

MINERAL LAW

Pursuant to the 1992 Constitution of the Socialist Republic of Vietnam, which was amended and supplemented under Resolution No.51/2001/QH10; The National Assembly promulgates the Mineral Law.

Chapter I

GENERAL PROVISIONS

Article 1. Scope of regulation

This Law provides for geological baseline surveys of minerals; protection of unexploited minerals; mineral exploration and mining; state management of minerals in the mainland, islands, internal waters, territorial sea, contiguous zone, exclusive economic zone and continental shelf of the Socialist Republic of Vietnam.

Oil and gas and natural water other than mineral water and natural thermal water are not governed by this Law.

Article 2. Interpretation of terms

In this Law, the terms below are construed as follows:

1. Mineral means useful minerals and mineral substances which are naturally accumulated in solid, liquid or gaseous form and exist underground or on the ground, including minerals and mineral substances at tailing sites of mines.
2. Mineral water means natural water underground or on the ground containing ingredients, features and some biological active compounds in conformity with Vietnamese standards or technical regulations or foreign standards which are allowed to apply in Vietnam.
3. Natural thermal water means natural water underground or on the ground which has a source temperature in conformity with Vietnamese standards or technical regulations or foreign standards which are allowed to apply in Vietnam.
4. Geological baseline survey of minerals means study and investigation of the physical structure and components, the history of evolution and development of the earth's crust and relevant biomineral conditions and laws to serve the general evaluation of mineral potential as scientific grounds for guiding mineral exploration.

5. Mineral activities include mineral exploration and mineral mining activities.
6. Mineral exploration means activities to identify mineral deposits and quality and obtaining other information for mineral mining.
7. Mineral mining means activities to recover minerals, including mine infrastructure construction, excavation, classification, enrichment and other related activities.

Article 3. State policies on minerals

1. The State adopts mineral strategies and master plans to assure socio-economic sustainable development, national defense and security in each period.
2. The State assures that minerals will be protected, exploited and utilized in a rational, economical and effective manner.
3. The State invests in and conducts geological baseline surveys of minerals under mineral strategies and master plans; carries out human resource training and development, scientific research and technological application and development in geological baseline surveys of minerals and mineral activities.
4. The State encourages organizations and individuals to invest and cooperate with state-owned geological organizations in conducting geological baseline surveys of minerals.
5. The State invests in the exploration and mining of some kinds of important minerals to serve socio-economic development, national defense and security.
6. The State promotes investment projects on mineral mining associated with the processing and utilization of minerals to manufacture metal, alloy or other products of high value and socio-economic effectiveness.
7. The State adopts policies on the export of minerals in each period in accordance with sustainable socio-economic development objectives and on the principle of prioritizing raw materials for domestic production.

Article 4. Principles of mineral activities

1. Mineral activities must comply with mineral strategies and master plans and connected with the protection of environment, natural landscape, historical-cultural relics, scenic places and other natural resources while assuring national defense, security and social order and safety.
2. Mineral activities may only be carried out only after obtaining permission from competent state management agencies.
3. Mineral exploration must fully evaluate the deposits and quality of all kinds of minerals in an exploration area.

4. In mineral mining, socio-economic effectiveness and environmental protection must be considered basic criteria for making investment decisions; and advanced mining technologies which are suitable to the size and characteristics of each mine as well as each kind of mineral shall be applied in order to recover minerals to the maximum.

Article 5. Benefits of localities and people in areas in which minerals are exploited

1. The State shall allocate part of revenues from mineral mining activities to support socio-economic development in localities in which minerals are exploited under (the state budget law.

2. Mining organizations and individuals shall:

a/ Partially cover investment costs for upgrading, maintaining and building technical infrastructure facilities used in mining activities and building welfare works under law for localities in which minerals are exploited;

b/ Combine mining activities with the building of technical infrastructure and environmental protection and restoration under investment projects on mineral mining; and repair, maintain or build new facilities or pay compensations under law depending on the degree of damage, if causing damage to technical infrastructure facilities or other works and properties;

c/ Give priority to employment of local labor in mining activities and related services;

d/ Coordinate with local administrations in assuring the change of jobs for local people whose land is recovered for mining.

3. Compensation, support and resettlement for land users whose land is recovered for mineral mining projects comply with the land law and other relevant regulations.

Article 6. Storage of mineral-related information

1. Reports on the results of geological baseline surveys of minerals and reports on mineral exploration results shall be archived according to the law on archives.

2. Geological and mineral specimens shall be preserved in the Geology Museum of Ministry of Natural Resources and Environment according to law.

Article 7. Use of mineral-related information

1. When requested, state management agencies in charge of minerals shall provide mineral-related information to organizations and individuals according to law.

2. Organizations and individuals that use mineral-related information shall pay a charge therefore according to the law on charges and fees.

3. Organizations and individuals that use mineral-related information for mineral exploration shall reimburse costs for geological baseline surveys of minerals; those that use mineral-related information for mineral mining shall reimburse costs for geological baseline surveys of minerals and costs for mineral exploration.

4. The Government shall specify the reimbursement of costs for geological baseline surveys of minerals and costs for mineral exploration.

Article 8. Prohibited acts

1. Taking advantage of mineral activities to infringe upon the interests of the State or the rights and legitimate interests of organizations and individuals.

2. Abusing mineral exploration to exploit minerals.

3. Conducting geological baseline surveys of minerals or mineral activities without permission of competent state management agencies.

4. Illegally obstructing geological baseline surveys of minerals or mineral activities.

5. Illegally providing mineral-related information classified as state secrets.

6. Intentionally destroying valuable or rare and precious geological and mineral specimens.

7. Other acts as prescribed by law.

Chapter II

MINERAL STRATEGIES AND MASTER PLANS

Article 9. Mineral strategies

1. Mineral strategies shall be elaborated on the following principles and bases:

a/ Conformity with socio-economic development, national defense and security strategies and plans and regional master plans;

b/ Satisfaction of mineral needs for sustainable socio-economic development; and economical and wasteful exploitation and utilization of minerals;

c/ Domestic mineral demand and supply capacity and possibilities of international cooperation in the mining sector for socio-economic development;

d/ Available results of geological baseline surveys of minerals; and mineral-related geological prerequisites and signs.

2. A mineral strategy must contain the following principal contents:

a/ Guiding viewpoints and objectives of geological baseline surveys of minerals, protection of unexploited minerals, mineral exploration, mining, processing and rational and economical utilization of minerals;

b/ Orientations for geological baseline surveys of minerals, protection of unexploited minerals, exploration and mining of each group of minerals, and post-mining processing and rational and economical utilization of minerals in the strategy's period;

c/ Major tasks and solutions in geological baseline surveys of minerals, protection of unexploited minerals, exploration and mining of each group of minerals, post-mining processing and rational and economical utilization of minerals; and national mineral reserves.

3. Mineral strategies shall be elaborated for 10-year periods, with a 20-year vision, corresponding to the period of relevant socio-economic development strategies.

4. The Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with the Ministry of Industry and Trade, the Ministry of Construction, the Ministry of Planning and Investment, other ministries and ministerial-level agencies and concerned localities in, elaborating mineral strategies for submission to the Prime Minister for approval.

Article 10. Mineral master plans

1. Mineral master plans include:

a/ Master plans on geological baseline surveys of minerals:

b/ National master plans on mineral exploration and mining;

c/ National master plans on the exploitation and utilization of each kind or group of minerals for use as construction materials, and national master plans on exploitation and utilization of each kind or group of other minerals;

d/ Provincial master plans on mineral exploration, mining and utilization.

2. Periods of mineral master plans are stipulated as follows:

a/ A master plan on geological baseline surveys of minerals shall be made for a 10-year period, with a 20-year vision;

b/ A master plan specified at Points b, c and d, Clause I of this Article shall be made for a 5-year period, with a 10-year vision.

3. The Government shall assign ministries to elaborate and submit the master plans specified in at Points a, b and c, Clause 1 of this Article to the Prime Minister for approval; and provide for the elaboration of provincial master plans on mineral exploration, mining and utilization.

Article 11. Master plans on geological baseline surveys of minerals

1. Master plans on geological baseline surveys of minerals shall be elaborated on the following principles:

a/ Compliance with socio-economic development, national defense and security strategies and plans, regional master plans and mineral strategies;

b/ Orientation for the elaboration of national master plans on mineral exploration and mining.

2. Bases for elaboration of master plans on geological baseline surveys of minerals include:

a/ Socio-economic development, national defense and security strategies and plans, regional master plans and mineral strategies;

b/ Implementation results of the preceding period's master plan on geological baseline surveys of minerals; and newly discovered mineral-related geological prerequisites and signs.

3. A master plan on geological baseline surveys of minerals must have the following principal contents:

a/ A geological and mineral survey map based on a 1:50,000-scale topographic map; development of a system of geological and mineral databases;

b/ Assessment of potentials of each kind and group of minerals; identification of areas with mineral prospect;

c/ Evaluation of the implementation of the preceding period's master plan on geological baseline surveys of minerals;

d/ Identification of the scope of investment in and needs for equipment, technologies and analyzing and testing methods for geological baseline surveys of minerals;

e/ Solutions and schedule for the implementation of the master plan.

Article 12. National master plans on mineral exploration and mining

1. National master plans on mineral exploration and mining shall be elaborated on the following principles:

a/ Compliance with socio-economic development, national defense and security strategies and plans, regional master plans and mineral strategies;

b/ Assurance of rational, economical and effective exploitation and utilization of minerals to meet present needs while taking into account scientific and technological development and mineral demand in the future;

c/ Protection of the environment, natural landscape, historical-cultural relics, scenic places and other natural resources.

2. Bases for the elaboration of national master plans on mineral exploration and mining include:

a/ Socio-economic development, national defense and security strategies and plans, regional master plans, mineral strategies and master plans on mineral-using industries;

b/ Mineral needs of various industries;

c/ Results of geological baseline surveys of minerals;

d/ Scientific and technological advances in mineral exploration and mining;

e/ Implementation results of the preceding period's master plan; and strategic environmental assessment results according to the law on environmental protection.

3. A national master plan on mineral exploration and mining must have the following principal contents:

a/ Survey, study, summarization and assessment of national and socio-economic conditions and the current state of mineral exploration, mining, processing and utilization;

b/ Assessment of mineral potential already surveyed and explored and mineral needs of various industries;

c/ Evaluation of the implementation of the preceding period's master plan;

d/ Identification of orientations and objectives for mineral exploration and mining in the planning period;

e/ Identification of mineral activity areas, including also areas with small-scale and scattered minerals. A mineral activity area will be delimited by lines connecting corner points drawn on a topographic map using the national coordinate system of an appropriate scale;

f/ Areas banned from mineral activities, areas temporarily banned from mineral activities and national mineral reserves areas;

g/ Solutions and schedule for the implementation of the master plan.

Article 13. National master plans on the exploitation and utilization of each kind or group of minerals for use as construction materials and national master plans on the exploitation and utilization of each kind or group of other minerals

1. National master plans on the exploitation and utilization of each kind or group of minerals for use as construction materials and national master plans on the exploitation and utilization of each kind or group of other minerals shall be elaborated on the following principles:

a/ Compliance with socio-economic development, national defense and security strategies and plans, regional master plans, mineral strategies and national master plans on mineral exploration and mining.

b/ Assurance of rational, economical and efficient exploitation and utilization of minerals to meet present needs while taking into account scientific and technological development and mineral needs in the future;

c/ Protection of the environment, natural landscape, historical-cultural relics, scenic places and other natural resources;

d/ A mineral which is used for different purposes shall be indicated in only one master plan.

2. Bases for elaboration of national master plans on the exploitation and utilization of each kind or group of minerals for use as construction materials and national master plans on exploitation and utilization of each kind or group of other minerals include:

a/ Socio-economic development, national defense and security strategies and plans, regional master plans, mineral strategies and national master plans on mineral exploration and mining;

b/ Mineral processing and utilization needs of various industries;

c/ Scientific and technological advances in mineral exploration and mining;

d/ Implementation results of the preceding period's master plan; and strategic environmental assessment results according to the law on environmental protection.

3. A national master plan on the exploitation and utilization of a kind or group of minerals for use as construction materials or a national master plan on exploitation and utilization of a kind or group of other minerals must have the following principal contents:

a/ Survey, study, summarization and assessment of the current state of exploration, exploitation, processing and utilization of this kind or group of minerals in mineral activity areas;

b/ Evaluation of the implementation of the preceding period's master plan;

c/ Identification of mineral demand and supply in the planning period;

d/ Identification of mining areas and kinds of minerals in which mining investment should be made and mining schedule. A mineral mining area shall be delimited with lines connecting corner points drawn on a topographic map using the national coordinate system of an appropriate scale;

e/ Identification of mining scale and capacity and requirements on mining technologies;

f/ Solutions and schedule for the implementation of the master plan.

Article 14. Adjustment of mineral master plans

1. A mineral master plan may be adjusted in the following cases:

a/ Upon adjustment of socio-economic development, national defense and security strategies and plans, regional master plans, mineral strategies and plans which directly affect the contents of the approved master plans or upon occurrence of great changes in the mineral processing and utilization demands of various industries;

b/ There are new findings about minerals which affect the characteristics and contents of the master plan;

c/ Upon occurrence of a circumstance defined in Clause 4, Article 28 of this Law;

d/ For national or public interests.

2. State management agencies competent to approve mineral master plans shall decide to adjust the approved master plans.

Article 15. Collection of opinions on. and publicization of, mineral master plans

1. Opinions on mineral master plans shall be collected as follows:

a/ Agencies elaborating the master plans prescribed at Points a. b and c. Clause 1, Article 10 of this Law shall collect opinions on the master plans from concerned ministries, ministerial-level agencies and provincial-level People's Committees (below collectively referred to as provincial-level People's Committees) before submitting them to the Prime Minister for approval;

b/ Agencies elaborating the master plans defined at Point d, Clause 1, Article 10 of this Law shall collect opinions on the master plans from the Ministry of Natural Resources and Environment and concerned ministries and ministerial-level agencies before submitting them to competent state agencies for decision.

2. The agency which elaborates a mineral master plan shall publicize it within 30 days after it is approved or adjusted.

Chapter III

PROTECTION OF UNEXPLORED MINERALS

Article 16. Common responsibility for protection of unexploited minerals

1. Unexploited minerals, including those at tailing sites of closed mines, shall be protected under this Law.

2. Agencies, organizations and individuals shall protect unexploited minerals and strictly observe regulations on the protection of unexploited minerals.

3. Provincial-level People's Committees of all levels shall, within the ambit of their tasks and powers, protect unexploited minerals in their localities.

Article 17. Organizations' and individuals' responsibilities for mineral protection

1. Organizations and individuals engaged in mineral activities shall:

a/ Upon conducting mineral exploration, evaluate and fully report minerals discovered in exploration areas to competent licensing state management agencies;

b/ Upon conducting mineral mining, apply advanced technologies suitable to the size and characteristics of each mine and each kind of to-be-exploited mineral so as to recover to the

maximum minerals which are allowed for mining; When discovering new minerals, immediately report such to competent licensing state management agencies; and manage and protect minerals already exploited but not yet utilized or minerals not yet recovered.

3. Land-using organizations and individuals shall protect unexploited minerals within their land areas; and may not conduct mineral mining without permission, except for the cases specified at Point b, Clause 2, Article 64 of this Law.

3. When submitting regional construction master plans, urban master plans and master plans on construction of rural residential areas, elaborating agencies shall enclose written opinions of competent licensing state management agencies specified in Article 82 of this Law.

Article 18. Responsibilities of People's Committees of all levels to protect unexploited minerals

1. Within the ambit of their tasks and powers, provincial-level People's Committees shall:

a/ Promulgate according to their competence or propose competent state management agencies to promulgate documents on enforcement of the mineral law in their localities;

b/ Propagate, disseminate and educate about the law on protection of unexploited minerals;

c/ Organize the protection of unexploited minerals;

d/ Mobilize and direct the coordination among local forces to stop or prevent illegal mineral activities in their localities.

2. Within the ambit of their tasks and power, People's Committees of districts, towns and provincial cities (below collectively referred to as district-level People's Committees) shall:

a/ Organize the enforcement of the mineral law in their localities;

b/ Direct People's Committees of communes, wards and townships (below collectively referred to as commune-level People's Committees) to apply measures to protect unexploited minerals; mobilize and direct the coordination among local forces to stop or prevent illegal mineral activities.

3. Within the ambit of their tasks and powers, commune-level People's Committees shall detect and prevent in time illegal mineral activities and coordinate with functional agencies in protecting unexploited minerals in their localities.

Article 19. Responsibilities of ministries and ministerial-level agencies to protect unexploited minerals

1. The Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with ministries and ministerial-level agencies in, directing the implementation of regulations on protection of unexploited minerals according to this Law.

2. The Ministry of Public Security and the Ministry of National Defense shall, within the ambit of their tasks and powers, direct the fight against crimes in the mining sector; protect unexploited minerals in border areas, islands or areas in which mineral activities are banned for defense or security reasons.

3. Ministries and ministerial-level agencies shall, within the ambit of their tasks and powers, coordinate with the Ministry of Natural Resources and Environment, the Ministry of Public Security and the Ministry of National Defense in, protecting unexploited minerals.

Article 20. Funds for protection of unexploited minerals

The State shall ensure funds for the protection of unexploited minerals. Funds for the protection of unexploited minerals shall be included in annual state budget estimates.

Chapter IV

GEOLOGICAL BASELINE SURVEYS OF MINERALS

Article 21. The State's responsibilities for geological baseline surveys of minerals

1. The State shall conduct geological baseline surveys of minerals under the approved master plan.

Funds for geological baseline surveys of minerals shall be included in annual state budget estimates.

2. The Ministry of Natural Resources and Environment shall conduct geological baseline surveys of minerals on the basis of the master plan on geological baseline surveys of minerals approved by the Prime Minister and the allocated state budget estimates.

Article 22. Contents of geological baseline surveys of minerals

1. A geological baseline survey of minerals has the following contents:

a/ Survey and discovery of minerals simultaneously with drawing of maps for regional geology, catastrophic geology, environmental geology, marine mineral geology and specialized geological and mineral maps and researches;

b/ Assessment of mineral potential by kind or group of minerals or geological structures of prospect to discover new mineral areas.

2. The Ministry of Natural Resources and Environment shall specify the contents of geological baseline surveys of minerals; procedures for appraising and approving projects on geological baseline surveys of minerals and reporting on the outcomes of geological baseline surveys of minerals.

Article 23. Rights and obligations of organizations conducting geological baseline surveys of minerals

1. Organizations conducting geological baseline surveys have the following rights:

a/ To conduct geological baseline surveys of minerals under projects approved by competent state management agencies;

b/ To send out of areas in which geological baseline surveys of mineral are conducted, even out of the country, mineral specimens of appropriate weights and types for analysis and testing purposes under the approved projects.

2. Organizations conducting geological baseline surveys of minerals have the following obligations:

a/ To register geological baseline surveys of minerals with competent state management agencies before conducting these surveys;

b/ To properly implement approved projects and comply with standards, technical regulations, norms and unit prices in the process of conducting geological baseline surveys of minerals;

c/ To ensure the truthfulness and completeness in the collection and summarization of geological and mineral-related documents and information; to refrain from disclosing geological and mineral-related information during the process of conducting geological baseline surveys of minerals;

d/ To protect the environment, minerals and other natural resources during survey periods;

e/ To propose competent state management agencies to approve reports on the results of geological baseline surveys of minerals;

f/ To submit approved reports on the results of geological baseline surveys of minerals for archival according to the law on archives; to send geological and mineral specimens to the Geology Museum according to the Ministry of Natural Resources and Environment's regulations.

Article 24. Organizations and individuals investing in geological baseline surveys of minerals

1. Investment in geological baseline surveys of minerals must ensure the following principles:

a/ Projects on geological baseline surveys of minerals must be included in the Prime Minister-issued list of projects in which investment is promoted;

b/ Projects on geological baseline surveys of minerals must be appraised by the Ministry of Natural Resources and Environment;

c/ Projects on geological baseline surveys of minerals must be implemented under the supervision of competent state management agencies.

2. When conducting mineral activities, organizations and individuals having invested in geological baseline surveys of minerals will be given priority in using information on minerals in surveyed areas.

Chapter V

MINERAL AREAS

Article 25. Classification of mineral areas

1. Mineral activity areas, including areas with small-scale and scattered minerals.

2. Areas banned from mineral activities.

3. Areas temporarily banned from mineral activities.
4. National mineral reserves areas.

Article 26. Mineral activity areas

1. Mineral activity areas are areas in which geological baseline surveys of minerals have been conducted and which have been delimited by competent state agencies in the master plan mentioned at Point b, c or d, Clause 1, Article 10 of this Law.

2. Based on requirements for national defense and security assurance; prevention and mitigation of impacts on the environment, natural landscape and historical-cultural relics; protection of special-use forests or infrastructure facilities, mineral exploration and mining may be restricted in terms of:

a/ Organizations and individuals allowed to conduct exploration and mining;

b/ Mining output;

c/ Mining duration;

d/ Mining areas, depth and methods.

Competent licensing state management agencies specified in Article 82 of this Law shall decide on forms of restriction of mineral activities at the request of ministries and ministerial-level agencies.

Article 27. Areas with small-scale and scattered minerals

1. Areas with small-scale and scattered minerals are areas suitable for only small-scale mining which are identified on the basis of mineral prospection results during the period of conducting geological baseline surveys of minerals or mineral exploration results approved by competent state agencies.

An area with small-scale and scattered minerals shall be delimited by lines connecting corner points drawn on a topographic map using the national coordinate system of an appropriate scale.

2. The Government shall specify the delimitation of areas with small-scale and scattered minerals.

Article 28. Areas banned from mineral activities, areas temporarily banned from mineral activities

1. Areas banned from mineral activities include:

a/ Land areas with historical-cultural relics or scenic places already ranked or delimited for protection under the Law on Cultural Heritages;

b/ Land areas under special-use forests, protection forests or land areas planned for protection forests and geological conservation zones;

c/ Land areas which are planned for national defense or security purposes or in which mineral activities may affect the performance of defense or security tasks;

d/ Land areas used by religious institutions;

e/ Land areas within the protection corridors or zones of transport, irrigation or dike works; water supply and drainage and waste treatment systems, electricity transmission lines, petrol, oil or gas pipelines or communications systems.

2. Areas temporarily banned from mineral activities shall be delimited for any of the following reasons:

a/ Satisfying defense or security requirements;

b/ Conserving the nature, historical-cultural relics or scenic places which are considered by the State for recognition or discovered in the process of mineral exploration or mining;

c/ To prevent or remedy consequences of natural disasters.

3. In case an area in which mineral activities are taking place is declared to be banned or temporarily banned from mineral activities, organizations and individuals conducting mineral activities in this area will be compensated according to law.

4. When it is necessary to explore or exploit minerals in areas banned from mineral activities or temporarily banned from mineral activities, competent licensing state management agencies defined in Article 82 of this Law shall report the adjustment of relevant mineral master plans to the Prime Minister for consideration and decision.

5. Provincial-level People's Committees shall delimit and propose the Prime Minister to approve areas banned from mineral activities and areas temporarily banned from mineral activities after consulting the Ministry of Natural Resources and Environment and concerned ministries and ministerial-level agencies.

Article 29. National mineral reserves areas

1. National mineral reserves areas are areas with unexploited minerals which are identified based on the results of geological baseline surveys of minerals and mineral exploration, including:

a/ Areas with minerals which should be reserved for sustainable socio-economic development;

b/ Areas with minerals which cannot be effectively exploited yet for lack of conditions or which can be exploited but remedies for adverse environmental impacts are unavailable.

2. The Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with concerned ministries and ministerial-level agencies in, delimiting and proposing the Prime Minister to decide on national mineral reserves areas.

Chapter VI

ENVIRONMENTAL PROTECTION. USE OF LAND, WATER AND TECHNICAL INFRASTRUCTURE IN MINERAL ACTIVITIES

Article 30. Environmental protection in mineral activities

1. Organizations and individuals engaged in mineral activities shall use environmentally friendly technologies, equipment and materials; apply solutions to prevent and mitigate adverse impacts on, and upgrade and restore the environment according to law.

2. Organizations and individuals engaged in mineral activities shall apply solutions and bear all costs for environmental protection, rehabilitation and restoration. Solutions and costs for environmental protection, rehabilitation and restoration must be identified in investment projects, environmental impact assessment reports and environmental protection commitments approved by competent state agencies.

3. Before conducting mineral mining activities, mining organizations and individuals shall pay a deposit for environmental rehabilitation and restoration according to the Government's regulations.

Article 31. Use of land and technical infrastructure facilities in mineral activities

1. Organizations and individuals engaged in mineral activities shall rent land according to the land law, unless they do not use the land surface layer or their mineral activities do not affect the use of land surface of organizations and individuals that are lawfully using such land. A land lease contract shall terminate upon the expiration of the relevant mineral exploration license or mineral mining licenses and shall be correspondingly adjusted upon the return of part of the mineral exploration or mining area. A new land lease contract shall be signed if there is any change of the organization or individual licensed for mineral exploration or mining.

2. Organizations and individuals engaged in mineral activities may use transport, communications and electricity systems and other infrastructure works to serve their mineral activities according to law.

Article 32. Use of water in mineral activities

1. Organizations and individuals engaged in mineral activities may use water according to the law on water resources.

2. Water sources and volume and using methods and wastewater discharge in mineral activities must be specified in exploration projects, mining investment projects and mine designs.

Article 33. Insurance for mineral activities

Organizations or individuals engaged in mineral activities shall buy insurance for vehicles and works used for mineral activities and other kinds of insurance according to law.

Chapter VII

MINERAL EXPLORATION

Article 34. Organizations and individuals eligible for conducting mineral exploration

1. Organizations and individuals having registered mineral exploration as their business line may be licensed to conduct mineral exploration. They include:

a/ Enterprises established under the Enterprise Law;

h/ Cooperatives and unions of cooperatives established under the Law on Cooperatives;

c/ Foreign enterprises with Vietnam-based representative offices or branches.

2. Business households having registered mineral exploration as their business line may be licensed to explore minerals for use as common construction materials.

Article 35. Conditions on mineral exploration practice organizations

1. A mineral exploration practice organization must satisfy the following conditions:

a/ Being lawfully established;

b/ Having an employee in charge of technical matters who possesses a university degree in geological exploration and has worked for at least five years in mineral exploration and a deep knowledge about standards and technical regulations on mineral exploration;

c/ Having a staff of technical workers specialized in geological exploration, hydrogeology, engineering geology, geophysics, drilling, excavation and other relevant disciplines;

d/ Having necessary special-use equipment and instruments for the construction of mineral exploration works.

2. The Ministry of Natural Resources and Environment shall specify conditions for mineral exploration practice.

Article 36. Selection of organizations and individuals to conduct mineral exploration

1. Competent state management agencies shall select organizations and individuals to be licensed for exploration of minerals in areas in which the mining right is not subject to auction.
2. The Government shall specify the selection of organizations and individuals to conduct mineral exploration.

Article 37. Selection of areas for elaboration of mineral exploration schemes

Organizations and individuals specified in Article 34 of this Law that wish to explore minerals may conduct field surveys and take surface specimens to serve the selection of areas for

elaboration of mineral exploration projects after obtaining written approval of the provincial-level People's Committees of localities in which the to-be-explored areas are located.

Article 38. Mineral exploration areas

1. A mineral exploration area shall be delimited by lines connecting corner points, drawn on a topographic map using the national coordinate system of an appropriate scale.
2. The size of an exploration area under a specific exploration license for a kind or group of minerals is stipulated as follows:
 - a/ Not exceeding 50 square kilometers (km²), for gemstone, semi-gemstone and metallic minerals, except bauxite;
 - b/ Not exceeding 100 square kilometers (km²), for coal, bauxite and non-metallic minerals on land, with or without water surface, except minerals to be used as common construction materials;
 - c/ Not exceeding 200 square kilometers (km²), for minerals of all kinds in the continental shelf, except minerals to be used as common construction materials;
 - d/ Not exceeding 2 square kilometers (km²) on land or 1 square kilometer (km²) in water surface areas, for minerals to be used as common construction materials;
 - e/ Not exceeding 2 square kilometers (km²), for mineral water and natural thermal water.
3. An exploration area must completely cover the mineral body and geological structures of prospect for the minerals to be explored.

Article 39. Mineral exploration projects

1. A mineral exploration project must have the following principal contents:

a/ An appropriate system of exploration methods to identify mineral deposit and quality, mining conditions and processing and utilization possibilities for all minerals discovered in the exploration area;

b/ The volume of exploration work, the quantity and kinds of specimens to be taken for analysis to ensure complete evaluation of natural resources as well as mineral deposit and quality according to the exploration objectives;

c/ Solutions for environmental protection and labor safety and sanitation during exploration. d/ Deposit calculation methods;

e/ Solutions and schedule for the project implementation.

f/ Exploration cost estimate based on unit prices set by competent state management agencies.

2. Mineral exploration projects must be appraised before licensing under the Ministry of Natural Resources and Environment's regulations.

Article 40. Principles and conditions for granting mineral exploration licenses

1. Mineral exploration licenses are granted on the following principles:

a/ Mineral exploration licenses shall be granted only for areas in which no organization or individual is lawfully conducting mineral exploration or mining and which are not banned or temporarily banned from mineral activities, national mineral reserves areas or areas in which geological baseline surveys are being conducted for minerals of the same kind of minerals being applied for;

b/ Each organization or individual shall be granted no more than 5 mineral exploration licenses, excluding the expired ones; the to-be-explored total area for a specific mineral under all licenses must not exceed 2 times the exploration area under a single license prescribed in Clause 2, Article 38 of this Law.

2. To be granted mineral exploration licenses, organizations and individuals must meet the following conditions:

a/ Being selected by competent state management agencies under Article 36 of this Law or having won auctions for mineral mining rights in unexplored areas under this Law; organizations and individuals that are ineligible for mineral exploration practice under in Clause 1, Article 35 of this Law must sign contracts with eligible organizations defined in Clause 1, Article 35 of this Law;

b/ Having an exploration project conformable with the mineral master plans; having obtained the Prime Minister's written permission, for toxic minerals;

c/ Having an equity capital at least equal to 50% of the total investment capital for the implementation of the mineral exploration project.

3. Business households defined in Clause 2. Article 34 of this Law may explore minerals for use as common construction materials if they fully meet the conditions set by the Government

Article 41. Mineral exploration licenses

1/ A mineral exploration license must contain the following principal details:

- a/ Name of the exploring organization or individual;
- b/ Kind of mineral, location and size of the exploration area;
- c/ Method and volume of exploration;
- d/ Exploration duration;
- e/ Financial and other relevant obligations.

2. A mineral exploration license is valid for 48 months at most and may be extended multiple times for a total maximum duration of 48 months. Upon each extension, the licensed organization or individual shall return at least 30% of exploration area stated in the granted license.

The exploration duration includes the time for implementing a mineral exploration project, time for submitting mineral deposit for approval and time for formulating a mining investment project. In case an organization or individual licensed for exploring minerals transfers the mineral exploration right to another, the exploration duration is the remaining period of the previously granted mineral exploration license.

Article 42. Rights and obligations of organizations and individuals licensed for exploring minerals

1. Organizations and individuals licensed for exploring minerals have the following rights:

- a/ To use mineral-related information pertaining to the exploration purpose and area;
- b/ To conduct exploration according to the mineral exploration license;
- c/ To take away from the exploration area, even abroad, specimens with volume and types suitable to the characteristics and requirements of analyses and experiments under the approved exploration project;
- d/ To be prioritized to obtain a license for exploring minerals in the exploration area under Clause 1, Article 45 of this Law;
- e/ To request extension of the mineral exploration license, to return it or return part of the exploration area;

f/ To transfer the mineral exploration right;

g/ To lodge complaints or lawsuits against decisions revoking the mineral exploration license or other decisions of competent state agencies;

h/ Other rights provided by law.

2. Organizations and individuals licensed for exploring minerals have the following obligations:

a/ To pay a licensing fee and fulfill other financial obligations provided by law;

b/ To strictly comply with the mineral exploration license and implement the approved exploration project;

c/ To report to the licensing agency for consideration and approval changes in exploration methods or volumes which result in an increase of over 10% in estimated expenses;

d/ To compensate for damage caused by exploration activities;

e/ To notify the exploration plan to the provincial-level People's Committee of the locality in which they will conduct mineral exploration before implementation;

f/ To collect and store mineral-related information and report exploration results to state management agencies in charge of minerals; and report other activities to competent state agencies under law;

g/ To perform all the jobs specified in Clause 3, Article 46 of this Law when the mineral exploration license expires;

h/ Other obligations provided by law.

Article 43. Transfer of the mineral exploration right

1. Transferees of the mineral exploration right must satisfy all the conditions for the grant of mineral exploration licenses under this Law.

2. Transfer of the mineral exploration right must be approved by a state management agency competent to grant mineral exploration licenses. After obtaining such approval, transferees of the mineral exploration right may be granted new mineral exploration licenses.

3. To transfer the mineral exploration right, an organization or individual must have performed at least 50% of the cost estimate of the mineral exploration project.

4. The Government shall detail the transfer of the mineral exploration right.

Article 44. Exploration of toxic minerals

In addition to the obligations specified in Clause 2, Article 42 of this Law, organizations and individuals exploring toxic minerals shall take measures to prevent environmental pollution and

adverse impacts on human health. If having caused environmental pollution, they shall identify all polluting factors, and take measures to remedy and reduce pollution. If exploring toxic minerals which contain radioactive substances, they shall also comply with the Law on Atomic Energy and other relevant laws.

Article 45. Priority right of organizations and individuals licensed for exploring minerals

1. Organizations and individuals licensed for exploring minerals in areas not subject to auction of the mining right are prioritized to obtain mining licenses for approved mineral deposits within 6 months after the expiration of their mineral exploration licenses.

Past the priority period specified in this Clause, if not applying for a mining license for the exploration area, the organizations and individuals licensed for exploring minerals will lose the priority right.

2. In case competent state management agencies grant mining licenses to other organizations or individuals, before obtaining mining licenses, these organizations and individuals shall reimburse exploration expenses corresponding to the licensed deposits to the organizations and individuals that have conducted the exploration.

Article 46. Revocation and invalidation of mineral exploration licenses

1. A mineral exploration license will be revoked in the following cases:

a/ The organization or individual licensed for exploring minerals fails to conduct exploration within 6 months since the effective date of the license, unless it is due to force majeure circumstances;

b/ The organization or individual licensed for exploring minerals fails to fulfill any of the obligations specified at Points a, b, c, d, e and f, Clause 2, Article 42 of this Law without taking remedies within 90 days after the date of written notice by a competent state management agency in charge of minerals;

c/ The area permitted for exploration is declared to be banned or temporarily banned from mineral activities.

2. A mineral exploration license will be invalidated in any of the following cases:

a/ It is revoked; b/ It expires; c/ It is returned;

d/ The licensed organization or individual dissolves or goes bankrupt.

3. Within 6 months after the mineral exploration license is invalidated under Point a, b or c, Clause 2 of this Article, the organization or individual licensed for exploring minerals shall

remove all assets of its/his/her own and related parties from the exploration area; level exploration works, protect mineral resources, restore the environment and rehabilitate the soil', and hand over all collected mineral specimens and information to a competent state management agency in charge of minerals. This provision is not applicable to those applying for mineral exploration license extension or mining licenses.

Article 47. Dossiers of application for, extension or return of mineral exploration licenses, return of part of the exploration area, or transfer of the mineral exploration right

1. A dossier of application for a mineral exploration license comprises:

a/ An application for a mineral exploration license;

b/ An exploration project in conformity with the master plans specified at Points b, c and d, Clause 1, Article 10 of this Law;

c/ A map of the exploration area;

d/ An environmental protection commitment, in case of exploration of toxic minerals;

e/ A copy of the business registration certificate; for a foreign enterprise, a copy of the decision establishing its Vietnam-based representative office or branch is also required;

f/ A document certifying the applicant's equity Capital under Point c, Clause 2, Article 40 of this Law;

g/ A document certifying the winning of the mineral exploration right for unexplored areas, in case of winning the mining right through auction.

2. A dossier for extension of a mineral exploration license comprises:

a/ An application for extension of a mineral exploration license;

b/ A report on exploration results; and a plan for further exploration;

c/ A map of the exploration area, excluding at least 30% of the area explored under the granted license.

3. A dossier for return of a mineral exploration license or return of part of the exploration area comprises:

a/ An application for return of a mineral exploration license or return of part of the exploration area;

b/ A report on exploration results;

c/ A map of the exploration area and a plan for further exploration, in case of return of part of the exploration area.

4. A dossier for transfer of the mineral exploration right comprises:

a/An application for transfer of the mineral exploration right;

b/ A contract on transfer of the mineral exploration right;

c/ A report on exploration results and fulfilled obligations by the time of application;

d/ A copy of the transferee's business registration certificate; for a foreign enterprise, a copy of the decision establishing its Vietnam-based representative office or branch is also required.

Article 48. Procedures for grant, extension or return of mineral exploration licenses, or return of part of the exploration area

1. Applicants for grant, extension or return of mineral exploration licenses or return of part of the exploration area shall submit dossiers at competent licensing state management agencies defined in Article 82 of this Law.

2. The time limit for processing dossiers for grant, extension or return of mineral exploration licenses or return of part of the exploration area is specified as follows:

a/ Ninety days after receiving complete and valid dossiers, for dossiers of application for mineral exploration licenses;

b/ Forty-five days after receiving complete and valid dossiers, for dossiers for extension or return of mineral exploration licenses or return of part of the exploration area.

3. When necessary to consult concerned agencies and organizations on matters related to the grant, extension or return of mineral exploration licenses or return of part of the exploration area, the time for seeking consultations is not included in the time limit specified at Point a or b, Clause 2 of this Article.

4. The Government shall detail procedures for the grant, extension or return of mineral exploration licenses or return of part of the exploration area.

Article 49. Approval of mineral deposits

1. Competence to approve mineral deposits is provided as follows:

a/ The National Council for Assessment of Mineral Deposits may approve mineral deposits falling within the licensing competence of the Ministry of Natural Resources and Environment.

The Government shall stipulate the organization and operation of the National Council for Assessment of Mineral Deposits;

b/ Provincial-level People's Committees may approve mineral deposits falling within their licensing competence.

2. Organizations and individuals that explore minerals falling within the licensing competence of the Ministry of Natural Resources and Environment shall submit reports on exploration results enclosed with mineral deposit-approving decisions to the Ministry of Natural Resources and Environment.

Organizations and individuals that explore minerals falling within the licensing competence of provincial-level People's Committees shall submit reports on exploration results enclosed with mineral deposit-approving decisions to provincial-level People's Committees and the Ministry of Natural Resources and Environment.

3. Procedures for submitting reports on mineral exploration results comply with the law on archives.

Article 50. Procedures for appraisal and approval of mineral deposits

1. A dossier for approval of mineral deposits comprises:

a/ An application for approval of mineral deposits;

b/ Copies of the exploration plan and mineral exploration license;

c/ A takeover test record of the volume and quality of exploration works already built;

d/ A report on exploration results, enclosed with annexes, drawings and relevant original documents and their digitized files,

2. The time limit for appraising and approving mineral deposits is 6 months after receiving complete and valid dossiers.

3. The Government shall stipulate procedures for appraisal and approval of mineral deposits.

Chapter VIII

MINING AND SALVAGE MINING

Section 1 MINING

Article 51. Mining organizations and individuals

1. Organizations and individuals having registered mining as their business line may be licensed for mining. They include:

a/ Enterprises established under the Law on Enterprises;

b/ Cooperatives and unions of cooperatives established under the Law on Cooperatives.

2. Business households having registered mining as their business line may be licensed for mining minerals for use as common construction materials and conducting salvage mining.

Article 52. Mining areas

1. A mining area shall be delimited by lines connecting corner points drawn on a topographic map using the national coordinate system of an appropriate scale.

2. The area and depth-based boundary of a mining area shall be considered on the basis of the mining investment project suitable to mineral deposits permitted for mining design.

Article 53. Principles and conditions for grant of mining licenses

1. Grant of a mining license must adhere to the following principles:

a/ A mining license is granted only for areas in which no organization or individual is lawfully exploring or mining minerals, but not for areas banned or temporarily banned from mineral activities or areas of national mineral deposits;

b/ A mineral area in which large-scale mining can be effective may not be divided for the grant of mining licenses to many organizations or individuals for small-scale mining.

2. To obtain a mining license, an organization or individual must satisfy all the following conditions:

a/ Having an investment project to mine minerals in the explored area with approved mineral deposits in conformity with the master plans specified at Points b, c and d, Clause 1, Article 10 of this Law. Such a project must contain a plan on employment of professional human resources, and advanced and appropriate equipment, technologies and mining methods; for toxic minerals, the Prime Minister's written permission is also required;

b/ Having an environmental impact assessment report or an environmental protection commitment made under the environmental protection law;

c/ Having an equity capital at least equal to 30% of the total investment capital of the mining investment project.

3. Business households defined in Clause 2, Article 51 of this Law may mine minerals for use as common construction materials or conduct salvage mining if they satisfy all the conditions set by the Government.

Article 54. Mining licenses

1. A mining license must contain the following principal details:

a/ Name of the licensed organization or individual;

b/ Kind of mineral, location and size of the mining area;

c/ Mineral deposits, capacity and method of mining;

d/ Mining duration;

e/ Financial and other relevant obligations.

2. A mining license is valid for 30 years at most and may be extended multiple times with the total extension period not exceeding 20 years.

In case an organization or individual licensed for mining transfers the mining right to another, the mining duration is the remaining period of the mining license previously granted.

Article 55. Rights and obligations of organizations and individuals licensed for mining

1. Organizations and individuals licensed for mining have the following rights:

a/ To use mineral-related information pertaining to the mining purpose and area permitted for mining;

b/ To mine minerals under the mining license;

c/ To further explore mineral deposits within the permitted area and depth and, before exploration, notify the volume and duration of such exploration to competent licensing state management agencies;

d/ To store, transport, sell and export the exploited minerals under law;

e/ To apply for extension or return of the mining license or return of part of the mining area;

f/ To transfer the mining right;

g/ To lodge complaints or lawsuits against decisions revoking the mining license or other decisions of competent state agencies;

h/ To rent land under the land law according to the approved mining investment project or mine design;

i/ Other rights provided by law.

2. Organizations and individuals licensed for mining have the following obligations:

a/ To pay a fee for the grant of the mining right, a licensing fee, royalties, taxes, and charges, and fulfill other financial obligations under law;

b/ To ensure the schedule of mine infrastructure construction and mining activities stated in the mining investment project and mine design;

c/ To register the date of commencement of mine infrastructure construction and date of commencement of mining with competent licensing state management agencies and notify them to People's Committees at all levels in the locality in which the mines are located before construction or mining;

d/ To exploit to the maximum main and accompanied minerals; to protect mineral resources; to ensure labor safety and sanitation and take measures to protect the environment;

e/ To collect and store information on results of further exploration for mineral deposits and on mining results;

f/ To report mining results to competent state management agencies under regulations of the Ministry of Natural Resources and Environment;

g/ To compensate for damage caused by mining activities;

h/ To create favorable conditions for other organizations and individuals to conduct scientific researches permitted by the State in the mining area;

i/ To close mines, restore the environment and rehabilitate the soil when the mining license expires;

j/ Other obligations provided by law.

Article 56. Mining of toxic minerals containing radioactive substances

In addition to the obligations specified in Clause 2, Article 55 of this Law, organizations and individuals licensed for mining toxic minerals containing radioactive substances shall also comply with the Law on Atomic Energy and other relevant laws.

Article 57. Labor safety and sanitation in mining activities

1. Organizations and individuals licensed for mining and mine workers shall fully abide by labor safety and sanitation rules.
2. Organizations and individuals licensed for mining shall issue labor rules of the mines which comply with technical regulations on labor safety and sanitation.
3. When labor safety is at risk, mine managers shall immediately take necessary measures to eliminate the causes of the possible incident.
4. When a labor accident occurs, mine managers shall take urgent measures to remedy the incident; render first aid for and evacuate people from dangerous areas; promptly report such to competent state agencies; and protect assets and the scene of the incident.
5. Agencies, organizations and individuals are responsible for supporting first aid and remedy of consequences of labor incidents.
6. Organizations and individuals licensed for mining shall report on labor safety and sanitation in mining activities under law.

Article 58. Revocation or invalidation of mining licenses

1. A mining license will be revoked in the following cases:
 - a/ The licensed organization or individual fails to build mine infrastructure within 12 months since the effective date of the license, except force majeure events;
 - b/ The licensed organization or individual fails to conduct mining within 12 months since the proposed date of commencement of mining, except force majeure events;
 - c/ The licensed organization or individual breaches any of the obligations specified at Points a, b, c, d, e, f and g, Clause 2, Article 55 of this Law without taking remedies within 90 days after the date of written notice by a competent state management agency in charge of minerals;
 - d/ The area permitted for mining is declared to be banned or temporarily banned from mineral activities.
2. A mining license will be invalidated in the following cases:
 - a/ It is revoked;
 - b/ It expires;
 - c/ It is returned;

d/ The licensed organization or individual dissolves or goes bankrupt.

3. When the mining license is invalidated, mine safety assurance and environmental protection works and equipment in the mining area will belong to the State and may neither be dismantled nor destroyed. Within 6 months since the date of invalidation of the mining license, the licensed organization or individual shall remove all remaining assets of its/her/his own and related parties from the mining area. Past this time limit, any remaining assets will belong to the State.

4. Within the time limit specified in Article 3 of this Article, organizations or individuals licensed for mining shall fulfill the obligations related to the mine closure, environmental rehabilitation and restoration and soil rehabilitation under this Law and other relevant laws.

Article 59. Dossiers of application for, extension or return of mining licenses, return of part of the mining area, or transfer of the mining right

1. A dossier of application for a mining license comprises:

a/ An application for a mining license;

b/ A map of the mining area;

c/ A competent state agency's decision approving mineral deposits;

d/ A mining investment project, enclosed with the project-approving decision and a copy of the investment certificate;

e/ An environmental impact assessment report or an environmental protection commitment;

f/ A copy of the business registration certificate;

g/ A document certifying the winning of the mining right, in case of winning the mining right through auction;

h/ A document certifying the applicant's equity capital under Point c, Clause 2, Article 53 of this Law.

2. A dossier for extension of a mining license comprises:

a/ An application for extension of a mining license;

b/ A map of the mining status at the time of application;

c/ A report on mining results by the time of application; remaining mineral deposits; and area requested for further mining.

3. A dossier for return of a mining license or return of part of the mining area comprises:

- a/ An application for return of a mining license or return of part of the mining area;
 - b/ A map of the mining status at the time of application;
 - c/ A report on mining results by the time of return;
 - d/ A mine closure plan, in case of return of a mining license.
4. A dossier for transfer of the mining right comprises:
- a/ An application for transfer of the mining right;
 - b/ A contract on transfer of the mining right, enclosed with the statement of the value of to-be-transferred assets;
 - c/ A map of the mining status at the time of application;
 - d/ A report on mining results and fulfillment of obligations by the time of application;
 - e/ Copies of the transferee's business registration certificate and investment certificate.

Article 60. Procedures for grant, extension or return of mining licenses or return of part of the mining area

1. Applicants for grant, extension or return of mining licenses or return of part of the mining area shall submit dossiers at competent licensing state management agencies defined in Article 82 of this Law.
2. The time limit for processing dossiers of application for, extension or return of mining licenses or return of part of the mining area is specified as follows:
 - a/ Ninety days after receiving complete and valid dossiers, for dossiers of application for mining licenses;
 - b/ Forty-five days after receiving complete and valid dossiers, for dossiers for extension or return of mining licenses or return of part of the mining area;
 - c/ When it is necessary to consult concerned agencies and organizations on matters related to the grant, extension or return of mining licenses or return of part of the mining area, the period for seeking consultations will not be included in the time limit specified at Point a or b, Clause 2 of this Law.
3. The Government shall detail procedures for the grant, extension or return of mining licenses or return of part of the mining area.

Article 61. Mine designs

1. Mine designs include technical design and working drawing design.
2. Organizations and individuals licensed for mining may build mine infrastructure and mine minerals only when mine designs have been made and approved under law and submitted to state management agencies in charge of minerals.
3. The Ministry of Industry and Trade shall provide details of a mine design.

Article 62. Mine managers

1. Mine managers are required for mining activities, except extraction of mineral water and natural thermal water and salvage mining. A mine manager may only manage mining activities under a single mining license.
2. A mine manager must satisfy the following criteria:
 - a/ Being knowledgeable about the mineral law and other relevant regulations;
 - b/ Being knowledgeable about specialized technical regulations, labor safety and sanitation rules and environmental protection regulations in mining activities;
 - c/ Having organizational and managerial qualifications, practical experience, and mining, labor safety and environmental protection techniques;
 - d/ A manager of a pit mine must be a mining engineer or mine building engineer who has personally worked in pit mines for at least 5 years;
 - e/ A manager of an open-cast mine must be a mining engineer who has personally worked in open-cast mines for at least 3 years; or a geological exploration engineer who has been trained in mining techniques and have personally worked for at least 5 years in open-cast mines.

A manager of a non-metallic open-cast mine in which industrial explosives are not used and minerals are manually exploited for use as common construction materials must possess a secondary degree in mining and have personally worked in open-cast mines for at least 2 years; those who have a secondary degree in geological exploration must have been trained in mining techniques and have personally worked in open-cast mines for at least 3 years.

3. Licensed mining organizations shall notify in writing professional qualifications and managerial capacity of mine managers to state management agencies competent to grant mining licenses.

Article 63. Status maps, status drawings of cross-sections of areas permitted for mining, statistics and inventory of mineral deposits and exploited mineral volumes

1. Organizations and individuals licensed for mining shall make, manage and keep status maps, status drawings of cross-sections of areas permitted for mining from commencement of mine infrastructure construction to termination of mining activities.
2. Organizations and individuals licensed for mining shall make statistics and inventory of mineral deposits in areas permitted for mining and exploited mineral volumes and take responsibility for statistical and inventoried data. Statistical and inventory results of the reporting year must be sent to state management agencies competent to grant mining licenses.
3. The Ministry of Natural Resources and Environment shall stipulate the making of status maps, status drawings of cross-sections of areas permitted for mining, statistics, inventory and reporting in mining activities.

Article 64. Mining of minerals for use as common construction materials

1. Minerals used as common construction materials include:

a/ Sand of all kinds (except siliceous white sand) with SiO₂ content of less than 85%, not containing or containing calciterit, wolframit, monazite, zircon, ilmenite minerals, and accompanied gold which fails to satisfy deposit calculation criteria specified by the Ministry of Natural Resources and Environment;

b/ Clay used for the production of bricks and tiles according to Vietnamese standards and technical regulations, clays (except bentonite and kaolin clays) not qualified for production of construction ceramics, fireclay materials and cement according to Vietnamese standards and technical regulations;

c/ Sandstone and quartzite stone with SiO₂ content of less than 85%, not containing or containing metallic minerals, native metals, radioactive and rare elements which fail to satisfy deposit calculation criteria specified by the Ministry of Natural Resources and Environment or

are not qualified for use as facing stones or fine-art stones according to Vietnamese standards and technical regulations;

d/ Sedimentary rocks of different kinds (except diatomite, bentonite and rock containing keramzit), magma rocks (except nephelin syenit rock, column or foam basalt), metamorphic rocks (except mica schist rich in vermiculite) not containing or containing metallic minerals, native metals, gemstones, semi-gemstones and radioactive and rare elements which fail to satisfy deposit calculation criteria specified by the Ministry of Natural Resources and Environment or are not qualified for use as facing stones, fine-art stones or feldspar technical materials used for construction ceramic production according to Vietnamese standards and technical regulations;

e/ Schist of different kinds, except roofing schist, combustible schist and schist containing sericit, disten or sillimanit minerals exceeding 30% in content;

f/ Pebbles, gravel and dust not containing gold, platinum, gemstones and semi-gemstones; laterite not containing native metals or metallic minerals;

g/ Limestone, chalky clay and marbles (except limestone stalactites, white limestone and white marble) not qualified for use as materials for Portland cement production according to Vietnamese standards and technical regulations or not qualified for use as materials for the production of facing stones or fine-art stones according to Vietnamese standards and technical regulations;

h/ Dolomite stone with MgO content of less than 15%, dolomite stone not qualified for the production of construction glass or for use as materials for the production of facing stones or fine-art stones according to Vietnamese standards and technical regulations.

2. Organizations and individuals that mine minerals for use as common construction materials are not required to apply for mining licenses when:

a/ Mining minerals in the land area of an approved or licensed investment project to build a work and using mined products only for building such work.

Before mining, they shall register the mining area, capacity, volume, method, equipment and plan with the provincial-level People's Committee;

b/ Mining minerals in the residential land area under the use rights of a household or an individual for building works for such household or individual within this area.

3. Organizations and individuals that mine minerals for use as common construction materials defined at Point a. Clause 2 of this Article shall pay a fee for the grant of the mining right.

Article 65. Mining in areas with work construction investment projects

1. Mining in areas with investment projects on construction of works, except works specified in Clause 2 of this Article, complies with the following regulations:

a/ For areas with work construction investment projects in which minerals are discovered, competent licensing state management agencies defined in Article 82 of this Law shall decide on the exploration or mining before the projects are approved or licensed;

b/ For areas in which mineral exploration and assessment has not yet been conducted and minerals are discovered during work construction, competent licensing state management agencies defined in Article 82 of this Law shall decide whether to mine minerals or not within the scope of work construction. In case they decide to mine minerals, mineral exploration is not required.

2. If minerals are discovered in areas with important national projects or works falling within the National Assembly's deciding competence, or important projects or works falling within the Government's or the Prime Minister's deciding competence, the Ministry of Natural Resources and Environment shall assume the prime responsibility for, and coordinate with concerned ministries and sectors and provincial-level People's Committees of localities in which the works are implemented in, deciding on the exploration or mining of minerals in these areas.

3. If competent licensing state management agencies decide on non-mining, they shall issue a written reply to investment deciders, licensing agencies or investors.

Article 66. Transfer of the mining right

1. Organizations and individuals licensed for mining that have completed capital construction work and put mines into operation may transfer the mining right.

2. Transferees of the mining right must satisfy all conditions for the grant of mining licenses.

3. Transfer of the mining right must be approved by a state management agency competent to grant mining licenses. If obtaining such approval, transferees of the mining right will be granted new mining licenses.

4. The Government shall detail the transfer of the mining right.

Section 2

SALVAGE MINING

Article 67. Salvage mining

Salvage mining means mining of remaining minerals in a tailing dump of a mine that has been decided to be closed.

Article 68. Validity term of a license for salvage mining

A license for salvage mining is valid for 5 years at most, including the extended period.

Article 69. Rights and obligations organizations and individuals licensed for salvage mining

1. Organizations and individuals licensed for salvage mining have the rights provided at Points b, d, e, g, h and i, Clause 1, Article 55 of this Law and are not required to pay a fee for the grant of the mining right.

2. Organizations and individuals licensed for salvage mining have the following obligations:

a/ To pay a licensing fee, royalties, taxes and charges and fulfill other financial obligations provided by law;

b/ To fulfill the obligations specified at Points b, d, e, f ,g ,h, i and j, Clause 2, Article 55 of this Law.

Article 70. Dossiers of application for. extension or return of licenses for salvage mining

1. A dossier of application for a license for salvage mining comprises:

a/ An application for a license for salvage mining of minerals;

b/ A map of the salvage mining area;

c/ An investment project on salvage mining enclosed with the project-approving decision; a copy of the investment certificate;

d/ An environmental impact assessment report or an environmental protection commitment;

e/ A copy of the business registration certificate.

2. A dossier for extension of a license for salvage mining comprises:

a/ An application for extension of a license for salvage mining;

b/ A report on mining results by the time of application.

3. A dossier for return of a license for salvage mining comprises:

a/ An application for return of a license for salvage mining;

b/ A report on mining results by the time of return;

c/ A mine closure plan.

Article 71. Procedures for grant, extension or return of licenses for salvage mining

1. Applicants for grant, extension or return of licenses for salvage mining shall submit dossiers at competent licensing state management agencies defined in Article 82 of this Law.

2. The time limit for processing dossiers of application for, extension or return of licenses for salvage mining is specified as follows:

a/ Thirty days after receiving complete and valid dossiers, for dossiers for grant of licenses for salvage mining;

b/ Fifteen days after receiving complete and valid dossiers, for dossiers for extension or return of licenses for salvage mining.

3. The Government shall provide procedures for grant, extension or return of licenses for salvage mining.

Article 72. Revocation of licenses for salvage mining

1. A license for salvage mining will be revoked in the following cases:

a/ The licensed organization or individual fails to fulfill its/his/her obligations specified in Clause 2, Article 69 of this Law;

b/ The salvage mining area is declared to be banned or temporarily banned from mineral activities.

2. When the license for salvage mining is revoked or expires, the licensed organization or individual shall remove all its/his/her assets from the mining area and rehabilitate and restore the environment.

3. When the license for salvage mining of minerals is revoked under Point b, Clause 1 of this Article, the licensed organization or organization shall be compensated for the related damage under law.

Section 3 CLOSURE OF MINERAL MINES

Article 73. Closure of mineral mines

Organizations and individuals licensed for mining shall make mine closure plans for the whole or part of the mining area in the following cases:

1. They have mined the whole or part of mineral deposits;

2. Their mining licenses expire while mineral deposits in the mining area have not fully been exploited.

Article 74. Making and implementation of mine closure plans

1. Organizations and individuals licensed for mining shall make mine closure plans and submit them to competent licensing state management agencies defined in Article 82 of this Law for approval before implementation.

2. In case organizations or individuals licensed for mining dissolve, go bankrupt or are incapable of implementing mine closure plans, competent licensing state management agencies shall select capable organizations or individuals to make and implement these plans. Funds for implementing mine closure plans come from environmental rehabilitation and restoration deposits of organizations or individuals licensed for mining.

Article 75. Approval and takeover test of results of implementation of mine closure plans and decisions

1. State management agencies competent to grant mining licenses shall approve, and conduct takeover test of, results of implementation of mine closure plans and decisions.
2. The Ministry of Natural Resources and Environment shall stipulate the contents, and procedures for approval and takeover test of results of implementation of mine closure plans and decisions.

Chapter IX

MINERAL-RELATED FINANCE AND AUCTION OF THE MINING RIGHT

Section 1

MINERAL-RELATED FINANCE

Article 76. State budget revenues from mineral activities

1. Royalties and taxes under tax laws.
2. Charges and fees under law.
3. Fee for the grant of the mining right.

Article 77. Fee for the grant of the mining right

1. Organizations and individuals licensed for mining shall pay a fee for the grant of the mining right. The State may collect the fee through or not through auction.
2. The fee for the grant of the mining right shall be determined based on the price, deposit, quality, kind or group of minerals, and mining conditions.
3. The Government shall specify the method of calculating, and rates of, the fee for the grant of the mining right.

Section 2

AUCTION OF THE MINING RIGHT

Article 78. Areas subject to auction of the mining right

1. Auction of the mining right shall be conducted for mineral activity areas, except areas identified by competent state agencies as not subject to auction of the mining right.

2. The Government shall specify criteria for identifying areas not subject to auction of the mining right.

3. The Ministry of Natural Resources and Environment shall submit to the Prime Minister for decision areas not subject to auction of the mining right which fall within its licensing competence defined in Article 82 of this Law.

4. Provincial-level People's Committees shall decide on areas not subject to auction of the mining right which fall within their licensing competence defined in Article 82 of this Law.

Article 79. Forms, principles, conditions and procedures for auction of the mining right

1. Forms of auction of the mining right include:

a/ Auction of the mining right in unexplored areas;

b/ Auction of the mining right in areas for which exploration results have been approved by competent state agencies.

2. The Government shall provide principles, conditions and procedures for auction of the mining right.

Chapter X

RESPONSIBILITIES FOR STATE MANAGEMENT OF MINERALS

Article 80. Responsibilities of the Government, ministries and ministerial-level agencies for state management of minerals

1. The Government shall perform the unified state management of minerals.

2. The Ministry of Natural Resources and Environment shall take responsibility before the Government for performing the state management of minerals nationwide, and shall:

a/ Promulgate according to its competence or submit to competent state agencies for promulgation and implement legal documents on minerals; issue technical regulations, norms and unit prices for geological baseline surveys of minerals and mineral exploration;

b/ Formulate and submit mineral strategies to the Prime Minister for approval; formulate and submit to the Prime Minister for approval mineral master plans as assigned by the Government;

c/ Identify and publicize mineral areas according to its competence; identify and submit to the Prime Minister for decision areas not subject to auction of the mining right according to its competence;

d/ Disseminate and educate about the mineral law; train and retrain human resources for geological baseline surveys of minerals and mineral activities;

e/ Grant, extend and revoke mineral exploration licenses and mining licenses; approve the return of mineral exploration licenses and mining licenses or return of part of the exploration or mining areas; and hold auctions of the mining right according to its competence;

f/ Guide and organize the registration of geological baseline surveys of minerals; make statistics of and inventory mineral deposits;

g/ Summarize results of geological baseline surveys of minerals and mineral activities; manage geological and mineral information and specimens;

h/ Publicize and publish documents and information on geological baseline surveys of minerals;

i/ To act as the standing body for the National Council for Assessment of Mineral Deposits;

j/ Inspect, examine, and handle violations of the mineral law according to its competence.

3. Concerned ministries and ministerial-level agencies shall, within the ambit of their tasks and powers, perform the state management of minerals, including formulation and submission for approval of mineral master plans as assigned by the Government; and coordinate with the Ministry of Natural Resources and Environment in performing the state management of minerals.

Article 81. Responsibilities of People's Committees at all levels for state management of minerals

1. Within the ambit of their tasks and powers, provincial-level People's Committees shall:

a/ Promulgate according to their competence documents guiding state regulations on management and protection of minerals and management of mineral activities in localities;

b/ Identify and submit to the Prime Minister for approval areas banned or temporarily banned from mineral activities; and decide on areas not subject to auction of the mining right according to their competence;

c/ Formulate and submit to competent state agencies for approval local master plans on exploration, mining and utilization of minerals under the Government's regulations;

d/ Recognize criteria for calculating mineral deposits; approve mineral deposits; make statistics of and inventory mineral deposits falling within their licensing competence;

e/ Grant, extend and revoke mineral exploration licenses, mining licenses or licenses for salvage mining; approve the return of mineral exploration licenses, mining licenses or licenses for

salvage mining or return of part of the exploration or mining areas; and hold auctions of the mining right according to their competence;

f/ Approve according to their competence the lease of land for mineral activities, use of technical infrastructure facilities, and other relevant matters for organizations and individuals licensed for mining in their localities under law;

g/ Take measures to protect the environment, unexploited minerals and other natural resources under law; maintain security and social order and safety in areas with minerals;

h/ Report mineral activities in their localities to central state management agencies in charge of minerals;

i/ Disseminate and educate about the mineral law;

j/ Inspect, examine, and handle violations of the mineral law according to their competence.

2. Within the ambit of their tasks and powers, district- and commune-level People's Committees shall:

a/ Approve according to their competence the lease of land for mineral activities, use of technical infrastructure facilities, and other relevant matters for organizations and individuals licensed for mining in their localities under law;

b/ Take measures to protect the environment, unexploited minerals and other natural resources under law; maintain security and social order and safety in areas with minerals;

c/ Report mineral activities in localities to their superior People's Committees;

d/ Disseminate and educate about the mineral law;

e/ Inspect, examine, and handle violations of the mineral law according to their competence.

Article 82. Competence to grant mineral exploration licenses and mining licenses

1. The Ministry of Natural Resources and Environment may grant mineral exploration licenses and mining licenses in cases other than those specified in Clause 2 of this Article.

2. Provincial-level People's Committees may grant mineral exploration licenses, licenses for mining of minerals for use as common construction materials, peat, and minerals in areas with scattered and small-scale minerals already identified and publicized by the Ministry of Natural Resources and Environment; and licenses for salvage mining.

3. State management agencies competent to grant mineral exploration licenses, mining licenses or licenses for salvage mining may extend, revoke or approve the return of the licenses they have

granted; approve the return of part of the exploration or mining areas; or approve the transfer of the exploration or mining right.

Article 83. Specialized inspection of minerals

1. State management agencies in charge of minerals shall conduct specialized inspection of minerals.
2. Organization and operation of specialized mineral inspectorates comply with this Law and the inspection law.

Chapter XI

IMPLEMENTATION PROVISIONS

Article 84. Transitional provisions

1. Organizations and individuals that are granted mineral exploration licenses or mining licenses before the effective date of this Law may continue to comply with these licenses till their expiry date.
2. Licenses for salvage mining in mines already closed for liquidation will remain valid till their expiration and may neither be extended nor renewed.
3. From the effective date of this Law, holders of mining licenses granted before this date shall pay a fee for the grant of the mining right for unexploited mineral deposits.

Article 85. Effect

This Law takes effect on July 1, 2011.

The March 20, 1996 Mineral Law and Law No. 46/2005/QH11 Amending and Supplementing a Number of Articles of the Mineral Law cease to be effective on the effective date of this Law.

Article 86. Implementation detailing and guidance

The Government shall detail and guide articles and clauses as assigned in this Law; and guide other necessary contents of this Law to meet state management requirements.

This Law was passed on November 17,2010, by the XIIth National Assembly of the Socialist Republic of Vietnam at its 8th session.-

THE NATIONAL ASSEMBLY

CHAIRMAN

Nguyen Phu Trong