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Legislative proposal for new Mining Act brought before Parliament

On 22 December 2009, the Government brought its legislative proposal for a new Mining Act before Parliament, to supersede the current Act, which entered into force in 1965. While securing the preconditions for mining and ore prospecting, the new Act takes account of environmental issues, citizens' fundamental rights, landowners' rights and municipalities' opportunities to influence decision-making. The Act would reconcile various public and private interests and thereby, as a whole and insofar as possible, take due account of the various competing interests.

The proposed Act would include provisions concerning the rights and obligations of parties engaged in ore prospecting, mining and gold panning, both during their operations and as termination measures are taken, including after care.

The right to ore prospecting, mining activity and gold panning

It would be possible to engage in ore prospecting in the form of prospecting work, comparable with rights of public access. However, ore prospecting would require an ore prospecting permit if the activity posed any risk to people's health, general safety or other industrial and commercial activity, or any deterioration of values concerning the landscape or nature protection. Without exception, a mining permit would be required for uranium prospecting.

It would be possible to grant priority with respect to an ore prospecting permit in a manner corresponding to the current practice: an ore prospecting permit would grant the holder priority when applying for a mining permit, forming the basis of the right to exploit a deposit. Exploitation of gold deposits in the soil through panning in an area owned by the State would require a permit for gold panning.

The consideration of a permit would be based on a comprehensive approach, on the one hand taking account of the needs of ore prospecting and mining. On the other, factors to be considered would include the status of landowners and private parties sustaining damage, as well as the impacts of activities on the environment, landscape, land use and safety, the economic use of natural resources and nature conservation, radiation safety and the reconciliation of user needs in different areas.

Regulations included in the permit could reduce and limit the damage caused by operations to public and private interests. Activities based on the permit could not be launched before the permit was legally valid and the required collateral deposited.

The ore prospecting permit and gold panning permit would be issued for a fixed term but the ore prospecting permit, renewed at regular intervals, could be valid for a considerably longer period than at present, i.e. up to 15 years.

The maximum validity of a gold panning permit, renewed at regular intervals, would no longer be subject to restrictions. A mining permit would, in the main, be valid until further notice. Permits would be transferable and the right based on an ore prospecting permit and mining permit could be lodged as security.

The Government could grant a permit to utilise an area in the possession of another party for mining activity, if the mining project were required for some public need. Proceedings establishing a mining area would involve the claiming of rights to land use and of other rights to the areas in question for the holder of the mining permit, the determination of compensation, and conducting the required measures in pursuit of land subdivision.

Mining safety would be based on requirements set on the mining activity operator's management system, and advance supervision based on a mining safety permit.

Compensations to landowners

As at present, the holder of an ore prospecting permit, mining permit and gold panning permit would be obliged to compensate in full for any damage and harm caused. Furthermore, the licence holder would continue to pay annual compensation to owners of land in the ore prospecting area, mining area and gold panning area, and the amounts of such compensation would be revised.

For the first four years, compensation for ore prospecting would total 20 euros per hectare and would increase gradually after the fourth year. Compensation for gold panning would total 50 euros per hectare. The claim fee paid to the state (EUR 6.75/ha) would be abolished.

The mining permit holder would have to pay the landowner an annual excavation fee, totalling 50 euros per hectare and a further excavation fee would total 0.15% of the value of mining minerals excavated and exploited during the year.

Safety Technology Authority - the mining authority responsible for permit consideration

The Safety Technology Authority (Tukes) would act as the mining authority responsible for granting permits and supervising compliance with legislation. This authority would be able to exercise the necessary budget authority and administrative constraints.

The legislative proposal takes account of other key legislation applicable to ore prospecting and mining activity, including the Environmental Protection Act, the Nature Conservation Act, the Act on the Protection of Wilderness Reserves, the Land Use and Building Act, the Occupational Safety and Health Act and legislation applicable to the Sami Homeland, the Skolt area and reindeer herding area. The aim has been to reconcile the Mining Act with other legislation, in order to form a consistent entity.

The legislative proposal contains a proposal for amending the Nuclear Energy Act and amendments to certain other acts, such amendments mainly being deemed to be of a technical nature. Permit applications concerning a uranium mine under the Nuclear Energy Act and Mining Act would be handled jointly and decided on in a single decision by the Government. The granting of such a permit would require, *inter alia*, that the mining project activities were aligned with the overall interests of society, the municipality in question had given its consent, and safety requirements were being complied with.

The acts are intended to enter into force on 1 January 2011. Previously granted mining rights for gold panning would be terminated after a transitional period of eight years. Under the new Act, holders of rights would hold the prerogative of applying for a gold panning permit for the corresponding area. After the transitional period, gold panning would be permitted in the Lemmenjoki National Park based on traditional methods.

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