structures and the execution of the exploitation works.

Article 65

Concessionaires at adjacent exploitation fields must allow the construction and/or opening or breakthrough of roads, industrial railroads and other roads for the transportation and/or disposal of mineral resources, if those works do not degenerate the terms of exploitation.

Article 66

Concessionaire carrying out the exploitation of mineral resources may, for its needs, use waters that are opened by mining works, until their confluence in permanent surface waters, according to regulations of waters and regulations of environment protection.

7. Suspension of exploratory works

Article 67

If works in pits, open pit mines for the exploitation of oil and gas have to be temporarily suspended due to unforeseen circumstances (breakthrough of gas or water, rock burst, pit fire, problems at main roads for ventilation, passing through, dewatering and transportation, sliding of the terrain, eruptions, change of water regime etc), the Concessionaire shall temporarily suspend works and inform thereof the mining inspection immediately and no later than 24 hours of the suspension of works.

Concessionaire shall inform the competent authority and mining inspection of the planned temporary suspension of works no later than 15 days before the works suspension.

Before the works suspension referred to in paragraph 2 of this Article, the duration of which lasts longer than 30 days, the Concessionaire shall carry out necessary measurement, shall supplement mining plans and make records of reasons for the suspension of works.

During the temporary suspension of works, the Concessionaire shall provide regular maintenance of main mining premises and structures in the manner that enables the movement without threat to life and health of persons and shall implement measures that will prevent pollution of environment and the occurrence of other damages.

Before the new commencement of works under paragraphs 1 and 2 of this Article, the Concessionaire shall notify the mining inspection.

Article 68

In case of complete or permanent suspension of exploitation, the Concessionaire shall inform thereof the competent authority and mining inspection, no later than 15 days before the suspension of works.

Competent authority shall form a Committee which ascertains at the scene the reasons for the suspension of works and consequences of suspension and gives its opinion with regard to the justification of suspension of works with the proposal of measures.

Article 69

In case of complete or permanent suspension of works, the Concessionaire shall, within three months of the day of suspension of works, submit all mining plans and sketches, measurement books and other documentation of the state of mining works to the competent authority for keeping.

Legal entities interested in the revival of exploitation of mineral resources at the deserted exploitation field have right of insight in the documentation referred to in paragraph 1 of this Article.

Approvals shall be obtained in accordance with this law for the revival of suspended works referred to in paragraph 2 of this Article.

Article 70

In case of complete or permanent suspension of mining works, Concessionaire shall undertake protection measures of persons and property, at the places where mining works were executed as well as mining structures, in accordance with the approved projects for closing of the mine.

Article 71

During and upon the completion of execution of works at the exploitation of mineral resources and no later than one year of the day of completion of works, Concessionaire shall bring the land on the exploitation field to the purpose according to the project of reclamation of land and/or undertake measures of environmental protection contained in the study of assessment of impact to the environment to which a consent has been given by the state authority competent for environmental protection and water protection in accordance with the law.

The Ministry and ministries competent for agricultural, water management, environmental protection and competent authority of the local administration shall be notified of the measures referred to in paragraph 1 of this Article.

Article 72

If ascertained that measures under Articles 70 and 71 of this law have not been implemented, the measures set forth by projects under Article 43 of this law shall be executed by the competent authority at the cost of the Concessionaire.

Article 73

For the rehabilitation and reclamation of land where the exploitation of mineral resources has been carried out, the Concessionaire shall from each unit of products of mineral resources on a monthly basis allocate funds for partial or complete rehabilitation of land, and according to approved projects of rehabilitation and reclamation.

The amount of funds for the rehabilitation and reclamation of area where mining works are carried out, the manner of calculation, payment and utilization shall be closely regulated by a regulation of the Government.

Article 74

In pit drives and open pit mines where exploitation has been completely or permanently suspended, it is possible to reaccess the exploitation based on the new mining project and the approval for the execution of works by project.

Article 75

In the business company that carries out the exploitation of mineral resources, the right to strike is exercised provided that during strike safety regarding the facilities and devices is provided as well as the protection of lives and health of persons.

It shall be prohibited to organize and conduct strike in pits or other structures and premises where a potential threat exists to the lives and health of persons.

Article 76

In order to ensure the terms under Article 75 of this law, in the business company that carries out the exploitation of mineral resources, especially in pits with methane and dangerous dust, as minimum process of work during strike, there has to be especially organized supervision, dewatering, ventilation, maintain the routes passable in the structures and maintenance of devices, equipment and installations.

Article 77

In case of failure to act in accordance with provisions of Articles 75 and 76 of this law, the Director of the business company that went on strike shall:

- introduce working obligation;
- hire employees from other technical-technological systems and other employees-individuals;
- undertake measures that would provide the fulfillment of terms under Article 76 of this law.

8. Cadastre of exploitation fields

Article 78

The Ministry shall keep the cadastre of exploitation fields.

In the cadastre of exploitation fields shall be kept data from the approval for the exploitation of mineral resources at the approved exploitation field, possible limitation of the exploitation and data of supporting pit constructions outside the exploitation field.

Exploitation field shall be kept in the cadastre of exploitation fields in the name of business company that has been granted the exploitation.

Cadastre of exploitation fields shall be public book.

The Ministry shall stipulate the form of public book referred to in paragraph 4 of this Article.

Article 79

Competent authority shall keep the collection of documents and the list of business companies that have been given the approval for the exploitation and the approval for the execution of works by projects.

The collection of documents shall consist of approvals for the exploitation with all attachments and drafts filed with the request for the approval of exploitation and the approval for the execution of works, as well as subsequent decisions issued in relation to exploitation fields.

Competent authority shall permanently keep the original copy of the project based on which the approval for the execution of works has been issued.

Article 80

All changes in relation with the user of the exploitation field, temporary and permanent suspension of works shall be entered in the cadastre of the exploitation field.

Article 81

Exploitation field shall be kept in the cadastre exploitation fields until complete exhaustion of mineral resources at the area of that field. It is considered that the exploitation field is exhausted for certain mineral resource if such resources no longer exist, if it is fully excavated.

If the termination of exploitation occurs due to non-efficiency and non-rentability of exploitation, the competent authority shall order protection measures for the remaining reserves of mineral resources at that field.

Exploitation field shall be kept in the cadastre of exploitation fields if the Concessionaire before the exhaustion of mineral resources gave up from the exploitation.

V. MINING MEASUREMENTS AND MINING PLANS

Article 82

Based on the measurement, Concessionaire shall make plans, and/or maps from which it can be ascertained the state of mining works, their mutual position and the position of mining works in relation to the old mining works and other surface structures.

Article 83

Concessionaire shall have, during the execution of mining works, the following:

- 1) layout plan –map of the exploitation field;
- 2) geological map of the exploitation field and its surrounding with characteristic geological profiles;
- 3) plan of the mine with mapped surface layout and sub-surface premises and/or open pits;
- 4) plans of individual pits and/or open pits;
- 5) excavation and stories plans of all pit and surface mining works;
- 6) plan of electrical network, compressed air, water line network etc. as well as pit facilities with basic technical data;

- 7) plans of ventilation;
- 8) hydrological plans;
- 9) stipulated documents of real-estates at its exploitation field;
- 10) plan of monitoring of sinking of the terrain.

Plans referred to in paragraph 1, sub-paragraph 4, 5 and 7 of this Article must be supplemented on a monthly basis according to the improvement of mining works, and plans referred to in sub-paragraphs 3, 6 and 8 only when changes occur.

Article 84

Concessionaire carrying out the exploitation of oil and natural gas shall have:

- 1) layout plan of the exploitation field with indication of all exploration and exploitation wells and other devices;
- 2) geological map of the exploitation field and its environment with characteristic geological profiles;
- 3) plan of oil field;
- 4) structural map with indicated borders of the edge water;
- 5) data and reports of drilling, electric well logging measurements, closing open water canals, perforation, conquering and measuring of dynamic and static pressure, gas factor and all other physical –chemical analyses of collectors and fluids.

Article 85

Layout plan of exploitation fields and all mining measurements and graphic presentations of mining works must be connected with points of state trigonometric networks.

Article 86

Concessionaire shall keep measurement books of all executed mining measurements.

Measurement books referred to in paragraph 1 of this Article must be certified in accordance with the law.

Article 87

Mining measurements and mining plans may be carried out and/or made or supplemented by persons who fulfill the terms referred to in Article 93 of this law.

If the making of new mining plans is started, all details from earlier mining plans shall be transferred in them.

Article 88

Concessionaire shall submit copies of plans under Articles 83 and 84 of this law, as well as their supplements, to the competent authority and the mining inspection no later than 15 days of the day of the submission of the request for the submission of plans.

Article 89

The Ministry shall stipulate detailed terms for the execution of mining measurements, making of mining plans, keeping of measurement books and the manner of keeping cadastres of the exploitation books.

VI. EDUCATION REQUIRED FOR PERFORMING CERTAIN TASKS DURING THE EXPLOITATION OF MINERAL RESOURCES

Article 90

Designing of mining projects and/or management of technical control of mining projects may be performed by a person with university education in mining, five years of work experience at posts of technical management, supervision and other professional duties in mining structures for which the project is designed and authorizations for performing of those tasks.

Designing of certain parts of mining projects and/or technical control of certain parts of mining projects may be performed by a person with university education in adequate profession, three years of work experience at posts of technical management, supervision and other professional duties in mining structures for which the project is designed and authorizations for performing of those tasks.

Exceptionally from paragraphs 1 and 2 of this Article, designing of mining projects for surface structures (wardrobes with bathroom, rescue stations, dispatcher centers, water flow regulation, salt pipeline, industrial railway, cable cars, roads, workshops, warehouses, reservoirs, main power substations, trunks, system of connections etc.) and for specific works on the rehabilitation of mining structures may be designed by persons who fulfill the terms for the making of technical documentation in accordance with regulations of construction of facilities.

Article 91

Employees who fulfill the terms stipulated and who are authorized may perform the assignments of technical management and professional supervision, mining measurement, work safety and handling explosives (technical managers, supervision - technical staff and blasters).

Authorization to perform operations referred to in paragraph 1 of this Article and Article 90 of this law shall be acquired by taking professional exam.

The Ministry shall stipulate the program and the manner of taking professional exam.

Article 92

Operations referred to in Article 91 of this law in pits endangered by methane or dangerous coal dust may be carried out by employees who, apart from stipulated terms, have at least one year of work experience in pits endangered by methane and/or dangerous coal dust.

Article 93

Persons assigned to duties under Article 91 of this law must fulfill the following terms, more precisely:

- 1) main technical manager – Mining Faculty, five years of professional work experience and passed professional exam;
- 2) technical manager of drive or certain technical services – Mining Faculty (adequate course), three years of professional work experience and passed professional exam;
- 3) technical managers of electric and/or machinery service or construction works performed for the needs of exploitation of mineral resources – adequate Faculty of Technical Sciences or higher technical education, two and/or three years of professional work experience and passed professional exam;
- 4) manager of service of mining measurements and making mining plans – Mining or Construction Faculty (adequate course) or higher geodetic education, two years of professional work experience and passed professional exam;
- 5) manager of work safety service – Mining Faculty, three years of professional work experience and passed professional exam;
- 6) supervisor- technical high school of adequate course, two years of professional work experience and passed professional exam;

- 7) manager – technical high school of adequate course, two years of work experience at supervisor’s assignments in adequate facilities and passed professional exam;
- 8) pit measurement officer and/or geometrician at open pits - technical high school of adequate course, two years of professional work experience and passed professional exam;
- 9) blaster and explosives handler in storages – three year vocational training in mining course, three years of professional work experience at adequate assignments and passed exam for a blaster.

Under schools of adequate course referred to in paragraph 1, sub-paragraph 6 and 7 of this Article, in terms of this Law, shall be considered:

- for work in mine drives and open pits - technical high school for mining course;
- in facilities for the preparation of mineral resources and stone processing – technical high school of mining, construction, or machine course;
- in facilities for the exploitation of oil and gas and mining exploration works – technical high school of mining or geology course;
- for electro-technical, machine and construction assignments– technical high school of electro- technical, machine and/or construction course.

VII. PROTECTION MEASURES

Article 94

For the protection of lives and health of employees, the Concessionaire shall:

- 1) regulate the safety of employees at work by a general act in accordance with specificities and dangers that might occur during the execution of mining works;
- 2) organize work safety service;
- 3) timely implement all stipulated work safety measures;
- 4) provide the employees with personal protection means and personal protection equipment;
- 5) organize rescue service and fire protection service and to supply them with the necessary equipment.

Article 95

The obligation of rescue service shall be to:

- 1) directly control the implementation of regulations and work safety measures and measures imposed by the competent authorities;
- 2) keep records of accidents at work and professional diseases, and their causes;

- 3) study causes of accidents at work and professional diseases and give proposals for undertaking measures and introducing methods ensuring their prevention;
- 4) monitor the health of employees and give proposals for the improvement of hygiene conditions at work;
- 5) give proposals to the management body for undertaking measures at improvement of work safety;
- 6) work on the education of employees from the area of work safety;
- 7) make semiannual and annual plans of the state of work safety and submit them to the body of management and mining inspection
- 8) perform other duties within authorizations defined by adequate regulations and general acts.

Article 96

Assignments of rescue and fire protection may be performed by employees especially skilled to perform those assignments.

Competent authority may, upon obtained consent of the Ministry, free the Concessionaire from the obligation to organize services under Article 94, paragraph 1, sub-paragraph 5 of this law.

Article 97

The body of management of Concessionaire shall be responsible for the organization and functioning of work safety service and the implementation of work safety measures.

Article 98

The body of management of Concessionaire shall consider the state of work safety and fire protection services every six months and define the measures for their improvement.

Article 99

Assignments of work safety may be performed by employees with university education of the adequate course, with three years of professional work experience and passed professional exam.

Exceptionally, along with the consent of the competent authority, assignments of direct control of the implementation of work safety measures may be carried out by employees with higher education or technical high school of adequate course, with five years professional experience and with passed professional exam.

Article 100

By the general act of the Concessionaire, concerning the protection of employees under Article 94 paragraph 1, sub-paragraph 1 of this law, shall be determined the required number of incumbents in the work safety and fire protection services, rights and obligations of employees regarding the measures and norms of the work safety.

Employees shall be individually responsible for the direct implementation of work safety measures in terms of this law.

Article 101

Employees of the Concessionaire must, before the assignment to the work post, inform themselves of the regulations and work safety measures in relation to work they will perform, dangers that might occur as well as with organization and the implementation of work safety measures.

An employee that is assigned for the first time to mining works must gradually, and at least for 15 days, be introduced in the process of work under direct management and supervision of a person appointed by the authorized person.

Before the assignment to other mining works, an employee has to inform himself of those works, work safety measures and dangers that might occur when executing those works.

An employee shall during work adhere to and implement stipulated measures and constantly supplement and upgrade his knowledge from the area of work safety.

The Concessionaire shall issue special programs for the acquisition and enhancing knowledge from the area of work safety according to the type of work, and/or work assignments.

Article 102

If, for the needs of the Concessionaire, a part of the mining works in pit or at surface is carried out by other legal entity who fulfills the stipulated terms, employees at other legal entities must be informed of the work safety measures, the manner of their implementation and dangers that might occur during the execution of works.

Supervision over the implementation of protection measures and the application of technical norms shall be carried out by the Concessionaire and the business entity that executes a part of mining works for the needs of the Concessionaire.

Interrelations under paragraphs 1 and 2 of this Article shall be defined in the Agreement.

Article 103

Concessionaire shall organize familiarizing and training of employees with the measures of implementation of plans of defense and rescue actions in case of sudden accidents.

Concessionaire shall once a year check the knowledge of regulations and work safety measures with the supervision - technical staff, blasters, as well as highly - qualified and qualified employees, whose work is directly related to mining works.

Employees, who do not show satisfactory knowledge of regulations and work safety measures and especially implementation of defense plan and rescue action, cannot continue performing their tasks until a new check reveals that they know regulations and work safety measures.

Article 104

Authorized persons employed with the Concessionaire that manage mining works, defined by general acts of work safety of employees, as well as employees of the work safety service may temporarily ban the employee, who violated some of stipulated measures endangering personal and collective safety, from working.

A procedure for determining the violation of work obligations shall be initiated against the employee who has been temporarily banned from working.

Article 105

Concessionaire shall keep a book of mining supervision wherein are entered orders of the mining inspection issued at the scene during the supervision in the mine in case of immediate threat to life and health of employees and larger material damage.

In the book of mining supervision are entered orders by persons under Article 104 of this law, and that refer to work safety and that are issued at the scene during the control of works.

The book of mining supervision shall be kept separately for each pit, open pit mines and structures of preparation for mineral resources.

Article 106

During the execution of mining works, Concessionaire shall undertake necessary measures for the protection of lives and health of persons and property.

Article 107

During the execution of mining works, employees with the Concessionaire shall without delay and as soon as possible inform direct manager of each occurrence of danger, and especially occurrence of explosive, chokedamps and poisonous gases, of breakthrough of water, fire, rock bursts, landslide or other occurrences that might endanger the safety of employees, material goods and property.

Concessionaire shall without delay and as soon as possible inform the mining inspection of occurrences referred to in paragraph 1 of this Article.

Article 108

Concessionaire shall immediately inform mining inspection and state administrative authority in charge of internal affairs of each death case, group injury, serious injury at work and mine accident as well as occurrence that might endanger the safety of employees, material goods and property.

Article 109

Concessionaires shall mutually provide assistance as soon as they hear that an accident has occurred (explosion, fire, breakthrough of water, etc.) whereupon the lives of employees are endangered, and especially at the call of mining inspection.

Concessionaires shall not provide assistance referred to in paragraph 1 of this Article, only if their rescue teams should not move away due to similar accidents in their structures.

Article 110

In case of accident under Article 109 of this law, the rescue action shall be managed by a person employed with the Concessionaire managing technical works, if some other person is not appointed to do so by general act of work safety of employees.

Mining inspector may, if ascertains that undertaken management is not sufficient and/or not professional and efficient, appoint other employee to manage the rescue action or undertake himself the management of that campaign.

In case of accidents of larger scale or with severe consequences, the authority of local administration may, at the request of the manager of the rescue action or mining inspection, order and implement mobilization of necessary number of employees, transportation means, and fire brigade units, along with the costs compensation by Concessionaire endangered by the occurred accident.

Article 111

In case of emergence of dangers under Article 109 of this law, the owners of land shall at their land allow the execution of works necessary to remove the dangers.

Concessionaire shall compensate the damage inflicted by works referred to in paragraph 1 of this Article.

VIII. INSPECTION CONTROL

Article 112

Inspector, in accordance with the special law, shall carry out the inspection control within the jurisdiction of the Ministry.

Article 113

During the inspection control over the implementation of the work safety measures, mining inspector is authorized and has the duty of work inspector in accordance with the regulations concerning the work safety.

Article 114

The mining inspector shall particularly check whether:

- 1) the concessionaire has the approval for the execution of works;
- 2) the exploitation of mineral resources, as well as the construction and the use of structures is carried out based on the approval for the exploitation of mineral resources, and/or according to that approval;
- 3) regulations and norms of work safety are implemented during the mining works and the regulations concerning the safety of citizens and immovable and movable property;
- 4) during the execution of mining works, technical regulations that refer to those works are properly applied;

- 5) the state of mining structures and facilities in the pit and at the surface corresponds to technical regulations and whether the construction of all structures and facilities was carried out in accordance with the projects;
- 6) the mining works are executed by mining projects and plans;
- 7) mining measurements are carried out, whether mining plans and other documentation are correctly made and regularly supplemented for the proper execution of mining works as well as whether measurement books are duly kept;
- 8) persons referred to in Article 91 of this law fulfill prescribed terms for the execution of these works, as well as whether other employees are skilled for assignments they perform;
- 9) transport, storage and managing of the explosive material and liquid fuel within the business company is carried out according to regulations;
- 10) terms under Article 22 and 94 of this law have been met.

Article 115

If the mining inspector ascertains that the person employed with the concessionaire fails to fulfill the stipulated terms for performing assignments, he/she shall issue a decision prohibiting that person from performing those tasks.

Article 116

Mining inspector shall immediately at the scene examine into causes of death and group accidents, as well as order measures that have to be undertaken without delay and file a written report with an opinion of the causes of accident to the competent authorities and the business company performing the exploitation of mineral resources as soon as possible.

Article 117

Mining inspector shall carry out the inspection control at least once a year, and control of mining structures and facilities endangered by methane and dangerous coal dust at least once in six months.

IX. PENALTY PROVISIONS

Article 118

Business company shall be punished for the offence by fine in the amount from one hundred-fold to three hundred-fold amount of the lowest price of work in Montenegro if:

- 1) it carries out the exploitation of mineral resources without the approval of the competent authority (Article 33 paragraph 1);

- 2) it carries out mining works without the approval of the competent authority (Article 52);
- 3) uses structures and facilities before obtaining the approval for the utilization (Article 59 and 61);
- 4) upon completion or suspension of the exploitation works, it fails to implement safety measures (Article 67, paragraph 4 and Article 70);
- 5) in case of complete or permanent suspension of works, if it fails to submit mining plans and sketches, measurement books and other documentation of the state of mining works to the competent authority (Article 69);
- 6) fails to organize the work safety service and rescue service (Article 94 paragraph 1, sub-paragraph 2 and 5), except in case ascertained in Article 96 paragraph 2 of this law.

For the offence referred to in paragraph 1 of this Article, a person responsible in the business company shall be punished by fine from ten-fold to twenty-fold amount of lowest price of work in Montenegro.

Article 119

Business company shall be punished for the offence by fine in the amount from seventy-fold to two hundred- fold amount of the lowest price of work in Montenegro if:

- 1) simultaneously with the exploitation, it fails to execute additional explorations within the exploitation field (Article 12);
- 2) executes mining works by simplified mining project without the consent of the competent authority (Article 54);
- 3) it fails to report to the competent authority within certain deadline the commencement of the execution of mining works, and/or the commencement of the exploitation (Article 57);
- 4) when executing the mining and other works and when establishing the facility it deviates from the approved projects without the consent of the competent authority (Article 58);
- 5) upon completion or permanent suspension of exploitation works it fails to inform the competent authority and the mining inspection in the manner stipulated by this law (Article 68);
- 6) it fails to bring the damaged land into its original or other purpose (Article 71 paragraph 1);
- 7) it fails to allocate funds for the rehabilitation and reclamation of the land (Article 73);
- 8) it has no mining plans or fails to supplement them on a regular basis (Article 83).

A person responsible in the business company shall be punished by fine for a offence, referred to in paragraph 1 of this Article, in the amount from seven-fold to fifteen-fold amount of the lowest price of work in Montenegro.

Article 120

Business company shall be punished by fine, for an offence, in the amount from fifty-fold to one hundred-fold amount of the lowest price of work in Montenegro if:

- 1) it fails to mark the exploitation field in a proper manner (Article 28 paragraph 5);
- 2) within the given time it fails to inform the competent authority and the mining inspection of temporary suspension of the exploitation works (Article 67 paragraph 1 and 2).

A person responsible in the business company shall be punished by fine for a offence, referred to in paragraph 1 of this Article, in the amount from three-fold to ten-fold amount of the lowest price of work in Montenegro.

X. TRANSITORY AND FINAL PROVISIONS

Article 121

By the establishment of administrative body, the Ministry shall perform tasks from its jurisdiction.

Article 122

State plan of the exploitation of mineral resources shall be issued within one year of the day of entry into force of this law.

By the issuance of the State plan referred to in paragraph 1 of this Article, exploitation of mineral resources shall be conducted based on the Concession Agreement concluded in accordance with the law and the approval under Article 26 of this law.

Article 123

Business companies carrying out the exploitation of mineral resources shall harmonize their operations with this law within one year of the day of entry into force of this law.

Article 124

Regulations for the implementation of this law shall be issued within six months of the day of entry into force of this law.

By the issuance of regulations referred to in paragraph 1 of this Article, regulations issued based on the Law on mining ("Official Gazette RCG", Number 28/93) shall be applied.

Article 125

The applicable regulations shall be applied by the issuance of new technical regulations and work safety regulations.

Article 126

Procedures commenced by the day of entry into force of this law, by which a final decision has not been made, shall be finalized by the law that has been effective at the time of the initiation of the procedure.

Article 127

By entry into force of this law, the Law on Mining ("Official Gazette RCG", Number 28/93) shall cease to apply.

Article 128

This law shall become effective on eighth day of its publication in "Official Gazette of Montenegro".

SU-SK number 01-818/10

Podgorica, 22 October 2008

Assembly of Montenegro

President,

Ranko Krivokapić, signed