

REPUBLIC OF YEMEN

**THE MINES AND QUARRIES LAW
NO. (24) OF 2002.**

**LAW NO. (24) OF 2002
CONCERNING MINES AND QUARRIES**

**By the name of people,
President of the Republic,
Having perused the constitution of the Republic of Yemen,
And following the approval of the council of Deputies,**

**Resolves
Part one
Preliminary Provisions
Chapter one
Nomination and Definitions**

Article (1): This law shall be known as (Mines and Quarries Law).

Article (2): The words and expressions set out below shall have the meanings assigned to each of them unless the context should indicate to the contrary thereof:

Republic:	Republic of Yemen.
Government:	Government of the Republic of Yemen.
Ministry:	Ministry of Oil and Minerals.
Minister:	Minister of Oil and Minerals.
Authority	Geological Survey and Minerals Resources Authority.
Board of Directors:	Board of Directors of the Authority.
Chairman of the Board:	Chairman of the Board of Directors of the Authority.
Regulations:	The executive regulations of this law.
Mineral Materials:	All natural minerals and their ores including chemical elements, irradiant elements, precious stones, rocks, layers, mineral deposits which are found on earth surface, underground, in the territorial waters or in the continental shelf. Also, the mineral water that comes from underground if extracted for the purpose of

- extracting mineral materials there from except oil, gas, and water.
- Natural Places:** are places where mineral, industrial and constructive materials lie.
- Mines:** Are natural places from which mineral materials extracted from underground or earth surface.
- Quarries:** Are natural places from which industrial and constructive materials extracted from earth surface.
- Metallic minerals:** Are minerals which their separation can result in extracting metal or more such as iron, copper, nickel, lead, zinc, aluminum and cobalt.
- Nonmetallic minerals:** Are minerals that are industrially exploited in their primary condition and from which metals such as magnesium and sodium cannot be extracted.
- Radiant materials: Belong to metallic minerals and distinguished by being a source of nuclear fuel metals such as uranium, radium and thorium.
- Precious minerals: Belong to metallic minerals and distinguished by being a medium for barter transactions and a measure of material value of exchanged goods. Precious minerals include (Platinum, Gold, Silver, Precious stones such as Diamond and Corundum).
- Constructive and Industrial rocks and materials:** Are materials used in industry and building such as Ornamental stones, Rocks, Sand, Gypsum, Marble, Basalt, Granite, Pebbles and Kaolin.
- Search for minerals:** Studying and surveying the earth surface using all scientific means to determine locations of minerals.
- Exploration of minerals:** Test of earth surface or underground using all scientific means in order to identify minerals and their natural places through natural characteristics.
- Exploitation:** Any action aims at deriving commercial benefit From constructive and industrial materials together with minerals whether in their natural conditions or after treatment.

- Permission:** is the right to search for.
- License:** is the right to explore.
- Exploitation contract:** Is a contract signed according to the provisions of this law between the Authority and any natural or artificial person in order to exploit minerals, industrial and constructive materials.
- Handicraft mining:** Means manual and not mechanical works done by persons.
- Investor:** Anyone has valid permission or license or exploitation contract.

Chapter two

State ownership of minerals, industrial and Constructive rocks and materials

Article (3): With due consideration to “ appropriation law for the public interest” and the provisions mentioned in this chapter, the following is excepted from this law:

- A) Existing and recognized rights of the citizens, at the time of issuing this law, in any area in the Republic related to the right of exploiting some minerals, constructive and industrial rocks. These minerals and rocks shall be registered at the Authority. The regulations shall explain registration procedures and the provisions related to exploiting minerals, constructive and industrial rocks.
- B) Legal rights and obligations of those who own and use any earth surface.
- C) Oil, gas and their derivatives as well as water which are subject to special agreements and laws.
- D) Lands that are occupied by mosques or cemeteries or those which are considered to be religious or archeological places.
- E) Lands on which are constructed streets or airports or pipelines or geological protected sites. But if some minerals are under these lands, it is allowed to extract them by a decision of the Prime

F) Minister after the approval of the Council of Ministers and based on the Minister submission.

Article (4): Subject to the private ownership set out in paragraphs (a , b) of the previous article, minerals, constructive and industrial rocks whether found on earth surface or underground, in the territorial waters, in the continental shelf or in the exclusive economic zone shall be owned by the state. The state shall have absolute right to search for and explore minerals, constructive and industrial rocks and dispose of them except what is provided for in this law. This ownership may not be transferred, assigned or revoked and may not be lost by prescription.

Article (5): According to the previous article, the state ownership of minerals, constructive and industrial rocks is not affected by permission or license given by the state or contracts signed by it related to searching for or exploring or exploiting such rocks or minerals. Also, the ownership of the lands included in these documents and whatever found on the earth surface or underground shall not be affected. These permissions and licenses do not lead to any right. They only give the right of searching, exploring and exploiting minerals, constructive and industrial rocks according to this law.

Article (6): The Authority shall apply and implement this law, supervise mines and quarries, explore, search for and exploit minerals, constructive and industrial rocks. The Authority may entrust these activities to others according to the conditions provided for in this law. The regulations shall set forth detailed and executive rules for the provisions of this article.

Part two Mines and Quarries

Chapter one Search for minerals, constructive and industrial rocks

Article (7): permission of searching for minerals, constructive and industrial rocks shall be issued by the authority according to a written application submitted to the chairman of the board pursuant to the conditions provided for in this law and its executive regulations.

Article (8): the Authority shall consider the application provided for in article (7) and take the decision on the permission application if it contains the necessary information and after the fees have been paid according to the executive regulations.

Article (9): the search for permission shall be valid for the prescribed Period and pursuant to the nature of the minerals, constructive and industrial rocks but not to exceed one year. The authority may renew, if necessary, the permission for the same period of time after paying certain fees.

Article (10): If a person finds minerals, he shall notify the authority in writing and the Authority shall register the discovery right for him in register prepared specially for that purpose. He shall be more entitled to get exploration license if he satisfies the necessary conditions and if the land is not given to another investor and if he applies for exploration license within three months starting from the date of his notification the authority regarding the discovery otherwise he may not be more entitled to get exploration license.

Chapter two

Exploration of minerals, constructive and industrial rocks

Article (11): The Authority shall issue a license of exploration of minerals, constructive and industrial rocks.

The Minister shall approve this license and for a period not more than two years according to a written application submitted to the chairman of the board. The executive regulations shall govern the required conditions and procedures.

Article (12): The Authority shall consider the application provided for in this law after making sure that it has satisfied the conditions.

The Authority may take the decision on the application at the time set forth in the executive regulations.

Article (13): Every licensee shall pay annual fees to be determined by the Authority according to the financial regulations, the area being explored, conditions or any other considerations related to mining area.

Article (14): During the validity of the license, the licensee has the right to get exploitation contract related to the whole area covered by the license or part of it and that according to the conditions set forth in (part two, chapter three) of this law.

Article (15): the licensee may not explore minerals or ores other than those mentioned in the license, unless these minerals or ores mixed with the minerals mentioned in the license. In this case, the Authority may add these minerals or constructive and industrial rocks to the license. The licensee has to notify the Authority in that matter in writing within 15 days of his finding the mixed minerals.

Chapter three

Exploiting minerals and rocks

Article (16): Exploitation contracts of minerals, constructive and industrial rocks shall be signed according to the following:

- A) Decision of the Authority on exploitation contracts of minerals, constructive and industrial rocks.
- B) A law shall be issued on approving exploitation contract of metallic minerals, radiant materials and precious minerals.

Article (17): Exploitation contract shall only be signed if the applicant fulfills the conditions specified in the executive regulations of this law.

Article (18): Exploitation contract shall include general and special conditions and provisions regarding rights and obligations of the Authority, the applicant for exploitation contract or third parties. Also, procedures for dispute settlements, terms and conditions for waiver or transfer of ownership, rent and other terms and conditions.

Part three

Constructive and industrial rocks

Article (19): Constructive and industrial rocks shall be divided into:

- A) Rocks, stones, sand and the materials that used as raw materials in factories such as cement and glass.
- B) Rocks, stones, sand and the materials used in building in their natural condition or after undergoing simple manufacturing processes. The executive regulations shall explain types of the raw materials mentioned in (A, B) of this article.

Article (20): Constructive and industrial rocks may not be exploited unless there is a contract issued according to the provisions of this law and after paying the fees, except if it is for the private use of the owner.

Article (21): the contract shall include the annual fees due to the state against exploitation according to the financial regulations approved by the board of directors.

Article (22): If the constructive and industrial materials exist in a land owned by persons, the latter shall have the priority in obtaining an exploitation contract according to the prescribed procedures.

Article (23): If the land exploited not owned by the applicant, he shall enclose with his application a rent contract certified by the concerned authorities including the rent value and period of rent. The amount of the rent of the land may nit influence the fees amount due to the state according to the financial regulations.

Article (24): The executive regulations shall specify the rules and provisions that supplement the provisions of this part including the conditions and the necessary procedures for issuing contracts and that according to their importance to development process. The financial regulations shall set forth privileges and exemptions enjoyed by licensees.

Article (25): The board of directors may, upon recommendation of the chairman of the board, delegate to the Authority's branches powers and authorities of granting contracts for exploitation of constructive and industrial rocks according to the provisions of this law.

Part four Common provisions

Article (26): It is forbidden to search for, explore and exploit minerals, constructive and industrial rocks in the territorial waters, in the contiguous international waters and in continental shelf, except according to the conditions and provisions provided for in this law.

Article (27): An application for exploration license, search for permission or exploitation contracts should include the information set forth in the executive regulations.

Article (28): The executive regulations of this law shall set forth the information related to every license or permission or exploitation contract issued according to this law.

Article (29): Rights granted according to the license or permission or contract shall be restricted to the minerals or rocks and within the boundaries of the specific site delimited in those documents and to unlimited vertical depth provided that it shall not horizontally extend to the deposits, veins, divisions or layers of the said materials which are beyond the boundaries of the specific site.

Article (30): Any artificial or natural person may not search for or explore or exploit or trade in minerals or constructive and industrial rocks without permission according to the provisions of this law and its executive regulations. Materials extracted in violation of the provisions of this article shall be owned by the state. The artificial or natural person shall have no right to claim back from the state any expenses spent in that respect.

Article (31): Any mineral material or constructive and industrial rocks may not be exported without permission from the Authority. The same applies to experimental samples regardless of their quantity.

Article (32): The priority of giving exploration permission, search for license or exploitation contract shall be given to those who fulfill the conditions earlier.

Article (33): Renewal application for license, permission and contract should be submitted within two months before date of expiry. Renewal shall take effect as of the expiry date.

Article 34): The Authority has the right to cancel the license, permission or contract in the following cases:

- A) If the investor violates or does not comply with the conditions mentioned in the license, permission and contract.
- B) If he does not pay the amounts due to the state within the limited period and after giving one-month notice, unless there is force majeure prevented him from paying the amounts.
- C) If he does not use license, permission or contract or even stop using them without legitimate reason.
- D) If he smuggles minerals or rocks without paying the fees due to the state or if he extracts or exploits them contrary to this law and its executive regulations.
- E) If he refuses to present the required information about the exploited quantities or if he presents incorrect information.
- F) If he does not take necessary measures for conserving environment.

- G) If he does not keep books necessary for showing extracted and sold quantities.
- H) If he asks in writing for the termination of the license or permission or contract.
- I) If he violates any condition of exploitation contract.

Article (35) : The investor, according to the previous article, has no right to ask the Authority or the government for any compensation or recovery of any amounts as a result of canceling of the license or permission or contract.

Article (36): In case of canceling licenses or permissions or exploitation contracts, investor shall be bound to:

- 1) Remove of all equipments, machines, remains and signs from operations area including fencing the mines and quarries and filling the holes within ninety days starting from the cancellation date, otherwise the Authority shall remove the above-mentioned at his expense.
- 2) Abandon to the Authority all mines and quarries in good condition and he has the right to remove all installations if this does not cause damages. If these installations are not removed within ninety days starting from the cancellation date, this shall be considered abandonment by the investor to the Authority at no cost. He shall compensate for all damages resulting from investment.
- 3) The Authority may buy assets of the investor after approval of the board of directors at a cost to be agreed on. If they disagree on the cost, an appraisal committee shall determine it. This committee consist of three persons, every party shall choose one person and the third person shall be selected by the two persons. Decision of this committee shall be binding.

Article (37): Those who undertake operations of search for or exploration or exploitation for minerals or constructive and industrial rocks should keep copies of geological, geophysical and other surveys related to quarries and mines as well as researches. The Authority should be provided with these copies.

Article (38): If the explorer or investor find, during the operations he undertakes, radioactive materials such as : Uranium, Thorium and Radium, he shall immediately notify the Authority. The Authority shall take whatever actions and steps in accordance with the nature and risks of the explored radioactive material.

Article (39): The officers of the Authority, who are duly authorized in writing, shall be entitled to enter sites of operations of exploration or investment of mineral materials and constructive and industrial rocks for the purposes of inspection and control regarding all current operations, including checking records and documents related to their activities and ensuring the implementation of health and safety regulations as well as system of storage of explosives and exercise other ways of control and investigation. The investor shall be under an obligation to provide all facilities and render assistance necessary for the due performance of their responsibilities.

Article (40): The investor should make use of local raw materials and goods.

Article (41): with due consideration to labour law, the investors, during operations of exploration and exploitation of mineral materials or constructive and industrial rocks, shall be obligated to:

- 1-Give priority to Yemeni workers specially those who have the required experience and skills.
- 2-Hold training courses for the workers according to periodic programs taking into consideration their nature and level of their operations.

Part five Penalties and fines

Article (42): without prejudice to any more severe penalties which are provided for in the law in force, a fine of not less than one hundred thousand (100,000) Riyals and not more than five hundred thousand (500,000) Riyals or an imprisonment for a term not exceeding six months, shall be imposed on anyone who shall commit any of the following acts:

- 1) Commencing operations of exploration and exploitation of minerals before obtaining the permit or license.
- 2) Using the permit, license or contracts for purposes other than those covered by them.
- 3) Extracting minerals or attempting to do so without having an investment contract according to the provisions of this law.
- 4) Smuggling minerals outside the Republic.

- 5) Submitting false or forged information for purposes of obtaining a permit, license or investment contract for the minerals.

Article (43): Without prejudice to any more severe penalty provided fore in the laws in force, a penalty of not less than ten thousand (10,000) Riyals and not more than one hundred thousand (100,000) Riyals or an imprisonment for a term not exceeding six months, shall be imposed on anyone who shall commit one of the following acts:

- 1) Extracting constructive and industrial rocks in violation of the provisions of this law.
- 2) Refraining from paying the prescribed fees due to the state, in consideration of extracting constructive and industrial.
- 3) Smuggling constructive and industrial rocks outside the Republic.
- 4) Using quarry licenses for purposes other than those covered by them.
- 5) Refusing to provide the required facilities or to render the required assistance to the officers authorized by the authority or preventing them in any manner from performing their responsibilities.
- 6) Providing any false or forged information for the purposes of obtaining exploitation contract for constructive and industrial rocks.

Article (44): A summary fine, of not less than five thousand (5,000) Riyals and not more than ten thousand (10,000)Riyals, shall be imposed on anyone who shall commit any of the following acts:

- 1) Non-compliance with the renewal of the permit and license at the given times.
- 2) Non-submission of required reports and information by investor according to this law and its executive regulations.

Article (45) : The fine shall be doubled in the event of recommitment of the violations previously stated in this part.

Article (46) : the penalties and fines previously stated shall not affect the restoration to the state of the minerals or constructive and industrial rocks, which are the subject of the violations or their value including any income that has been derived therefrom.

Part six

Final provisions

Article (47): with due consideration to appropriation law for the public interest, especially article (3), the government has the right to appropriate any land whatever its nature against just compensation if any minerals or constructive and industrial rocks appear to exist in that land and that public interest justifies the investment thereof according to this law.

Article (48): according to the provisions of this law, authorities concerned with distributing lands for building such as Ministry of housing and Ministry of Endowments, shall make sure that these lands free from minerals and that in coordination with the Authority.

Article (49):

- a) Should any dispute arise between the investors and the Authority regarding the identification of the kind and class of any mineral, the matter shall be referred to the Minister for determination and the complainant has the right to resort to law.
- b) Should any dispute arise among the holders of permissions and licenses and exploitation contracts regarding the boundary lines separating their mines and quarries, the authority shall determine the dispute at the expense of the disputing parties by a resolution giving the reasons therefore. The complainant shall have the right to resort to the competent court within 15 days starting from the date of being notified of the resolution. Such a case shall be considered a case of summary proceedings.
- c) With due consideration to (state cases law), if any dispute arises between the Authority and other government bodies due to implementing the provisions of this law, it shall be brought before the Council of Ministers for determination and the decision shall be final.

Article (50): Those who subject to the provisions of this law shall enjoy privileges and exemptions which are provided for in the investment law.

Article (51): Should a force majeure prevent investors from performing their duties within the fixed times, such prevention shall not be considered a failure to perform duties. The authority may extend the period of time which was devoted for performing duties equaling to the period of prevention of duties performance.

Article (52): Taking into consideration articles (9,14,29) of this law, a handicraft mining license shall be granted upon application submitted to the Authority or whomsoever authorized by the authority.

Article (53) :The executive regulations of this law shall be passed by a resolution of the council of ministers based on a proposal of the Minister, provided that the said regulations shall include the supplementary rules regarding the organization of mines and quarries as to ventilation, the restrictions imposed on the use of explosives, the provisions regulating the handicraft mining, the forms of permits, licenses and exploitation contracts. Also, health and vocational safety measures, training and qualification matters and other organizational rules provided for in this law.

Article (54): The Authority shall issue the financial regulations concerning royalties, rents and other revenues as well as types of insurances, cash and bank guarantees required for the Authority. This financial regulations shall be passed by a resolution of the Prime Minister following the consent of the Council of Ministers according to a proposal of the Minister.

Article (55): The republican resolution by law no.(50) of the year(1991) concerning mines and quarries and any other law or provision inconsistent with the provisions of this law shall be repealed.

Article (56) : This law shall come into force from the date of its issue and shall be published in the Official Gazette.

**Issued on 10 Jamadi Awal 1423 H
Corresponding to 20 July 2002**

**Ali Abdulla Saleh
President of the Republic.**