

The Lithosphere^W Code of the Republic of Armenia

This Code makes provisions for management, use and preservation of the lithosphere, i.e. of that part of the crust of the earth which is under the topsoil and which is accessible for geological prospecting and exploitation.

Part I.

General Provisions

Article 1. The Tasks of the Lithosphere Code of the Republic of Armenia.

The following are the tasks of the Lithosphere Code of the Republic of Armenia:

- to regulate the relations concerning the lithosphere and its use that come to the fore under the multistructure economy,
- to secure the preservation, efficient and comprehensive use of lithosphere for the purposes of meeting the economic requirement and other needs in mineral raw materials, as well as
- to safeguard the environmental protection and safety while using the lithosphere,
- to protect the rights and economic interests of the Republic as the owner of the lithosphere and those of the lithosphere-users.

Article 2. The Legislation of the Republic of Armenia on Lithosphere.

The relations concerning the Lithosphere of the Republic of Armenia and its use shall be regulated by this Code and by other legislative Acts of the Republic of Armenia on lithosphere.

When the lithosphere is used, the relations concerning land, forests, flora and fauna, as well as water and air, shall be regulated by the respective legislation of the Republic of Armenia.

Article 3. The Ownership of the Lithosphere.

The Republic of Armenia has the exclusive right of ownership of its lithosphere. The latter is not subject to privatization and can be given only for use.

Article 4. The State Administration of the Use and Preservation of Lithosphere.

The State administration of the use and preservation of the lithosphere is carried out by the Government of the Republic

* (Translator's Note: Lithosphere - the "crust" of the earth, including below the surface; earth's interior)

of Armenia by means of the agencies specifically authorized for the purpose as well as by the local bodies of State administration, in ways stipulated by the legislation of the Republic of Armenia.

Article 5. The Jurisdiction of the Government of the Republic of Armenia in the Field of Use and Preservation of Lithosphere.

The following come within the jurisdiction of the Government of the Republic of Armenia in the field of use and preservation of lithosphere: a) the setting up and keeping of the State unified data bank (including the research and information bank) on lithosphere of the Republic, the institution of regulations of its use, the registration and management of the minerals,

- b) the elaboration and implementation of the plans for the development of the raw-materials base and for the preservation of lithosphere,
- c) the implementation of the State supervision over the use and preservation of lithosphere,
- d) the elaboration and confirmation of the technical and technological criteria for the use and preservation of lithosphere,
- e) the adoption of decisions on prospecting and use of the mines that are located in the territories of the nature preserves or that are of national importance, as well as on special cases of prohibiting the use of lithosphere,
- f) the implementation of the anti-monopoly policy that shall seek to encourage free enterprise and competition in the field of use of lithosphere,
- g) the confirmation of the Statutes of the organizations engaged in geological surveying,
- h) the institution of preferential rates for the pay for use of lithosphere,
- i) the exercising of other powers conferred on it by the legislation of the Republic of Armenia.

Article 6. The Powers of the Agencies that Have Been Specifically Invested With the Authority in the Field of Use and Preservation of Lithosphere.

The powers of the agencies that have been specifically invested with the authority in the field of use and preservation of lithosphere shall be determined in the manner stipulated by the legislation of the Republic of Armenia.

Article 7. The Powers of the Local Bodies of State Administration in the Field of Use and Preservation of Lithosphere.

The following come within the jurisdiction of the local bodies of State administration in the field of use and preservation of lithosphere:

- a) agreeing on granting permit for the use of lithosphere,
- b) participation in the State supervision over the use and preservation of lithosphere,
- c) the exercising of other powers conferred on them by the legislation of the Republic of Armenia.

Article 8. The Forms of Use of Lithosphere.

The lithosphere can be used:

- a) for geological surveying,
- b) for mining of minerals,
- c) for exploitation for the purposes unrelated to the mining of minerals.

Article 9. The Lithosphere-Users.

The enterprises whose Statutes makes provision for the respective activities in the field, shall be in the position to become the lithosphere-users enjoying equal rights.

The use of Lithosphere by foreign and multinational corporations as well as by private persons shall be made in the order stipulated by the legislation of the Republic of Armenia.

Article 10. The Order of the Use of Lithosphere.

The exploitation of Lithosphere is carried out on a paying basis and according to the permit and the contract. The payment rate for the use of Lithosphere is set by the Government of the Republic of Armenia in accordance with the established procedure. In case the mineral mines are exploited, the rate shall be set depending on the kind and scale of the raw-materials that are extracted.

The use of Lithosphere for geological examination and for research shall be made free of charge, and it shall be allocated for these purposes by way of registration.

The use of Lithosphere for geological prospecting shall be made free of charge unless other terms have been stipulated by the contract.

Should the minerals be mined, during the geological examination, for the subsequent appropriation, then payment shall be collected in accordance with the established procedure.

Article 11. The Term of Use of Lithosphere.

As a rule, the lithosphere shall be granted for use for a definite period of time.

The term of the use shall be fixed in a respective contract drawn on the basis of the permit.

The lithosphere can be granted for use without time-limit in cases unrelated to mining of minerals.

Article 12. The Granting of Lithosphere for Use for the Mining of Minerals.

The lithosphere shall be granted for use for the purposes of extracting minerals by the State agencies that have been specifically invested with the authority in the field of use and preservation of lithosphere. These agencies shall issue the permits.

It is prohibited to grant the permits for mining the minerals unless the reserves have been ascertained and registered in accordance with the established procedure.

On the basis of the permit granted, the contract shall be drawn (in accordance with the established procedure) by the lithosphere-user and the agencies specifically invested with the authority.

Article 13. The Contract for the Use of Lithosphere for the Purpose of extracting the minerals.

The contract is the principal legal document that regulates the relations between the parties concerned during the period of lithosphere-use.

The contract that has been concluded for the exploitation of the mineral mines shall make the following provisions:

- a) the duties of the parties concerned,
- b) the term and terms of the lithosphere-use,
- c) the rate of payment and the ways in which it will be collected,
- d) the order of compensation for the damage incurred owing to the social-ecological and other negative causes,
- e) the order of reimbursement of the lithosphere-user's expenses in case the right to the lithosphere-use shall be terminated (prior to the expiration of the term) on the initiative of the agency that has granted this right,
- f) other terms regulating the relationship of the parties.

The contracts are subject to registration by the specifically authorized State agencies.

Article 14. The Granting of Lithosphere for Use Purposes Other than the Mining of Minerals.

The lithosphere is granted for use for the purposes of building and exploiting the underground structures and for the purposes unrelated to mining the minerals, in accordance with the procedures stipulated by the legislation of the Republic of Armenia.

The use of lithosphere for the disposal of pollutants, industrial waste, and of waste effluents by dilution shall be authorized only in exceptional cases, provided special requirements are met and conditions - supplied.

The enterprises and individual citizens have the right to use (in accordance with the established procedure) the lithosphere for industrial and household needs within the territory of the land tracts allotted to them.

Article 15. The Rock-Allotting Granted for the Industrial Extraction.

The limits of the part of lithosphere granted for the industrial extraction of the minerals and for the building of underground structures, shall be set by rock-allotting. This allotting is registered by a corresponding Act which authorizes the commencement of work for the use of lithosphere. It is prohibited to exploit the mineral mines, as well as to build underground and auxiliary structures outside the lots that have been allotted.

Article 16. The Order of Rock-Allotting.

The rock-allotting for the exploitation of mineral mines shall be done by the agency invested with specific authority in the field of use and preservation of lithosphere.

The rock-allotting for other purposes than the building and exploitation of underground structures as well as the mining of minerals, shall be done by the Government of the Republic of Armenia in accordance with the established procedure.

The allotting of rock for the purposes of exploitation of minerals is not allowed till the contract has been concluded and registered in accordance with the established procedure. The alteration of the limits of the allotted rock shall be done in conformity with the Article 15 of this Code and in accordance with the procedure stipulated by this Article.

Article 17. The Use of Lithosphere Without the Allotting of Rock.

The use of lithosphere without the allotting of rock is allowed:

- a) during the detailed prospecting of the mine (carried out according to the approved plan) and/or during the experimental-industrial exploitation of a part of it,
- b) during the extraction of minerals that spread into the lots allotted to enterprises and citizens as well as while building the underground structures for economic and household needs.

This Article stipulates that the order of the lithosphere-use be determined by the legislation of the Republic of Armenia and by the Acts issued by the local bodies of State administration.

Article 18. The Duties of the Lithosphere-Users.

It is incumbent upon the lithosphere-users to secure:

- a) the fulfillment of their commitments stipulated by the contract,
- b) the protection of the atmospheric air, land, forests, waters and other objects of the environment as well as of buildings and other structures against the adverse impact of the activities related to the use of lithosphere,
- c) the protection of the monuments of nature, history and culture against the adverse impact of the activities related to the use of lithosphere,
- d) the restoration of the safe state of the tracts of land that was violated by the use of the lithosphere in conformity to the legislation, as well as the restoration of this land to the conditions that it is suitable to be used for economic purposes.

Article 19. The Grounds for Terminating the Right to Lithosphere-Use.

The right to the use of lithosphere shall be terminated:

- a) if this part of the lithosphere is taken for the State or public needs,
- b) should the safety and health of the workers and the population be manifestly imperiled,
- c) in case the lithosphere is used for other purposes than it has been given for,
- d) on the expiration of the term of the lithosphere-use stipulated by the contract,
- e) should the contractual commitments for the lithosphere-use be violated.

Article 20. The Order of Terminating the Right to Lithosphere-Use.

The right to lithosphere-use is terminated by declaring the rock-allotting Act, permit or contract null and void.

In cases that are stipulated by the items "a" and "b" of the Article 19 of this Code, the decision to terminate the right to the use of lithosphere shall be made by the Government of the Republic of Armenia.

In cases that are stipulated by the items "c", "d" and "e" of the Article 19 of this Code, the decision to terminate the right to the use of lithosphere shall be made by the bodies that have issued the rock-allotting Act or permit and that have concluded the contract.

Part II.

The Geological Exploration of the Lithosphere

Article 21. The Order of the Geological Exploration of Lithosphere.

The geological exploration of lithosphere is carried out for reconnaissance and prospecting the mineral mines, for discovering and assessment of land tracts that are planned to be used for purposes unrelated to the mining of minerals as well as for obtaining the data relevant for practical and research purposes.

The equal rights for the geological exploration of lithosphere on the territory of the Republic of Armenia are granted to those organizations and enterprises whose statutes make provisions for the respective activities in the field.

The organizations and enterprises (within the framework of their responsibility) can draw other specialized organizations (including foreign ones) to geological exploration.

The geological prospecting projects which require a passage through the bore-holes and mine-workings or which are included in the special list, are allowed only by the authorized body after the receipt of the respective permit.

Article 22. The State Fixation and Registration of the Geological Exploration of the Lithosphere.

The geological exploration of the lithosphere is subject to the State fixation and registration in accordance with the procedure stipulated by the legislation of the Republic of Armenia.

It is prohibited to carry out the geological exploration of the lithosphere without the State registration.

Article 23. The Unified Republican Fund of the Mineral Mines.

All the mineral mines existing on the territory of the Republic of Armenia are included in the unified Republican fund, wherein included are the mines exploited, spare and prospected mines and their reserves.

Article 24. The Principal Requirements Set for the Geological Exploration of the Lithosphere.

While carrying out the geological exploration of the lithosphere it is necessary to ensure:

- a) reliability and adequate completeness of mining and technical hydrogeological, ecological (nature-preservation) and other conditions for the exploitation of the mineral mines, as well as of the building and exploitation conditions of underground structures unrelated to the mining of minerals,
- b) reliability of ascertaining of quality and quantity of the reserve of the principal and the attendant minerals and of their components,
- c) the preservation of the lithosphere in conformity with the requirements stipulated by the legislation of the Republic of Armenia.

- d) the application of methods and ways that would guarantee the security of the people and the preservation of the environment,
- e) the application of methods and ways that would exclude the unjustified waste of minerals and the deterioration of their quality,
- 3) the keeping of geological and other documents and of the rock and ore samples, in conformity with the terms of the contracts.

Article 25. Geological and Other Data on Lithosphere.

The geological and other data on lithosphere within the framework of the plan of the work done are the property of the enterprises, organizations or private persons and are at their disposal, in accordance with the procedure established by the legislation of the Republic of Armenia.

The geological and other data on lithosphere obtained in accordance with the established procedure at the expense of the budgetary resources, shall be handed over to the Republican geological fund free of charge. The similar data obtained at the expense of the resources of enterprises or of other proprietors shall be handed over to the same fund, in accordance with the established procedure and with adequate remuneration. Should the data obtained be a trade secret they will not be reported to a third party or an enterprise without prior agreement of the proprietor.

The geological and other data can be bargained for, provided the interests of the Republic shall not sustain damage.

It is incumbent upon the officials to ensure secrecy of data during its gathering, fixation, preservation, transfer and utilization.

The right of ownership of geological and other data on lithosphere is projected by the legislation of the Republic of Armenia in accordance with the established procedure.

Article 26. The Authors of the Scientific Discoveries in the Field of Lithosphere.

The persons who will submit the previously unknown geological data on lithosphere which will enable new fundamental regularities to be revealed (including data about availability and location of minerals that can be mined on an industrial scale), shall be recognized (in accordance with the procedure stipulated by the legislation of the Republic of Armenia) as authors of the scientific discoveries in the field of Lithosphere.

The authors of the scientific discoveries in the field of Lithosphere are entitled to a lump-sum remuneration.

The rights of the authors of the scientific discoveries in the field of Lithosphere are determined by the legislation of the Republic of Armenia.

Article 27. The Discoverers of the Mineral mines.
The status of a discoverer of the mineral mines shall be granted to those persons who will submit an official application about the availability of mines of certain minerals in definite tracts of land, as well as about the availability of new mineral raw materials which are important for industrial mining in the existing mines, in case these data are subsequently confirmed by geological prospecting. The discoverers shall be granted the priority right to lump-sum remuneration as well as to obtain the permit to exploit the mine. The remuneration rate shall be fixed according to the respective profit received and depending on the kind of the raw materials and on the type of the mine.

Article 28. The Confirmation of Conditioning the Mineral Raw Materials and of Reserves of Minerals.
For the purposes of guaranteeing the maximum comprehensiveness of the examination of the lithosphere and of its subsequent optimal use, the conditions for mineral raw materials shall be set for each mine. These conditions are a set of economically substantiated requirements established for quality and quantity of the minerals, as well as for mining and geological and other conditions for the exploitation of mines. The conditions for the mineral raw materials are set taking into consideration the use of the principal and the attendant minerals and of their valuable components. The conditions, the reserves of minerals in the prospected mines as well as the additional reserves that have been prospected during the exploitation of the mines are registered and approved by the Republic of Armenia's Commission on the reserves of minerals which enjoys the status of a non-departmental agency and is guided by the Government of the Republic of Armenia.

Part III.

The Designing, Construction and Utilization of Enterprises that Mine the Minerals and Process Mineral Raw Materials, as well as of Underground Structures Unrelated to the Mining of Minerals.

Article 29. The Scientific Features of the Designing of Enterprises that Mine the Minerals and of Underground Structures Unrelated to the Mining of Minerals.
The designing of enterprises that mine the minerals and of underground structures unrelated to the mining of minerals shall be done on the basis of the result of the geological and other prospecting of that part of the lithosphere that includes the location of the prospective construction, taking into account the considerations of the environmental

protection and of the comprehensive development. As a rule, the construction design shall be subject to the overall comprehensive expertise with the participation of the local bodies of State administration, in accordance with the procedures established by the Government of the Republic of Armenia.

The designing of the enterprise for the mining of minerals shall be done after the mine has been put into industrial operation.

Article 30. The Principal Requirements Established for the Designing, Construction and Utilization of Enterprises that Mine the Minerals and Process Mineral raw Materials, as well as of Underground Structures Unrelated to the Mining of Minerals.

The designs of the enterprises for the mining of minerals and for the processing of mineral raw resources shall make provisions for:

- a) the environmental protection and technical-economic feasibility report on the enterprises under construction or reconstruction,
- b) such methods of opening the mineral mines and such procession systems which shall secure the most optimal, comprehensive and economically advisable extraction of the reserves of the principal and the attendant minerals from the lithosphere, as well as the preservation and utilization of mineral-containing rocks that are attendant to, although isolated from, the solid mass,
- c) the purposeful utilization of the underground recesses in the lithosphere brought about by the mining,
- d) the utilization of the rocks during the exploitation of the mineral mines,
- e) the storing and preservation of the attendant minerals that are mined but are temporarily not used,
- f) the filling out of the mine-surveying documents and the geological prospecting of those sections of lithosphere that will be discovered during the construction and utilization of the mining enterprises,
- g) the measures that will safeguard the security of the population and the preservation of lithosphere and of other objects of the environment, of building and structures,
- h) the fulfillment of the requirements stipulated by the Article 18 of this Code.

Proceeding from the provisions made in items "a", "d", and "g" of this Article, the designs of the enterprises for the

processing of the mineral raw materials shall envision the application of such technological schemes which will secure the efficient, comprehensive extraction of the components (which have industrial importance) contained in the mineral raw materials that are mined, as well as the most optimal utilization of the industrial waste of the processing, of the drosses, dust, extracted water and of others.

The construction, reconstruction and utilization of the enterprises that mine the minerals and process the mineral raw materials, well as of underground structures unrelated to the mining of minerals, shall be prohibited if the requirements established in this Article are not met by their designs.

Part IV.

The Use of the Lithosphere for Purposes Unrelated to the Exploitation of Mineral Mines and to the Mining of Minerals

Article 31. The Order of Exploitation of the Mineral Mines. The exploitation of the mineral mines (including those of oil, gas, underground water) is carried out by the mining enterprises in conformity with the approved designs and with the plans of the mining works, as well as with the terms lithosphere and according to the rules of technical exploitation.

The rules of technical exploitation of the enterprises that mine the minerals as well as the rules of exploitation of oil, gas and underground water mines and the plans of mining works shall be approved by the respective authorities in coordination with the bodies invested with special powers in the field of the use and preservation of lithosphere.

Article 32. The Principal Requirements Set for the Exploitation of the Mineral Mines and for the Processing of the Mineral Raw Materials.

During the exploitation of the mineral mines and the processing of the mineral raw materials, safeguarded should be:

- a) application of those efficient, ecologically safe methods of extraction of principal and attendant minerals, which will not cause damage to the mines, waste and depletion of mineral resources that would exceed the fixed norms, as well as the selective utilization of the reserves,
- b) the ruling out, the spoiling of the exploited and the adjacent mines, as well as the preservation of the hollows in lithosphere that were brought about by the industrial mining of the reserves of the minerals that had been conserved in lithosphere,

- c) the preservation and registration of the minerals that are mined as a by-product of the mining of principal minerals and which are not used at the time, as well as the preservation and registration of the industrial waste which contains valuable components,
- d) the carrying out of geological prospecting and mine-surveying works, as well as the keeping of the respective geological and technical documentation,
- e) the registration and the State account of the state of and changes in the reserves of the minerals, of the latter's waste and depletion, as well as the supervision over the comprehensive utilization of the mineral raw materials and of the hollows in the lithosphere,
- f) the extraction of useful components attendant to the comprehensive processing of the mineral raw materials.
- g) the safety of the life and health of the workers and of the population, the protection of lithosphere and of other objects of the environment, of the buildings and structures.

Article 33. The Order of Mining the Minerals that Extend into the Boundaries of the Lots Allocated to Enterprises and Citizens

The mining of minerals that extend into the boundaries of the lots allocated to enterprises and citizens shall be done by these enterprises and citizens for the household and economic purposes by excavation in a single span, at the depth not exceeding two metres and without the use of the explosives.

Article 34. The Disbandment and Temporary Closure of the Minerals-Mining Enterprises.

After the mining of the reserves of the minerals has been finished as well as in the case when, according to the technical and economic estimate and to other feasibility reports, further exploitation of a mine or of a part of it, is inexpedient or impossible, the enterprise that exploits the mine or the respective part of that enterprise (including individual deep wells) are subject to disbandment or temporary closure.

In case of complete or partial disbandment or temporary closure of a minerals-mining enterprise, the wells of the recesses should be brought to such a condition as to guarantee the security of the population, the environmental protection, the preservation of buildings and structures, whereas in case of temporary closure - also the security of the mine's recesses and wells for the whole period of the temporary closure.

When disbanding the minerals-mining enterprise, the issue of possible utilization of rock recesses and wells for other economic purposes shall be solved too.

In case of disbandment or temporary closure of the minerals-mining enterprise or of a part of it, the geological and mine-surveying documentation shall be filled out with the data at the time of the completion of mining works and should be handed over for keeping, in accordance with the established procedure.

The measures guaranteeing the security of the mining works should be taken in the minerals-mining enterprises which are located near the enterprise that is to be disbanded or temporarily closed.

The minerals-mining enterprise or a part of it shall be disbanded or temporarily closed only by the body that has been invested with special powers in the field of the use and preservation of lithosphere.

Article 35. The Order of Use of Lithosphere in Cases Unrelated to Exploitation of Mineral Mines.

The use of lithosphere for the building and exploitation of underground structures for the purposes other than mining of minerals, shall be made in accordance with the special schemes which are to be approved in conformity with the procedures stipulated by the legislation of the Republic of Armenia.

According to the provisions made by the Article 14 of this Code, the schemes for underground disposal of deleterious substances and of industrial waste, for waste discharge shall be subject to expertise in accordance with the established procedure and shall be coordinated with the local bodies of State administration of the area. It is incumbent upon the schemes to envision the measures which shall respectively safeguard the decontamination of deleterious substances, industrial waste and effluents, their isolation (localization) within strictly defined boundaries and shall hinder their penetration into rock recesses, into the earth's topsoil and into water objects.

The underground disposal of deleterious substances and industrial waste, and the discharge of effluents that take place in defiance of the requirements of this Article, shall be limited, terminated or prohibited by the body invested with special powers in the field of utilization and preservation of lithosphere.

Part V.

The Preservation of Lithosphere

Article 36. The Principal Requirements of the Preservation of Lithosphere.

In the Republic of Armenia the lithosphere is entitled to preservation.

The principal requirements of the preservation of lithosphere are:

- a) provision of reliable information (collected on the basis of the overall and comprehensive geological surveys) on the structure of lithosphere, on quality, quantity and other characteristics of the minerals contained therein,
- b) observance of the order of granting the lithosphere for use as stipulated by regulations and inadmissibility of unauthorized use of lithosphere,
- c) provision of an accurate account of the exchange reserves of the minerals,
- d) the most optimal extraction of the reserves of minerals and the efficient utilization of principal and concurrent minerals and of the attendant rocks,
- e) the ruling out of deleterious impact of the works related to the use of the lithosphere on the reserves of the minerals as well as on the underground structures,
- f) prevention of the unauthorized development of the surface areas of the mineral mines and observance of the established order of using the surface areas for other purposes,
- g) protection of the mineral mines against floods, inundation, fire and against other factors that might lower the quality of the minerals and the industrial value of the mines or might complicate their exploitation,
- h) protection of lithosphere against pollution during the underground storing of oil, gas and other substances, during the underground disposal of deleterious substances and industrial waste (including the radioactive waste), and during the discharge of waste effluents.

Should the requirements of this Article be violated, the body invested with special powers in the field of the use and preservation of lithosphere shall limit, terminate or prohibit the use of lithosphere, in accordance with the procedures stipulated by the legislation of the Republic of Armenia.

Article 37. The Terms for Developing the Surface Areas and for Placement of Underground Structures that are Unrelated to the Minerals and to their Mining.

It is prohibited to design and build settlements, industrial complexes and other objects without obtaining data from the bodies that are invested with special powers in the field of use and preservation of lithosphere that confirm the absence of the reserves of minerals and of the water-protection belts in the lithosphere of the development sites, as well as in

case of the absence of information on the underground structures related to the mining of minerals.
In exceptional cases the development of the surface areas of the mineral mines as well as the placement of the underground structures unrelated to the mining of minerals, shall be allowed only if authorized by the bodies invested with special powers in the field of use and preservation of lithosphere. Besides, construction and other measures should be envisioned and implemented to make the extraction of minerals possible.

Article 38. The Preservation of Lithosphere Sites that have State or Cultural Value.

Rare geological sediments, mineralogical formations, paleontological objects and other lithosphere sites that are of special scientific or cultural value can, in accordance with the established procedure, granted the status of a geological object protected by the State and be turned into a State geological preserve, a State geological reserve, a State geological monument or a State geological experimental field. Any activity that might violate the preservation of these objects is prohibited.

In case of discovery of rare geological sediments and mineralogical formations, meteorites and other objects that have paleontological, archaeological and special scientific or cultural value, it shall be incumbent upon the lithosphere-users to terminate the activities in the respective sites and to inform the bodies that are invested with special powers in the field of lithosphere-use and preservation.

Article 39. Supervision Over the Use of Underground Water and Protection Against its Consumption and Pollution.

The supervision over the rational use of underground water and the protection of this water against consumption and pollution shall be exercised by the State bodies authorized by the legislation of the Republic of Armenia.

Article 40. The Participation of Public Organizations and Citizens in the Field of Use and Preservation of Lithosphere.
The public organizations and citizens shall participate in the discussions on the issues related to the use and preservation of lithosphere.

When taking measures on preservation and use of lithosphere the administrative bodies shall be obliged to take into consideration to the maximum possible extent the suggestions made by the public organizations and citizens.

Article 41. The Financing of the Preservation of the Lithosphere.

The preservation of the lithosphere shall be financed at the expense of the lithosphere-users.

Part VI.

The State Registration of the Reserves of Minerals and of Mines,

as Well as of the Areas of Lithosphere

Given for Use Unrelated to Mining of Minerals

Article 42. The State Registration of the Reserves of Minerals, of the Mines and of the Outcrops. The reserves of minerals, the mines and the outcrops are subject to State registration in the form of a unified State cadaster as well as in the form of the unified State balance of minerals.

The State cadaster shall be kept by the Republican Geological Fund in conformity with the procedures stipulated by the legislation of the Republic of Armenia.

The unified State balance shall be drawn on the basis of the reports that are to be regularly submitted by the users of lithosphere and of the registered reserves to the respective bodies in accordance with the established procedure.

Article 43. The Writing Off of the Balance Reserves of Minerals.

The consumed reserves of minerals as well as the reserves that have lost the mining significance or have been wasted during mining or the availability of which has not been confirmed during the subsequent geological prospecting and the mining work, shall be subject to being written off the State balance. The writing off of the reserves shall be done by the Commission of the Republic of Armenia on minerals.

Article 44. The State Registration of the Areas of Lithosphere Given for Use Unrelated to Mining of Minerals.

The areas of lithosphere given for the purposes unrelated to the construction and exploitation of underground structures and to the mining of minerals shall be subject to registration as one unified system.

Part VII

The State Control and Supervision over the Use and Preservation of Lithosphere

Article 45. The Tasks of the State Control and Supervision over the Use and Preservation of Lithosphere.

The tasks of the State control and supervision over the use and preservation of the lithosphere are: the observance of the established order of the lithosphere-use and of the order of the State registration of the reserves of minerals and of the mines, the provision of the preservation of lithosphere and the provision of reliability and completeness of geological, mining-and-technical and other information obtained during the

geological prospecting of the lithosphere, as well as the observance of other regulations and norms enacted by the lithosphere legislation.

Article 46. The bodies Exercising the State Control and Supervision Over the Use and Preservation of Lithosphere.

The State control and supervision over the use and preservation of lithosphere shall be exercised by the bodies of State administration that are specially authorized for that purpose, in accordance with the procedures stipulated by the legislation of the Republic of Armenia.

Article 47. The Exercising of the State Control Supervision Over the Use and Preservation of Lithosphere.

The bodies invested with special powers in the field of the use and preservation of lithosphere shall check:

- a) the observance of the established order of exploitation of mineral mines, of utilization of lithosphere for mining of mineral raw materials and for other purpose,
- b) the observance of the registration of the reserves of the extracted minerals and of minerals left in lithosphere as well as the observance of the established order of the State registration of those areas of lithosphere that have been given for use unrelated to the mining of minerals,
- c) the conformity of the work to the approved project.

The bodies invested with special powers in the field of the use and preservation of lithosphere shall be entitled:

- a) to issue compulsory instructions for the provision of safety measures during the work and for the termination of violations of the norms and regulations of the preservation of lithosphere,
- b) to terminate the use of lithosphere as well as the geological prospecting of lithosphere and other activities should the requirements for the preservation of lithosphere and for the provision of the industrial safety measures be violated,
- c) to terminate the illegal use of lithosphere and the unauthorized development of the surface areas of the mineral mines,
- d) to impose sanctions against the lithosphere-users in case they violate the lithosphere legislation of the Republic of Armenia.

Part VIII

The Resolution of Disputes about the Lithosphere-Use and the Liability for Violation of Lithosphere Legislation

Article 48. The Order of Dispute Resolution.

The disputes about the lithosphere-use shall be settled by the bodies invested with special powers in the field of use and preservation of lithosphere, in accordance with the procedures stipulated by the legislation of the Republic of Armenia. Should the parties disagree, the dispute shall be resolved by the state arbitration or by the court of Justice, in accordance with the procedures stipulated by the legislation of the Republic of Armenia.

Article 49. Liability for Violation of Lithosphere Legislation.

Any deal that violates the right of the State ownership of lithosphere shall be regarded illegitimate.

In the relationships concerning the use of lithosphere the following is prohibited:

- a) the unauthorized use of lithosphere,
- b) the violation of industrial safety measures while using the lithosphere as well as the non-application of the adequate measures in cases when there is threat to the lives and health of the people,
- c) the performing of work on geological prospecting of lithosphere without the State registration,
- d) such a violation of the regulations and the requirements for the geological prospecting work which will result in the inadequate evaluation of the conditions for the construction and utilization of the prospected reserves of minerals or the mining enterprises as well as of the underground structures unrelated to the extraction of minerals,
- e) the selective exploitation of the mines which will result in ungrounded losses of the balance reserves of minerals and in the damage of mines,
- f) the norm-exceeding waste and depletion of minerals during the mining,
- g) the unauthorized development of the surface areas of the mineral mines,
- h) the application of such methods and ways of work related to lithosphere-use which will endanger the security of population and which will pose a pollution threat for the environment,
- i) the destruction or damage of the recesses for the underground water regime observance as well as of the mine-surveying and geological marks,
- j) the loss of geological and mine-surveying documentation as well as of duplicates of sample core minerals which are necessary for the subsequent geological surveying and for the exploitation of mines,
- k) the ignoring of the requirements of bringing the rock recesses and wells, that are to be closed down forever or temporarily, into such a state as to guarantee the safety of the population, as well as the ignoring of the

requirements of the preservation of the mines, rock recesses and wells during the period of a temporary closure,

- 1) the activities of the enterprises that pollute the lithosphere and threaten the safety of the performance of the mining work.

The enterprises and citizens who commit the above-stated violations shall be liable in accordance with the procedures stipulated by the legislation of the Republic of Armenia.

The legislation of the Republic of Armenia may make provisions for liability for other violations of the lithosphere legislation, too.

The unauthorized use of lithosphere and the unauthorized development of the surface areas of the mineral mines shall be terminated without any compensation for the expenses incurred.

Article 50. Compensation for the Damage Caused.

It is incumbent upon the lithosphere-users to compensate for the damage caused to lithosphere in conformity with the procedures and sums stipulated by the legislation of the Republic of Armenia.

Part IX

International Agreements

Article 51. International Agreements.

Should the regulations, stipulated by the international agreement concluded by the Republic of Armenia, differ from the regulations contained in this Code, those of the international agreement shall be effective.

President of the Republic of Armenia

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Petrosian.

March 19, 1992

City of Yerevan.