

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.

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 registra

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

Article (4): Subject to the private ownership stipulated 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 the 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 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.

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 receipt certified by the concerned authorities including the rent value and a period of rent. The amount of the rent of the land may not 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 the 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 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, 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 minerals or rocks and within the boundaries of the specific site defined in those documents and to unlimited vertical depth provided that 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 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, m

Article (39): The officers of the Authority, who are duly authorized in writing, shall be entitled to enter ~~site~~ 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 ~~see~~ 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.

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 the 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

Article (51): Should a force majeure prevent investors from performing their duties within the fixed time such prevention shall not be considered a failure to perform the same. 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.

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Ali Abdulla Saleh
President of the Republic.