Prime Minister's Decree No. 108 of 2020

Promulgating Executive Regulations of the Mineral Resources Law Promulgated by Law No. 198 of 2014

The Prime Minister

Having perused:

The Constitution,

Law No. 143 of 1981 on Desert Lands,

Mineral Resources Law promulgated by Law No. 198 of 2014 and its amendments,

Law No. 127 of 2015 on Permitting Public Order Persons to Incorporate Joint Stock Companies,

The Executive Regulations of the Mineral Resources Law, promulgated by Prime Minister's Decree No. 1657 of 2015, and proposal of the Minister of Petroleum and Mineral Resources,

And in light of State Council's opinion,

Has Decreed,

Article 1

The provisions of the accompanying Executive Regulations shall apply in respect of the Mineral Resources Law promulgated by Law No. 198 of 2014.

Article 2

The Executive Regulations of the Mineral Resources Law promulgated by the aforementioned Prime Minister's Decree No. 1657 of 2015 shall be cancelled, together with every provision contradicting the provisions of the accompanying Regulations.

Article 3

This Decree shall be published in the Official Gazette and will come into force on the following day of its publication.

Issued at the Cabinet on 19 Gomada I 1441 H,

Corresponding to (14 January 2020)

Prime Minister

Dr. Mostafa Kamal Madbouli

Executive Regulations
of the Mineral Resources Law
Part I
General Provisions

Article (1)

The provisions of these regulations shall apply to the licenses of exploration and exploitation of the ores of mines, quarries and salt pans, issued by the Competent Authority, as the case may be. The proceeds of rental values, royalties and fees determined under these Regulations in respect of mines, quarries and salt pans shall be remitted to the State Public Treasury.

Article (2)

In applying these Regulations, the following terms and phrases shall have the meaning set forth below:

Law: Mineral Resources Law promulgated by Law No. 198 of 2014.

Natural Salt Pan: Part of the sea, lake or land, of which salt is directly harvested without the construction of bridges or basins for concentration, precipitation, drainage…etc.

Artificial Salt Pan (evaporation ponds): A part of land or water allocated for establishing an evaporation pond together with its components such as basins for concentration, precipitation, crystallization, drainage…etc.

Rock Salt: New, old or renewable natural sediments without the construction of an evaporation pond in the known meaning (such as the sediments at Siwa, Qattara ..etc.) in their basic condition, from which salt is directly harvested without carrying out industrial processing thereof.

Terms defined in the Law shall have same meaning assigned thereto in application of the provisions of these Regulations.

Article (3)

The Egyptian Mineral Resources Authority (EMRA) and the competent entity shall prepare templates for the exploration licenses and all relevant forms as follows:

1. Application for registration in the register of companies & individuals qualified for working in the field of mining.
2. Application for obtaining exploration license.
3. Application for Renewal of exploration license.

4. Application for salt pan equipment license. .
5. Application for obtaining exploitation license of a mine, a quarry or a salt pan.
6. Application for renewal of exploitation license.
7. Application for assignment of license.
8. Application for the addition of mixed ore..
9. Application for obtaining license for the land owner
10. Application for allocation of an area for the establishment of facilities under a valid license.
11. Zoning Application Form .
12. Application for suspension of work.
13. Application for resuming work after suspension.
14. Application for approval to obtain quarry materials to set up facilities under the license.
15. Application for alteration of a quarry license.
16. Application for lease of facilities.
17. Application for obtaining samples for carrying out analysis
18. Application for obtaining information or issuance of documents..
19. Application for disposal of wastes resulting from exploitation processes.
20. Application for exportation of ores of mines, quarries and salt pans.

Article (4)

All applications provided for in the Article above shall be submitted on the forms issued and approved by EMRA and the competent entity in this respect, together with processing fees as follows:

I. Applications for items 1-9 for a fee of two thousand pounds.

II. Applications for items 10-20 for a fee of one thousand pounds,

Provided that applications, each according to its purpose, shall include the following data:

1. Applicant's name, address, nationality and technical qualifications, as well as the purpose of its application
2. Name of the ore or material subject of the application.
3. Required area and its dimensions, coordinates and location.
4. Required term.
5. Number, date, type, term and expiry date of current and previous licenses.
6. Date of last technical report on applicant's activity.
7. List of equipment and machines that are used or expected to be used.

Article (5)

Documents specified by EMRA shall be attached to the applications mentioned in Articles 3 & 4 above, according to the purpose of each application, particularly the following:

1. Documents evidencing applicant's qualification, specialization, experience, technical efficiency and financial capability, together with the commercial register stating the business activity, and the articles of incorporation or articles of association of juridical persons according to last amendment thereof, in addition to the tax card stating the business activity and last tax return and an official power of attorney issued by the authorized signatory and the title deed, if he was owns the plot of land (subject of the request). Moreover, the applicant shall notify EMRA and the competent entity of any amendment to said documents within 90 days of making such amendment during the license validity term, otherwise, the text of Article 32 of the Law shall be applied.
2. The survey form of the area required to be licensed.
3. Documents proving payment of processing fees.
4. Certified employment contract of a geologist or a mining engineer having experience in the field of mine activity, who shall be present at the work site during working thereon.
5. Approvals issued, based on the permit granted by EMRA and the competent entity to the applicant, by authorities whose approvals are required before the issuance of the license.
6. Technical reports related to the subject of the application.

Article (6)

EMRA and the competent entity shall prepare approved and sealed registers bearing serial numbers and ratifying their types thereon in addition to creating databases for ores and corporations, as follows:

1. Register of corporations or individuals qualified for working in the field of mining.
2. Register of exploration applications satisfying all conditions.
3. Register of rentals of exploration licenses.
4. Register of areas where licensees' rights thereto have expired.
5. Register of applications for obtaining exploitation licenses.
6. Register of rentals of exploitation licenses.
7. Register of approvals of explosives necessary for working in mines and quarries.
8. Register of the quantities of ores extracted from mines.
9. Register of royalties due on exploitation licenses.
10. Register of rentals of areas licensed for purposes of operating mines.

11. Register of rentals of quarries.
12. Register of quantities of materials extracted from quarries.
13. Register of royalties of quarries.
14. Register of rentals of areas of operating quarries.
15. Register of rentals of salt pans.
16. Register of quantities of materials extracted from salt pans.
17. Register of royalties of salt pans.
18. Register of Insurances.
19. Register of areas of explorations allocated for EMRA or the competent entity.
20. Register of environmental permits and permits of antiquity authorities.
21. Registers of licenses pending operation or renewal.
22. Registers of rejected applications and applications pending renewal.
23. Registers of suspended, cancelled, expired or waived licenses.

Article (7)

Only completed applications will be accepted and annotated as having completed all data and documents provided for in these Regulations according to the nature and purpose of each application. In such case, the application shall be registered in the register designated thereof, provided that the application shall be presented to the committees in charge of examining the applications within a period not exceeding one months as of the submission of such application.

Article (8)

Licenses are granted subject to approval of the Ministry of Defence to review their impact on purposes of state defence, whether in respect of land located within the jurisdiction of the Ministry of Defence or within the jurisdiction of other State entities.

No license shall be issued in respect of archaeological sites, nature reserves, land of cities or villages, or market places, utilities, houses of worship, graveyards, land adjacent to airports or highways or main roads, railways, petroleum or gas pipelines, irrigation utilities, dams, reservoirs or land allocated for those facilities, except after obtaining the approval of concerned entities.

Article (9)

The EMRA or the competent entity shall prepare a register in which it shall record all where accomplished works has increased the value thereof, as well as areas which the licenses issued thereto have expired, and areas where ores are existing in economic quantities and the exploration licensee refuses to exploit them, which shall be announced as clear special areas available for exploitation to be offered at public tenders, provided that the following data shall be registered therein:

1.Location and area.

2.Number of previous license.

3.The minerals/rocks previously licensed therewith.

4.Available technical information of the area.

5- Any storehouses or facilities.

Article (10)

The owner of the land by virtue of a registered contract is entitled to request obtaining an exploration or exploitation license in respect of ores subject of the Law that are existing in its land, the application thereof shall be submitted to EMRA or the competent entity, together with the set fees and all documents stipulated in Articles 4 and 5 of these Regulations. Furthermore, it is necessary that the owner satisfies all the conditions provided for in the Law. The owner shall also submit all the approvals stipulated in these Regulations and a technical report approved by EMRA or the competent entity.

The license of exploration or exploitation shall be granted to the owner in person, who shall be exempted from the rental value but shall pay full amount of royalty.

Article (11)

EMRA is entitled to establish or participate in companies specialized in practicing the activities of exploitation and exploration for ores of mines, quarries and salt pans whether fully owned by EMRA or by means of partnership and participation with third parties pursuant to the provisions of Laws organizing this, provided that the contribution of the public money in said companies shall not be less than 25% (twenty- five percent), excluding agreements promulgated by a law.

Said companies shall be subject to all conditions, duties and technical and financial obligations provided for in the Law and these Regulations.

Article (12)

An advisory committee shall be formed by a decision of the competent minster, to be presided by a representative of the Ministry of Petroleum and Mineral Resources, and the membership of a representative of each of the following Ministries and entities:

1. Ministry of Local Development
2. Ministry of Trade and Industry
3. Ministry of Finance
4. Egyptian Mineral Resources Authority (EMRA)
5. Mining Sector at the Ministry of Defence
6. The Military Survey Department of the Ministry of Defence
7. State Accountability Authority
8. Administrative Control Authority (ACA)
9. Federation of Egyptian Industries
10. Export Council for Building Materials, Refractory and Metallurgy Industries (ECBM)
11. New Urban Communities Authority (NUCA)

Representatives of entities having jurisdiction shall be invited if necessary.

The committee shall convene at least four times annually, and shall provide opinions on the following:

1. Amendments that might be made in regards to the rent value of mines, quarries and salt pans.
2. Determination of royalty percentage for each ore separately of the ores subject of the Law, which shall not be less than (5%) and no more than (20%) of the annual production of the ore exploited by the licensee.
3. Non-exportable ores.
4. Amendments made to the Executive Regulations.
5. All disputes referred to said committee in relation to mineral resources, in such case parties of disputes shall be entitled to attend the meetings of the committee.
6. Approval of added value criteria for each ore.
7. Any issue referred thereto by the competent authority.
8. Studying issues related to the method of calculating the quantity of the material extracted from mines, quarries or salt pans and its value.

Article (13)

The competent authorities at the Ministry of Defence shall undertake carrying out exploration and exploitation works of the ores of mines, quarries and salt pans in land located within its jurisdiction, and shall coordinate with EMRA in respect of works carried out thereby.

Part II

Rules on Mines

(Chapter One)

Exploration

Article (14)

The application for obtaining a license of exploration shall be submitted to EMRA in respect of the area specified by the license applicant on the form prepared for this purpose, together with the applicable processing fees. The application shall include all data and documents stipulated in Articles (4 and 5) hereof.

Article (15)

The competent department at EMRA shall review all data of the site subject of the application and record its remarks thereon, acknowledging that it is free from any rights to EMRA or third parties, and shall show the location of the area at which exploration is requested on the charts available thereat.

Article (16)

Application shall be archived in case it is established that there are due rights to EMRA or to third parties on the site subject of the application, or in the event that the application does not satisfy the data and documents stipulated in Articles (4 and 5) hereof. The applicant shall be notified of the archiving of its application, stating the reason of archiving in such notification, within one month of the date of submitting said application.

Article (17)

All duly completed applications shall be presented to the committee formed by decision of the competent minister for this purpose, for consideration of applications within two months as of the date of their submission, as per the following aspects:

1. Precedence of submission.

2. Previous work track record.
3. Technical and financial capability.
4. Added value of the ore.
5. Nature of project (existing/new).
6. Any other elements that are deemed necessary by EMRA's Board of Directors after the approval of the competent minister.

Article (18)

Recommendations of the committee mentioned in the previous Article shall be presented to EMRA's board of directors, and the applicant of the accepted application shall be notified – via registered mail or by any other legal means – to complete the remaining procedures. Upon the completion of all aforementioned approvals, the applicant shall be notified to pay required financial obligations within thirty days from the date the applicant becomes aware of the notification; otherwise, its application shall be deemed as it had never been submitted without claiming any compensations from EMRA.

Article (19)

Exploration licenses for mines of areas that do not exceed one square kilometer shall be issued by decision of EMRA's Board of Directors, with the maximum of one mine for each licensee of Private Law persons.

Except for mines mentioned in the first paragraph hereof, exploration licenses shall be issued by virtue of decision of the competent minister after obtaining the approval of EMRA's Board of Directors.

The terms of exploration licenses shall be two years, renewable for two terms. They can be renewed for a third term subject to technical justifications acceptable to EMRA; provided that the licensee shall submit the renewal applications at least six months before the expiry of the license term.

The licensee shall pay annual expenses for the exploration works of each square kilometer, with a minimum limit of four folds of the annual rental value during the various periods of exploration according to Article 21 hereof.

Article (20)

The exploration licensee may not explore for any ore/ores or any other mineral materials other than the ore subject of the exploration license, unless the ore of such

material/materials is mixed with the ore of the material subject of the exploration license, and it is not possible to extract either of them without the other. In such case, the licensee shall notify EMRA, within thirty days, from finding the mixed ore to obtain its approval to adding it to the exploration license issued thereto.

Article (21)

An annual rental value shall be collected in advance for each exploration license in the following manner:

1. Five thousand pounds for each square kilometer of the exploration area for the first exploration term.
2. Ten thousand pounds for each square kilometer of the exploration area for the second exploration term.
3. Fifteen thousand pounds for each square kilometer of the exploration area for the third exploration term.
4. Twenty thousand pounds for each square kilometer of the exploration area for the last exploration term.

A fraction of kilometer shall be approximated to a whole square kilometer.

The rental value may be amended every three years by virtue of decree of the Prime Minister based on proposal of EMRA's Board of Directors and the competent minister.

Article (22)

The exploration licensee shall submit a quarterly report to EMRA stating therein the phases of exploration and its results.

Article (23)

An application shall be submitted to EMRA, together with set fees, for obtaining samples of the ore for examination. EMRA's Board of Directors shall make its decision on said application within thirty days from its submission. The decision made by the Board of Directors must decide the size of the sample.

Article (24)

The exploration licensee shall submit to EMRA, within a period not exceeding sixty days from the date of its receipt of the license, a detailed project of the exploration works

intended to be carried thereby, as well as the monetary amounts needed for carrying out such works. The licensee shall obtain EMRA's approval to that project.

Further, the licensee shall submit a detailed report, supported with documents, stating therein the volume of works carried out and amounts of spent monies.

Chapter 2

Exploitation

Article 25

The exploration licensee to shall submit, within the license validity term and at least six months before its expiry date, an application to obtain an exploitation license on the form prepared for such purpose, together with set fees, including all the data and documents stipulated in Articles 4 and 5 hereof.

The concerned department at EMRA shall review the data of the application and record its remarks thereon, indicating the site and boundaries of exploitation on the charts available thereat. The application shall then be presented to committee provided for in Article 17 hereof as a preliminary step for presenting it to EMRA's Board of Directors.

Article (26)

The applicant shall be notified of the approval of EMRA's Board of Directors to complete general required approvals.

Article (27)

The exploitation licensee shall proceed with work within one month from the date of physically receiving the licensed area and after obtaining all required approvals, and it may not stop work for six consecutive months without acceptable justification, unless it submits an application for obtaining a written permit to that effect from EMRA.

Article (28)

The licensee may submit a request to temporary suspend its license of exploitation; however, it shall mention the requested period of suspension and the technical reasons and justifications thereof, and shall attach documents proving them thereto. EMRA has the right to accept those reasons and to determine the reasonable period of suspension. EMRA's decision in this regard shall be final.

EMRA shall notify the licensee of accepting or declining its request in no later than one month from the date of submitting such application.

The exploitation licensee shall submit application for resuming its work, together with set fees fifteen days before the expiry of the suspension period.

The licensee has the right, before the end of the suspension period by fifteen days, to request another period of suspension in case the licensee could not overcome the reasons that caused such suspension.

The licensee shall resume working at the mine in case said request is declined or due to the expiry of the requested period without being notified by EMRA of the extension of the suspension period, otherwise it shall be considered suspending works without a written permission.

Article (29)

The licensee has the right to request, before the expiry of the license by at least six months, the renewal of the license for another period(s), which shall not exceed the total of fifteen years, provided that the licensee shall fulfill all its obligations. The renewal request shall be submitted on the form prepared for such purpose, together with set processing fees. Renewal shall be issued by virtue of a decree of the competent minister based on the approval of EMRA's Board of Directors.

Article (30)

The exploitation licensee may not extract any ore/ores or any other mineral materials other than the ore of the mineral material(s) subject of the exploitation license granted thereto, unless the ore of such material/materials is mixed with the ore of the material subject of the exploration license, and it is not possible to extract either of them without the other. In such case, the exploitation licensee shall submit and application to EMRA, on the form prepared for such purpose, together with set fees, within thirty days from the date of finding the mixed ore, requesting to add it to the exploitation license. In case EMRA's Board of

Directors issues its consent to such request and the competent minister approves the addition of such mixed ore, the licensee shall be exempted from paying rental value for the added ore, provided that it shall pay the royalty determined for the annual production of the mixed ore.

Article (31)

The exploitation licensee shall pay EMRA an annual rental value in advance for each square kilometer of the area of exploitation at the rate of twenty five thousand pounds, whereby the fracture of a kilometer shall be rounded to a whole square kilometer.

Exploitation licensee of white sand shall pay EMRA an annual rental value in advance in the amount of nine pounds per square meter.

The rental value may be amended every three years by virtue of Prime Minister's decree based on the proposal of EMRA's Board of Directors and the competent minister.

Article (32)

The licensee shall pay EMRA a royalty, in cash or by means of certified cheque or via applicable e-payment methods at the time of payment, for each ore, of the value of the annual gross production of the ore exploited by the licensee, to be paid in quarterly payments, provided that a final settlement shall be made at the end of the year, and according to the below percentages for each ore, as follows:

Mine Ores					
S.No.	Ore	Royalty Percentage (%)	S. No.	Ore	Royalty Percentage (%)
1	MANIET	10	18	GOLD	5%
2	BARYTE	9	19	CALCITE	6
3	BENTONITE	9	20	KAOLINITE	8
4	PYROXENE	6	21	KAOLINTIC SANDSTONE	7
5	PYRITE	6	22	CHROMITE	8
6	TALC	7	23	QUARZ	8
7	GALENA	9	24	MAGNESITE	8
8	DIATOMITE	7	25	MUSCOVITE	7
9	ZINC	6	26	MANGANESE OXIDE	8
10	ZIRCON	6	27	MICA	6
11	ALUM	8	28	COPPER	8
12	COAL	8	29	NEPHELEINE SYENITE	8
13	VAINLET FELDSPAR	8	30	WOLFRAMITE	9
14	WADI DEPOSIT	6	31	BYTE	8
15	FELDSPAR (FLORIDCE)	6	32	GLUCONATE	7
16	PHOSPHATE	10	33	IRON OXIDES	9
17	CASSITERITE	7	34	TIN	9

The value of royalty shall be calculated according to on-site local market prices per each ore, said prices shall be determined by a committee formed by a decree of the competent minister.

The exploitation licensee of white sand (glass sand) shall pay a royalty of (18%) of the annual gross production according to on-site local market prices.

Article (33)

A percentage of (1%) of annual production value of mineral ores exploited by the licensee shall be allocated to contribution in social development carried out within the governorate where the area of exploitation is located. Such percentage shall be utilized in the construction and development of schools and hospitals and equipping them, e pavement and upgrade of roads, in addition to infrastructure projects like drinking water and sanitary sewage, while focusing on most deprived villages inside the governorate.

Article (34)

The exploitation license of confers the following rights:

1. Setting up preparation and infrastructure necessary for operations of exploitation.
2. Exploitation of the ore specified therein and carrying out necessary operations thereof.
3. Storage, transportation and processing of ores.
4. Selling of licensed mineral products resulting from exploitation of mines, provided that they shall be disposed of pursuant to the provision of the Law.

Article (35)

The exploitation licensee shall abide by the following:

1. Receiving the licensed area and starting to equip the mine for exploitation.
2. Starting regular production of ore within the period specified in the license, and EMRA's Board of Directors may grant the licensee another grace period based on its request for reasons subject to EMRA's discretion and according to these Regulations.
3. Maintaining accounting books sufficient to determine its real financial position and to record sold quantities in records, as well as enabling representatives of EMRA to review them on regular and periodical basis.
4. Submission of information and reports requested by EMRA.
5. Enabling concerned state bodies and EMRA's officers and inspectors to access the licensed area, as well as scientific and educational institutions to conduct scientific

experiments relevant to its activity without conflicting with the principal activity of the license.

6. Known scientific and technical principles, rules of management of mines and adherence to standards of health, safety and environment (HSE).
7. Allowing establishment of waterways, canals, drainages, pipelines, supply of electricity, as well as constructing roads and public facilities within the licensed area.
8. Placing and maintaining signs marking the licensed area.
9. Technical terms added by EMRA's Board of Directors to the license upon its issuance after approving same by the competent minister.
10. Submission of regular reports as specified in the Law.
11. Suspending works and notifying EMRA of all antiquities and historical buildings or art objects it may, whether they are historical or non-historical, as well as geological phenomena within the boundaries of the mine immediately upon finding them. The licensee may not resume working in the mine except after obtaining approval of EMRA; otherwise the license shall be cancelled and remaining amount of rental value shall be refunded after deducting all dues of EMRA.

Part III
Rules on Quarries
(Chapter One)
Licenses of Exploitation

Article (36)

An application for obtaining an exploration license for quarries shall be submitted to the competent entity, each within the scope of its competency, so that the area of the quarry shall not be less than five thousand square meters, so that one of the quarry side shall not be less than fifty meters, on the form for this purpose, together with the applicable processing fees. The application must include the data and documents stipulated in Articles (4 and 5) hereof.

(Article 37)

All completed applications shall be registered in designated registers. Applicants shall be notified of the dates of inspection and making the grid budget on-site (in respect of ores for which grid budget can be made) at licensees' expense, whereby the competent entity shall

conduct on-site inspection according to the grid budget of the quarry. Furthermore, the applicant shall be notified to pay due rental value and security amount within thirty days from the date of notification thereof. In case of payment, the site shall be delivered to the licensee after the latter signs an acknowledgement of receipt of points determining the zone of the quarry, bench marks, copy of the license and annexed drawings after being approved. In case of the non-payment of the rental value and security amount within thirty days from notifying the applicant thereof, the application shall be finally closed.

For issuance of licenses of quarries, it is conditional that a joint committee of EMRA and the competent entity shall conduct technical inspection of the quarry before the issuance of the license, and shall prepare technical report thereon, stating types of ores existing therein, and whether they are mineral ores.

The competent entity shall obtain all permits and approvals for the licensee from concerned authorities (such as authorities concerned with antiquities, environment ...etc.), as well as other authorities whose approvals are required before the issuance of such license thereto, at the expense of the licensee.

Reports made by the competent department shall be submitted to the competent entity within two weeks from the date of inspection and the license shall be issued by the competent authority.

EMRA and the competent entity shall follow up the works taking place inside the quarry on-site following the issuance of the license to guarantee optimum exploitation of such quarry and appropriate technical methods according to the nature of the ore, as well as monitoring the implementation of the rules of security, safety and environmental regulations.

(Article 38)

In case the concerned department finds out the presence of any impediment preventing the licensing of the quarry, the application shall be archived without issuing the license thereof. Whereas, if it is verified that the site is suitable for licensing, said department shall prepare a technical report and a chart where the grid budget and location of the quarry shall be marked by four fixed points with their coordinates, as well as the bench marks of the quarry location.

(Article 39)

The application for obtaining exploitation license for average pure and impure limestone, pursuant to the table in Article 40 hereof, which is used in the construction of buildings with

bearing walls, as well as the industry of construction for corporate and individuals, shall be submitted to the competent entity, stating therein the area requested by the applicant, on the form prepared for this purpose, together with stipulated fees, and including all data and documents provided for in Articles 4 and 5 hereof.

EMRA and the competent entity shall be in charge of locating places of average pure and impure milestone that can be licensed, which shall be annually revised.

The license applicant shall pay the rental value within thirty days from being notified thereof, and after its completion of all necessary procedures and approvals.

(Article 40)

The licensee shall pay an annual rental value, in advance, for each square meter of the licensed area as per the values mentioned below next to each ore, as follows:

S.No.	Type of ore	Rental Value per 1 m^2
1	Marble (solid limestone) – Ornamental Stones (Granite- Breccia- Alabaster- Serpentine- schist) or similar stones	EGP 12
2	Pure limestone (of more than 95% calcium carbonate)	EGP 9
3	Average pure and impure limestone (of less than 95% calcium carbonate – residues of lime stone - clay- dolomite- basalt and the like).	EGP 7
4	Gypsum- yellow sand- gravel- gravel soil- stones – broken marble and any other residues or the like.	EGP 4

The rental value may be amended every three years by virtue of decree of the Prime Minister based on proposal of the competent entity and the competent minister with due regard to the provision of Article 105 hereof.

Article (41)

The licensee shall pay the competent entity an annual royalty of 13% of the annual gross production for each ore transported from the site land, to be paid on quarterly payments according to the scale weight measurements in respect of marble and granite of all types, and the grid leveling in respect of all other ores; provided that final settlement shall be calculated at the end of the year.

Furthermore, companies of factories of cement and gypsum that have quarries shall pay a royalty of 13% of the price of transported ore utilized in production as per actual production or the grid leveling, whichever higher.

The value of royalty shall be calculated based on prices of the local market of the extracted ore on-site, which shall be determined by a joint committee formed from EMRA, the

competent entity, the Ministry of Finance, the Ministry of Defence and Military Production (Mining Sector), the Federation of Industries and the Export Council for Building Materials, Refractory and Metallurgy Industries (ECBM), for which a decree shall be issued by the competent authority within a period not exceeding thirty days as of the date of promulgating these Regulations.

The Minister of Internal Development shall issue a decree for the formation of a technical pilot committee to determine the prices of ores of quarries and salt pans.

(Article 42)

Companies incorporated by the competent entity, under the provisions of Law No. 127 of 2015 which permits persons of Public Law to incorporate joint stock companies, to practice works of exploitation of ores of quarries, and salt pans within their scope of competency, shall pay the monetary amounts stipulated herein for each area separately, in regard to royalty, rental values, application processing fee, as well as other fees, in addition to the satisfaction of technical conditions determined by EMRA for the requested area and under its technical supervision.

(Article 43)

The license renewal application shall be submitted on the form prepared for this purpose, together with the payment of applicable processing fees two months before the expiry of such license, if the license term is a one year, or six-month prior to the expiry of the license, if the term of license is more than one year; provided that the licensee shall be due rental value and security within thirty days form notifying it of competent entity's approval to renewal, otherwise, the application shall be archived and deemed as it had never been submitted. In the event that the license expires and the licensee does not request renewal thereof, the area shall be cleared from all extracted materials and machinery within the period of one month at the latest.

(Article 44)

In case the licensee breaches the conditions of operation within the validity term of the license, it shall be notified to remove such breach within sixty days at the latest from the date of notification receipt, otherwise actions will be taken to cancel its license.

(Article 45)

The exploitation licensee of a quarry may not extract another ore other than the licensed one and residues therewith.

Exploitation license of sand or gravel shall be excluded from the foregoing if it verified that the two ores are mixed, in such case the licensee shall submit an application for addition to the competent entity on the designated form, together with stipulated fees within thirty days from its finding of the ore. In the event that the competent entity approves the mixed ore, the licensee shall pay stipulated royalty of the annual production of the ore extracted from the site according to the grid budget and difference of rental value.

(Article 46)

An alternation request of quarry along with applicable processing fees shall be submitted in case technical problems are found after three months from date of obtaining the license. A new license of an alternative quarry shall be issued by the competent authority after the necessary permits are obtained and based on a report issued by the competent department, provided that the applicant shall pay the total royalty accrued for the quantities extracted from the quarry intended to be replaced, and in case the rent of the new quarry exceeds that of the old one, the licensee shall pay the difference within the period specified by the competent body.

(Article 47)

Extraction of quarry ores from land owned by state, public or private legal persons, or individuals is prohibited, moreover, establishing of quarry- service facilities on land owned by state is prohibited, unless under a license issued by the competent authority, it is also banned to exploit quarry ores extracted from digging of canals and drains, unless a license is issued by the competent authority after obtaining approval of concerned entities thereto.

(Article 48)

Without prejudice to the provisions of Law No. 143 of 1981 on Desert Land, it is permissible to license exploitation of quarries at desert land after obtaining approval of the entity having jurisdiction thereon. It is conditional that the license obliges the licensee to pave the land after exploitation thereof and expiry of the license in the cases so require.

(Article 49)

A percentage of (6%) of annual production value of ores exploited by the licensee shall be allocated to contribution in social development carried out within the governorate where the area of exploitation is located. Such percentage shall be utilized in the construction and development of schools and hospitals and equipping them, pavement and upgrade of roads, in addition to infrastructure projects like drinking water and sanitary sewage, while focusing on most deprived villages inside the governorate.

(Chapter Two)

Operation Obligations

(Article 50)

The exploitation licensee shall abide by the following operation conditions:

1. Starting operation from the frontage shown in the license and the drawing, and shall only extract licensed ores by technical methods. Operation of the quarry shall be conducted in a technical method so that the frontage of the quarry shall be regularly improved, while abstaining from digging caves or gaps in the frontage of the quarry during operation, which EMRA and competent entity deems endangering lives of labour. In case of the presence of clinging layers at the frontage of the quarry, operation shall be in the form of strips according to the state thereof, without creating gaps or digging holes that may cause the collapse of the cliffs or endanger labour's safety in any manner whatsoever.

2. Removing all dust and debris resulting from the process of the excavation of the quarry or from operations carried out therein at a distance of at least six meters from the part where operation is carried out at the bottom of the quarry. Such debris and dust may not be thrown at the two sides of the quarry, but they must be thrown in an organized manner and with exact proportion on the ground where the quarry ore have finished, unless the license provides for a different method.

3. In case layers suitable for work are located at a level higher than that of the ground of the quarry, separated by layers not suitable for work, debris or dust resulting from operation may be thrown in an organized manner and with exact proportion on the grounds where operations have finished, unless the competent entity instructs otherwise.

4. Creating passages among debris resulting from operations, where the width of each shall be five meters from the bottom along the level of the ground of quarry, and said passages shall be made with proportionate dimensions.

5. The licensee may not demolish the roads of quarries, whether those existing in its quarry or in any neighboring quarries, and it shall abstain from throwing dust on them in a manner hindering traffic thereon, or preventing others from using them, even if the licensee is the one who repaired such roads at its expense. Further, the licensee may not prevent others from passing through parts of the quarry where ores have been finished and operations have ended.

6. Removing waters existing at the quarry during operations openings of which water leaks must be closed with a suitable material.

7. The licensee shall start working in the quarry within one month at the latest from the date of handing over the quarry to the licensee. The licensee may not suspend work at the quarry for a period exceeding six months without obtaining prior written permission of the competent entity thereto.

8. The licensee, upon receipt of quarry, shall set fixed marks indicating the boundaries of the licensed area, where the size of each mark shall be 50cm * 50cm beneath the surface of the ground and half a meter above it. The licensee shall maintain such marks at their locations throughout the term of the license and to fix them again whenever they are removed, and in case such marks are removed and their locations are lost, the competent officer of the competent entity shall determine their places and oblige the licensee to rebuild them at its expense.

9. Not to extract ores from sites outside the boundaries of the licensed quarry.

10. In case works in the quarry require underground operation, all necessary precautions shall be taken to leave non- operated columns with measurements and dimensions that bear heavyweights and prevent falling of ceilings of basements, or establishing mainstays according to technical rules. Moreover, ventilation windows shall be made.

11. Maintaining a record of quantities extracted from the licensed quarry.

12. Notifying the competent entity of sheets of quantities extracted from the quarry on quarterly basis at the latest.

13. The licensee shall notify the competent entity of any antiquities it may find within the boundaries of the quarry, and in case the license is cancelled for this reason, the competent entity must issue a license with another quarry to the licensee.

14. Extracted quantities shall be stored within the boundaries of the quarry or in a storehouse licensed by the competent entity.

The competent entity has the right to cancel the exploitation license and licenses relevant thereto in case of any breach to any provision of this Article.

The licensee shall be liable for any harm sustained by third parties as a result of practicing its activity in the quarry. The licensee shall be notified once the competent entity is notified of any court dispute arising from licensee's activity, and the license shall pay all compensations ruled against the competent entity as a result of such harm.

(Article 51)

The licensee shall suspend works and notify the competent entity of all antiquities and historical buildings or art objects it may within the boundaries of the licensed quarry, whether they are historical or non-historical, or geological phenomena, immediately upon finding them., The licensee may not resume working in the quarry except after obtaining approval of the competent entity; otherwise the license shall be cancelled and remaining amount of rental value shall be refunded after deducting all dues of the competent entity, or the quarry will be replaced by another having same ore for the remaining term of the license.

(Article 52)

In case the licensee commits any breach to any of the provisions herein, or if it delays payment of respective dues thereon within sixty (60) days from the due date, the competent entity shall have the right to cancel the license, while reserving all reserve its rights in collecting all the amounts due to it without the need for any court procedures.

Part IV
Rules on Salt Pans

(Article 53)

An application for obtaining a license for a salt pan shall be submitted on the form prepared for this purpose, together with stipulated fees, provided that the application shall include the data and documents provided for hereof, particularly the following:

1. Applicant's name, nationality and residence address.
2. Types of salts requested to be licensed for production and a cadastral map of the location of the salt pan in a suitable drawing scale.
3. Term of license requested by the applicant.
4. A preliminary feasible study of the project including technological and technical methods used in the production operations (extraction – reclamation – manufacturing – improving quality – processing for sale – environmental impact and how to be treated – disposal of waste method).
5. Approval of Egyptian Environmental Affairs Agency (EEAA) - Fulfillment of health and environmental requirements.

The competent entity shall register the license, its term and period of validity in its registers.

(Article 54)

The following are requirements for the Issuance of Licenses of Salt Pans:

1. Obtaining approval of EMRA and the competent entity after technical inspection of the site of the salt pan before issuing the license.
2. Executing safety and security rules and environmental conditions and requirements.

EMRA and the competent entity shall monitor the activity of the salt pan by means of quarterly technical reports, as well as following up quarterly and annual quantities of production.

(Article 55)

Requirements for Establishing Artificial Salt Pan (Evaporation Pond) shall be as follows:

1. Existence of source for feeding the salt pan either by seawater - if it is close thereto - or through artesian wells.
2. Existence of concentration basins to which seawater water from wells shall be transferred.
3. Existence of salt concentration basins separated from concentration basins.
4. Establishing private drainages located far from deposition basins to drain extra water (better liquid solution).

5. Setting up a lab containing all necessary devices and materials for conducting analyses of produced ore and the hydrometer device to measure the concentration of water salinity periodically.
6. The applicant shall submit a technical report approved by a geologist or a syndicate engineer including different phases of salt extraction.

(Article 56)

The application for license of a salt pan shall be submitted on the form prepared for this purpose together with stipulated fees, and the license shall be issued by virtue of a decree of the competent entity after obtaining EMRA's approval.

(Article 57)

The license of the salt pan shall be suspended in the following cases:

1. Licensee's non-adherence to operation pursuant to the technical report submitted thereby.
2. Non-adherence to technical and technological requirements of operating salt pans.
3. Non-compliance with environmental requirements.
4. Non-adherence to binding rules of table salt and rules regulating trading of table salt as issued by the Egyptian Food Safety Authority.
5. Non-adherence to recording operations of ores and maintenance of statistic and commercial records required under the Law.
6. Violation of any provision of the Law or its executive regulations.
7. Liquidation of company for which the license is issued or the issuance of a court judgment declaring its bankruptcy.

(Article 58)

The licensee shall pay an annual rental value during the period of equipping the salt pan specified in the license in the amount of one hundred thousand pounds per square meter of the area of the salt pan, any additional area thereof shall be calculated by a percentage.

During the production period, the licensee shall pay an annual rental value in advance as per the following:

For Artificial Salt Pans (evaporation ponds): an amount of one hundred twenty thousand pounds per square kilometer of the salt pan area, any additional area thereof shall be calculated by a percentage. The licensee shall also pay a royalty of (10%) of the annual production value of the ore exploited thereby.

For Natural Salt Pans or Rock Salt: an amount of one hundred fifty thousand pounds per square kilo meter of the salt pan area, any additional area thereof shall be calculated by a percentage. The

licensee shall also pay a royalty of (13%) of the annual production value of the ore exploited thereby.

The competent entity may amend the rental value every three years by virtue of decree of the Prime Minister based on proposal of the competent minister.

(Article 59)

A percentage of (6%) of annual production value of the ore exploited by the licensee shall be allocated to contribution in social development carried out within the governorate where the area of exploitation is located. Such percentage shall be utilized in the construction and development of schools and hospitals and equipping them, pavement and upgrade of roads, in addition to infrastructure projects like drinking water and sanitary sewage, while focusing on most deprived villages inside the governorate.

PART V
G Miscellaneous
(CHAPTER ONE)
Security Amount

Article (60)

The licensee shall pay a one-time security amount equals the rental value for each exploitation license to guarantee the fulfillment of the conditions of the license, particularly the amounts due to EMRA or the competent entity, or to reinstate things to their original status in cases so require.

Article (61)

The licensee shall pay the security amount in cash, or by a certified bank cheque, or via electronic payment methods applicable at the time of payment, or by virtue of a letter of guarantee issued by an accredited bank, without any restriction or condition, and in which the bank declares to pay an amount equals the required security amount to the order of EMRA or the competent entity upon first request, while disregarding any objection made by the licensee or third parties. The term of the letter of guarantee shall not be less than the term of license, and the security amount held by EMRA or the competent entity shall remain subject to settlement until the expiry of the license and final settlement of dues.

Article (62)

The licensee shall deposit the security amount no later than thirty days from the date of being notified thereof; otherwise, the license shall be deemed as it had never existed , and all amounts actually paid to EMRA shall be considered an absolute right due thereto and to the competent entity. The licensee shall top up the security amount whenever deducted therefrom to fulfill its obligations within the period to be specified by the competent department of EMRA and the competent entity.

Article (63)

The security amount shall be non-refundable until the expiry of the license, and until the final settlement is made between EMRA or the competent entity, as the case may be, and the licensee, with respect to all the obligations and other general and private requirements stipulated in the license. The refund of the security shall be made upon a request submitted by the licensee.

Article (64)

The licensee's right to refund the security amount deposited at EMRA or the competent entity, as the case may be, shall forfeit in case it violates the license requirements, which results in the cancellation of license by virtue of a decree of the competent entity.

Article (65)
Determination of Areas

TAreas licensed for exploration or exploitation in mines, quarries and salt pans, as well as areas licensed for operation purposes shall be determined through grid budgeting and cadastral survey of quarries, as the case may be, for the ores so require at the expense of the licensee and under its responsibility in the presence of the inspector or the competent entity, as the case may be.

Article (66)

he exploration licensee shall, upon receiving the license, submit the form for determining exploration areas and the areas required to be licensed for operation purposes; otherwise, EMRA or the competent entity, as the case may be, shall determine the area by itself and at the expense

of the licensee, further the licensee shall start the work within the thirty days following receipt of the license.

Article (67)

The exploration licensee shall make zoning marks for the area for which the exploitation is requested before requesting it. Therefore, it shall submit an application to EMRA or the competent entity on the form prepared for such purpose, which shall fulfill all the data contained therein and the grid budgeting of the area.

Article (68)

The licensee may request EMRA or the competent entity to specify the area thereto and to place the signs marking it at licensee's expense, and it shall submit the application along with the applicable fees.

Article (69)

Areas of exploration and exploitation and licensed areas for operation purposes shall be determined at each angel of the licensed area by placing signs at a height not less than one meter above the surface of the ground, and a square base where each side shall not be less than 25cm, on which the number and type of license shall be clearly affixed on top thereof, and which shall be maintained and renewed throughout the term of the license.

The Licensee may request from EMRA or the competent entity to specify the area and place the signs thereon at licensee's expense, and it shall submit such request along with the applicable fees.

Article (70)

The zoning form shall include the following information:

1. Name of licensee.
2. Number and date of license.
3. Date of placing signs determining the areas.
4. Name of the representative who carried out the zoning process, who must be a syndicate engineer or a syndicate geologist , where the number of syndicate registration shall be displayed.
5. Number and date of registration at commercial register.
6. A detailed description of one of the marking signs along with the measurement of its magnetic direction together with geographical features, survey points or main mountains,

such signs must be marked in red color on the zoning form, which shall be called the principal marking sign and shall be symbolized by (P-R).

7. A survey diagram of the area where the locations of all marking signs shall be shown, as well as the auxiliary signs symbolized by (P- R), where distance between each two signs on the same side shall be shown.
8. Description of coordinates on the issued license and signs applicable to such coordinates, which shall be symbolized by (P-A) in case they are not the principal zoning sign.
9. Signature of the representative who conducted the zoning process.
10. Signature of the licensee and such form shall be executed in duplicate.

Article (71)

The licensee shall maintain the marking signs and data recorded therein throughout the term of the license. EMRA and the competent entity may request the licensee to re-conduct the zoning of the area and to rebuild some or all of the marks therein specify at its own expense, whenever necessary in case of their collapse, or licensee's failure to maintain them, or in case the government takes a part thereof for the governmental needs or in case it is found out that any third parties have rights thereto.

Article (72)

The completed zoning form, including all required data, shall be sent to EMRA or the competent entity, as the case may be, if such form does not fulfill all the correct data, the applicant thereof shall be notified via statutory ways to complete such data or correct them within one month from the date of being notified thereof. If the licensee fails to fulfill such data during the above-mentioned period, it shall be notified of the non-approval of the zoning form.

(Chapter 3)

Assignment

Article (73)

The licensee may not assign, in whole or in part, any of the rights and liabilities arising out of the license granted thereto without a written approval of the competent authority.

The application shall be submitted to EMRA or the competent entity on the form prepared for such purpose according to Article (3) herein, along with applicable fees.

The following requirements shall be satisfied before approving such assignment:

1- The assignor should have fulfilled all its respective obligations provided for in the license at the time of assignment.

2- The assignor is recorded at the register of qualified persons at EMRA or the competent entity.

3- The assignee has financial capability and technical efficiency.

4- The assignee shall comply with all the conditions of the license.

5- The assignor shall pay two folds of the annual rental value to EMRA or the competent entity upon submission of the assignment application.

6- The assignee shall pay the security stipulated by EMRA or the competent entity.

7- The a assignee shall submit an action plan for the remaining period of the license.

In case of partial assignment, the assignor and the assignee shall be deemed jointly and collectively guarantee all the obligations towards EMRA or the competent entity, which are specified in the license.

In case of sale of all or part of equity shares of a licensed juristic person, EMRA or the competent entity, as the case may be, shall be notified thereof,

Article (74)

Full assignment of a license shall result in the transfer of licenses related thereto to the assignee. Such transfer shall - in case of partial assignment - be limited to the rights and obligations according to the assigned share. Such partial assignment shall not have any effect without an approval of the competent authority.

(Chapter Four)

Terms and Conditions of Issuance of Export Approvals

Article (75)

No mineral, quarry or salt pans' ores may be exported except after obtaining EMRA's approval. The export of ores may be prohibited in case they have a strategic and industrial value, except in case of creating an added value thereof, or if they are used to execute industrial project, together with other ores as may be specified by the Cabinet based on the proposal of the competent minister, whenever necessary.

Article (76)

The application for obtaining an export approval of consignments required to be exported shall be submitted twice a year, and shall include quantity, price of sale, source of ore and the importing entity, supported by documents; provided that the quantity being exported shall be eventually deducted from the quantity previously approved.

Article (77)

For exportation, it is conditional that the ores of mines, quarries and salt pans be extracted according to a valid license having a statement of production.

The approval applicant shall submit a copy of license, purchase invoice for any party other than the licensee, and a sale invoice stating the importing state, quantity, price and the forms prepared for such purpose by the Customs Authority. The approval shall be executed on a certificate bearing the watermark prepared by EMRA. All of the foregoing shall apply to all ores of mines, quarries and salt pans, even if grinding or cutting processes are carried out thereon, while they remain in their raw forms.

(Chapter Five)

Final Provision
Article (78)

he licensee shall be notified of the issuance of the license and it shall seek to receive the licensed area on-site within thirty days from the date of notification, otherwise the license shall be considered as if it had never existed.

Article (79)

)Either the licensee or its representative shall carry out the instructions given by EMRA, the competent entity or other competent entities or their representatives to ensure appropriate conduct of business, and in order to enforce applicable laws and regulations.

Article (80)

The representative of EMRA or the competent entity shall give written instructions for enforcement of applicable laws and regulations; or which he deems appropriate for the good conduct of business. With respect to cases that result in damage or threatened damage, the representative may give temporary instructions for the avoidance or remedy of such damage. The licensee or its representative, as the case may be, shall carry out such instructions immediately. The representatives of EMRA, or the competent entity may, according to their competencies, have access to the licensed area, and also to carry out survey, drawings, tests and other actions pertaining to areas for which the licenses are issued. They may also use the licensee's machinery, tools and labour, and the licensee or its representative shall give them actual assistance therein.

Article (81)

Licenses may be temporary suspended by virtue of a decree of the competent authority in the following cases:

1. In case the exploration or exploitation constitutes an extreme danger on the safety and security of the work, workers, third parties or the licensed area.
2. If the work is suspended due to reasons relating to the licensee's will, negligence or failure, the suspension period shall be calculated within the term of license, without prejudice to the administrative entity's right to claim all necessary compensations for any damage that may occur to the area subject of the license.
3. In case the work is suspended for reasons beyond the licensee's control, due to a force majeure or a sudden accident, the suspension period shall be added to the term of the license without any claim of the rental value due for such period.
4. In case the competent department of EMRA submits two technical reports on technical violations that may cause the aforesaid damage.

The validity of license may continue when reasons for suspension are removed, and based on a request submitted by the licensee; provided that a decree shall be issued by the competent authority to that effect.

Article (82)

he licensee of exploration or exploitation shall submit a request along with the applicable fees to EMRA to receive an area for the operation of the licensed mine or quarry such as construction of roads or railways, installation of electricity, telephone, pipelines or construction of airports, docks or warehouses and the like.
The request shall be submitted on the form prepared for such purpose as specified in Article (3) hereof, and the requested term of license shall not exceed the remaining period of the original license, and the applicant shall obtain licenses necessary to be obtained from the competent authorities for carrying out the works.

Article (83)

The license of an area required for operation purposes shall be issued by the Board of Directors of EMRA or the competent entity, as the case may be, provided that such requested area shall not exceed half of the area of the original license of mines, nor the four times of the area of the original license of quarries and salt pans , attaching thereto a copy of the specifications and charts of the works intended to be carried out.

The license shall be delivered to the concerned party after the issuance thereof, and the license may be renewed during the term of the original license upon the request of the licensee and the approval of the board of directors of EMRA or the competent entity. The rental values shall be recorded in the register prepared for such purpose.

Article (84)

In case works intended to be carried out or established require obtaining licenses issued by other entities, the licensee shall obtain such licenses in advance and in coordination with the competent department of EMRA and the competent entity before the submission of the application.

If the works intended to be established for operation purposes have special specifications, the licensee shall attach such specifications there to the license application.

The licensee shall obtain the approval of EMRA or the competent entity, as the case may be, in advance, to any alternation or modification to the licensed establishments. The Licensee shall also submit to EMRA or the competent entity, as the case may be, the drawing and design of such alternation or modification before carrying it out.

Article (85)

The licensee shall pay an annual rental value for the area leased outside the area of exploration and exploitation of mines, quarries and salt pans, for the purpose of constructing establishments or buildings thereon as required for the operation in the area, according to the following categories:

1. The amount of EGP 15,000 per square kilometer for land on which facilities or buildings allocated for the industrial or storage purposes are constructed.
2. The amount of EGP 500 per each longitudinal kilometer for rail tracks of ore dump cars, water and compressed air pipelines, pneumatic and electrical lines and public roads for the service of the activity subject of this Law.

The rental value shall be paid in full upon submission of the lease or renewal applications, the rental value shall only be refunded to the applicant in case the application is rejected. A percentage of (25%) of the rental value within the governorates shall be allocated thereto.

The rental value may be amended every three years by virtue of Prime Minister's decree based on proposal of the competent minister.

Article (86)

Licenses issued for areas required for operation purposes shall expire by the expiry of the original licenses for any reason. In such case, the licensee shall hand over such area to EMRA or the competent entity without affecting infrastructure facilities constructed thereon, which shall be transferred to EMRA or the competent entity without consideration. The licensee may request the continuation of the license for the purpose of operating other existing licenses issued thereto other than those based on which the license is issued, six months before the expiry of the operating license. The decree of the continuation the license shall be issued by the competent authority.

Article (87)

The licensee shall deposit at EMRA and the competent entity copies of the engineering drawings of the constructional works of the utilities intended to be established for mining service, when necessary. The license shall be delivered to the concerned party against signature thereof, and such license may be renewed during the term of the original license.

Article (88)

Without prejudice to the provision of Article 86 thereof, Licenses issued for operation purposes shall be cancelled upon the expiry or cancellation, for any reason whatsoever, of the original licenses issued for operation. In such case, the licensee shall be given a three-month deadline for delivering the vacant area; provided that the licensee shall pay double the rental value for such period.

EMRA or the competent entity may sell the stored quantities of the ore in a public tender in order to avoid damage, theft or destruction thereof, or if such quantities hinder the land utilization. EMRA or the competent entity may also collect the royalties due on such quantities from the sale proceeds.

Article (89)

The licensee shall maintain the roads existing in the licensed area or adjacent land or what may be built in the future. In all cases, the licensee shall not commit an act or cause an act to be committed that would prevent passing therefrom, even if the licensee is the one who paid the costs of the construction or repair thereof. Moreover, it may not prevent any third parties from passing through the parts where the operation has ended in the area licensed thereto.

Article (90)

The licensee shall fill potholes and pave land upon the expiry or cancellation of the license for any reason, within the deadline specified by EMRA and the competent entity for this purpose; otherwise, EMRA and the competent entity shall carry out such works at the licensee's expense and claim it to pay compensation therefor. The licensee shall also execute all instructions given by EMRA, the competent entity or other concerned entities in this regard.

Article (91)

In case the period of exploration ends and the licensee does not request the issuance of an exploitation license, the licensed area- subject of license- shall be returned in the same condition as when delivered, and in a manner consistent with the standards of environment preservation, together with removing all machinery and equipment therefrom within thirty days; otherwise EMRA and the competent entity shall reinstate things to what they had been at the expense of the licensee, from licensee's dues thereon, provided that all technical reports, analyses, maps, ores and materials arising out of exploration, which are stored on the sites, shall be transferred EMRA and the competent entity upon the expiry of the license without claiming any compensation.

Article (92)

The licensee shall keep records as per forms prepared by EMRA or the competent entity, as the case may be, as well as regular accounting records, which include all details requested by either the Corporate Department or the Tax Authority with respect to recording extracted quantities and their type on a timely manner. The licensee shall notify EMRA or the competent entity of monthly statements reflecting quantities and types of extracted materials, as well as stored and sold quantities.

Article (93)

TEMRA or the competent entity, as the case may be, may oblige the licensee to modify or transfer facilities to another place in order to organize exploitation operations in a specific area. The licensee shall carry out the instructions of EMRA or the competent entity in this regard within the period specified by it. In case the licensee refrains from carrying out such instructions, EMRA or the competent entity may carry out such instructions at its own expense or may cancel the license, as it may deem appropriate.

Article (94)

The licensee is prohibited from placing any explosive substances in any part of the land leased thereto, unless it obtains prior license thereof from the concerned entities; otherwise, the license shall be cancelled.

Article (95)

The violations attributed to the licensee shall be recorded in an administrative report, to be issued by an officer from EMRA or the competent entity having the capacity of judicial arrest. In case such violation results in the cancellation of the license, the licensee shall suspend the operation and evacuate the site upon being notified of the cancellation via registered letter with acknowledgment of receipt, and it shall deliver the site to EMRA or the competent entity, and in case it refrains from doing so, EMRA or the competent entity shall suspend the work and seize the site by one of its competent officers with the assistance of the competent entities, if necessary.

Article (96)

It is not permissible to use explosives for the operation of the quarry or the mine unless after obtaining the approval of the Egyptian Military Operations Authority; otherwise, the license shall be cancelled.

(Chapter Six)

Control and Inspection Procedures

Article (97)

TEMRA shall assist the competent entity in setting controls over works conducted in quarries within the jurisdiction of the competent entity in order to supervise the production quantity and extraction process in accordance with the applicable rules of mining industry and safe transportation methods, with due regard to safety and occupational health in areas of quarries, together with following up on the performance of the conditions of the contract for the exploitation of quarries, in technical and engineering terms, as well as following up the monthly technical reports on the exploitation activities of quarries and the determination of the monthly and annual production quantities, according to the inventory of the grid budgeting or scale.

Article (98)

EMRA shall assist the competent entity in setting controls over works conducted in salt pans within the jurisdiction of the competent entity in order to supervise the production quantity and extraction process in accordance with the applicable rules of mining industry and safe transportation methods, with due regard to safety and occupational health within areas of salt pans.

Article (99)

he licensee shall keep regular records and books containing all data related to labour, equipment, extracted ore and its quantities, analyses and transported quantities and stock thereof, as well as other data for which a decree of EMRA or the competent entity is issued. All analyses shall be conducted in EMRA's labs.

Article (100)

The licensee shall notify EMRA and the competent entity of all data stipulated in Article (99) hereof, which shall be approved and signed by the competent manager confirming its validity.

TEMRA or the competent entity may, as the case may be, impose the penalties provided for in Article 31 of the Law in case of any violation of the provisions of this Article.

The foregoing shall not affect the right of EMRA and the competent entity to claim any financial rights resulting from the violation.

Article (101)

The competent entity shall provide permanent offices for EMRA’s representatives who are assigned to follow up, supervise and inspect the records and on- site works. It shall also verify all data received thereby from the licensee, ensure its conformity with in the content of the records and books of on- site works and inform EMRA of any data signed and approved by the competent entity.

Article (102)

The inspectors and observers of EMRA shall prepare a monthly report to be submitted to their respective departments on the works executed under their supervision.

Article (103)

The competent entity shall notify EMRA of all violations committed by the licensees within a week from the date of the violation.

Article (104)

Governorates, each within its jurisdiction, shall specify check points on main roads for the control of transportation of ores subject of this Law.

Article (105)

It is not permissible to collect any type of sums or fees ,within the scope of the application of the provisions of the Mineral Resources Law and these Regulations, except for those stipulated in herein; and the cash consideration of the grid budgeting and the geological experience contracts of EMRA.

Article (106)

The Licensee or the driver of the vehicle carrying the ores subject to the Law shall show the loading statement at check points of the competent entity.