



Mining

in 35 jurisdictions worldwide

2011

Contributing editors: Michael Bourassa and John Turner



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Chile

Rafael Vergara and Juan Francisco Mackenna

Carey y Cía Ltda

Mining industry

- 1 What is the nature and importance of the mining industry in your country?

The mining industry accounts for 20.7 per cent of the GDP and 65.9 per cent of Chile's total exports (US\$44.2 billion). Chile is the largest producer of copper (33.4 per cent) in the world market. Chile also produces other metals, such as silver and gold, and many non-metallic substances.

The mining industry is mainly owned by private foreign and national companies. An important part of the copper production of the country is in the hands of state owned companies (CODELCO and ENAMI).

- 2 What are the target minerals?

The target minerals in the metallic mining are copper, iron, molybdenum, manganese, lead, zinc, gold and silver.

In the non metallic mining, there are different groups of minerals, where the nitrate, lithium and iodine are the most important.

- 3 Which regions are most active?

Most active regions regarding the mining activity are II Region of Antofagasta, I Region of Tarapacá, III Region of Atacama and IV Region of Coquimbo, all of them located in the northern part of the country.

Legal and regulatory structure

- 4 Is the legal system civil or common law-based?

The legal system is civil law-based.

- 5 How is the mining industry regulated?

At state level, the industry is regulated by means of certain provisions in the Political Constitution (PC), specific mining laws – the Constitutional Organic Mining Law (COM) and the Mining Code (MC) – and other general and special regulations. There are no special mining agreements (contracts) with the state.

- 6 What are the principal laws that regulate the mining industry? What are the principal regulatory bodies that administer those laws?

The PC provides that the state is the owner of all mines although any individual or entity may apply for a mining concession to explore and exploit the mines. Ownership of mines and concessions are different from that of the surface land, which may be subject to obligations and limitations to facilitate mining exploration and exploitation activities.

The COM regulates the concession and establishes that all metallic and non-metallic substances may be subject to concessions, except for oil and gas deposits, lithium, and deposits of any kind located in the sea bottom under Chilean jurisdiction or in areas deemed, by law, to be important to national security. These non-claimable mineral substances may be mined by the state or state-owned companies or under administrative concessions or special operational contracts, all of them governed by their own legal statute.

The MC elaborates on the provisions of the PC and the COM.

Chilean civil courts are the only entities that can receive the application for a concession, grant it and declare it terminated or extinguished. They also resolve all situations and conflicts related to concessions.

The National Geology and Mining Service (Sernageomin) is the governmental entity within the Ministry of Mining that approves the technical requirements related to the form, boundaries and location of concessions; it keeps a public record of concessions; and supervises the technical compliance with certain mining regulations.

- 7 What classification system does the mining industry use for reporting mineral resources and mineral reserves?

Chile does not yet have a binding legal code for reporting mineral resources and reserves. Nonetheless, a code prepared by the Chilean Institute of Mining Engineers and other entities, such as the Chilean Securities and Exchange Commission, together with representatives of the private sector; and sponsored by the Ministry of Mining, was issued in December 2003 (the code). This code is based on the Australian JORC system and has been recognised by CRIRSCO. Law 20,235 of 31 December 2007 authorises the creation of a commission that is in charge of approving this code (whereby it will be legally binding), together with some other tools to create a Chilean venture capital market for the mining business.

Under the code, mineral resources are defined as a concentration or occurrence of natural, solid, non-organic or organic fossilised terrestrial material in such form, quality and quantity that there is a reasonable assessment about its technical-economic potential. The location, tonnage, contents, geological characteristics and the grade of continuity of the mineralisation is estimated, known or interpreted from specific geological, metallurgical and technological evidence. Mineral resources are classified, in order of increasing geological confidence, into inferred, indicated and measured.

Also under the code, mineral reserve is defined as the economically mineable part of a measured or indicated resource in accordance with a productive, environmental, economical and financial scenario derived from a mining plan. The mineral reserve includes losses and dilutions with material surrounding part of the resource, which is contaminated as an effect of the mining. The assessment can come from pre-feasibility or feasibility studies where realistic conditions, at the time of the assessment, include geological, metallurgical geotechnical, environmental, social and governmental factors. These

assessments must demonstrate the technical, economic, extractive and sequential feasibility at the time that they are reported. Mineral reserves are classified in order of increasing confidence into probable and proved.

Mining rights and title

8 To what extent does the state control mining rights in your jurisdiction? Can those rights be granted to private parties and to what extent will they have title to minerals in the ground? Are there large areas where the mining rights are held privately or which belong to the owner of the surface rights? Is there a separate legal regime or process for third parties to obtain mining rights in those areas?

According to PC, the state is the owner of all mines although any individual or entity may apply for a mining concession to explore and exploit the mines. Ownership of mines and concessions are different from that of the surface land, which may be subject to obligations and limitations to facilitate mining exploration and exploitation activities. There are no areas where the mining rights are held by the owner of the surface rights. Obtention of mining concessions in Chile is made through a procedure, which is non discretionary and very competitive in nature.

9 What information and data is publicly available to private parties that wish to engage in exploration and other mining activities? Is there an agency which collects mineral assessment reports from private parties? Must private parties file mineral assessment reports? Does the agency or the government conduct geoscience surveys, which become part of the database? Is the database available online?

There is a Public Record of Concessions (including information on their location) and certain geological data, managed by Sernageomin. Mining statistics are available from the Chilean Copper Commission (COCHILCO) and from the Mining Ministry web page. There is also a Directory of Mining Companies in EDITEC. All mentioned databases are available online.

10 What mining rights may private parties acquire? How are these acquired? What obligations does the rights holder have? If exploration or reconnaissance licences are granted, does such tenure give the holder to a preferential right acquire a mining licence?

The right to explore or exploit a designated area and acquire concessions through a non-discretionary judicial procedure explained below is on a first-come, first-served basis. Concessions can be freely assigned or transferred, mortgaged and, in general, be subject to any legal contract.

A concession ownership right can be enforced against the state or any other third party.

Exploration concessions last two years unless an extension is requested prior to expiration for a maximum of two additional years, together with waiving half of the area allocated. While an exploration concession is in force, its holder has preference to file for an exploitation concession in the same area.

Exploitation concessions are granted for an indefinite time.

The owner of a concession has the following additional rights and obligations.

Rights

- To occupy as much of the surface land as necessary for the exploration or exploitation works, upon payment of the proper indemnity for damages to the surface landowner.
- To impose easements upon an unwilling surface landowner through a simple and summary procedure before the relevant civil court (certain exceptions apply in the case of houses and their appurtenances and lands where vineyards and fruit trees

are planted).

Obligations

- To pay (during March of each year) an annual licence or permit for a cost equivalent to approximately US\$1.5 per hectare, in the case of exploration concessions, and US\$7.5 per hectare, in the case of exploitation concessions. Failure to pay any annual permit may cause the loss of title to the concession through an auction procedure.
- To obtain the necessary environmental approvals.
- To comply with:
 - health and safety protection rules;
 - rules regarding civil construction developments, mining work, machinery, equipment, tools, buildings and mining facilities; and
 - special environmental authorisations (fines, closure and even termination of mining activities may apply in case of infraction of such obligations).
- To comply with, or be subject to, the general rules of contracts and torts in connection with their liability in case of infractions or violations of Chilean civil law.

11 Is there any distinction in law or practice between the mining rights that may be acquired by domestic parties and those that may be acquired by foreign parties?

There are no restrictions on foreigners owning mining rights. Nevertheless, there is some doctrinal discussion as to whether Decree Law 1939 of 1979, which prohibits the nationals of bordering countries acquiring border real estate, is also applicable to concessions.

No domestic partner is required.

12 How are mining rights protected? Are foreign arbitration awards in respect of domestic mining disputes freely enforceable in your jurisdiction?

The PC grants protection, as a constitutional right, to property rights to concessions. There is an independent judicial system that adheres to the rule of law and due process.

Foreign arbitration awards are freely enforceable in our jurisdiction following the rules of 'New York Convention of the Recognition and Enforcement of Foreign Arbitral Awards' if applicable, or the general rules set in the Civil Procedure Code, which consider, among others, reciprocity, existence of special treaties and other rules to effectively obtain enforcement in Chile.

13 What surface rights may private parties acquire? How are these rights acquired?

Private parties may acquire any kind of surface rights (ownership, easements, leases, etc) through direct negotiations with the surface landowner.

Private parties may judicially impose easements to facilitate the convenient exploration or exploitation of their concessions provided damages are paid.

14 Are any areas designated as protected areas within your jurisdiction and which are off-limits or specially regulated?

Law No. 18,362 created a National System of Protected Areas of the State (SNASPE), in which an environmental policy of sustainable development must be observed. The National Forestry Corporation (CONAF) is the governmental agency in charge of SNASPE, although several other agencies are involved in the control of SNASPE, such as Agricultural and Livestock Service (SAG), National Marine Fisheries Service (SERNAPESCA), among others.

According to article 3 of the Law, these protected areas may be classified into virgin region reserves, national parks, national reserves and natural monuments. These categories are created by executive decrees issued by the Ministry of National Assets, which shall also be signed by the Minister of Agriculture (thus, if they include sea or coastal areas, they also require the signature of the Minister of Defence). Additionally, several other dispersed regulations refer to the Parks and Marine Reserves, Nature Sanctuaries and Ecological Preservation Areas, among others.

Article No. 10 of the Chilean Environmental Framework Law (Law 19,300 of 1994), states that all the works, programmes or activities in national parks, national reserves, natural monuments, wilderness reserves, wildlife sanctuaries, marine parks, marine reserves or in any other areas under official protection, shall only be executed if they are previously submitted by an Environmental Impact Study (EIA), on the situations where the corresponding legislation allows it. Additionally, according to the 1940 Convention for the Protection of Flora, Fauna and the Scenic Natural Beauties of America ('Washington Convention'), no commercial exploitation is allowed in national parks, natural monuments and virgin region reserves; only activities for educational, research, scientific or recreational purposes are allowed. Commercial exploitation is possible only in national reserves provided that sustainable development principles are respected.

Up to date, Chile has 99 units: 34 National Parks, 49 National Reserves and 16 Natural Monuments, which cover an area of 14 million hectares approximately, equivalent to the 19 per cent of the continental national territory.

Currently, there is a bill of law that aims to systematise on a single statute all the regulation, qualification and administration of all the protected areas, avoiding the overlapping of faculties among the different agencies involved in the control of those areas.

Duties, royalties and taxes

- 15** What duties, royalties and taxes are payable by private parties carrying on mining activities? Are these duties, royalties and taxes revenue-based or profit-based?

Taxes

Tax provisions affect mining operation differently depending on the scale and volume of the mining industry. Small mining companies are subject to an overall income tax at a rate fixed according to a formula that takes into account the price of the ore and the sales of the company during its last annual exercise. Mid-sized mining companies are taxed on a presumptive basis, fixed according to their annual net sales and the price of the ore. Large mining companies' taxes are assessed according to the normal rates of the Income Tax Law.

In relation to the large mining companies, the Income Tax Law provides that the profits of foreign corporations, limited liability companies and affiliated companies may be levied at the time the income is earned or when profits are distributed to shareholders.

The corporate income tax rate, paid by all companies, is currently fixed at a 20 per cent (first category tax). This tax rate will be reduced to 18.5 per cent in year 2012 and finally to 17 per cent beginning year 2013. Additionally, there is a 35 per cent tax (additional tax) charged over dividends or profit remittances to non-Chilean shareholders. The aforesaid 20 per cent first category tax can be deducted as a credit from the additional tax. Individuals resident or domiciled in Chile pay personal income taxes (second category tax) on their work-related income and an overall surtax on other types of income on a progressive rate schedule from zero to 40 per cent. Non-resident individuals and entities are subject to gross withholding taxes on Chilean-sourced income and on certain remittances that may technically not constitute income originated in Chile. For tax purposes, taxable income is defined by law and may include capital gains.

Most companies are required to pay first category tax on their annual accrued net taxable income. If the income is not invested in the company but instead paid out (as dividends, partner withdrawals or, in the case of a branch, remitted abroad to the head office), it is then taxed again in the hands of the recipients. Double taxation of shareholders is eliminated through an integrated system based on a credit method, under which the first category tax can be fully credited against the shareholder level tax. Profit distributions among Chilean resident entities are not subject to tax.

Royalties

The 'mining royalty' or 'specific mining tax' became law on 16 June 2005 and entered into effect on 1 January 2006. It was modified, though, by Law No. 20,469 in year 2010. The mining royalty is currently structured alternatively as an operating income tax, or a mining operation margins tax.

Any individual or legal entity who extracts minerals of a type that could be subject to a mining concession, and who sells such minerals in any state of production, is subject to the tax on his or her 'taxable operational income', defined as the net income for corporate tax purposes, with some adjustments such as: elimination of gross receipts that are not directly connected to the sale of mining products; inclusion of any costs and expenses that are not directly connected to the sale of mining products; and inclusion of interest charges, loss carryovers, and expenses related to the acquisition of a exploitation mining concession owned by a third party (lease, usufruct, etc).

There is a legal tax exemption for those mining exploiters whose annual sales are equal or less than 12,000 metric tons of fine copper (MTFC).

The specific mining tax rate is progressive, based on the taxpayer's gross sales of minerals with a rate schedule from zero to 4.5 per cent for mining tax payers with annual mineral sales for a value equal or below 50,000 MTFC and above 12,000 MTFC.

Nevertheless, mining taxpayers with annual mineral sales for a value over the equivalent of 50,000 MTFC are subject to a different rate based on their 'mining operation margin' from 5 per cent to 14 per cent.

In year 2005, the original Royalty Law modified Chile's Foreign Investment Statute (DL 600), by adding a new article 11 ter, providing that mining investments of US\$50 million or more may, for 15 years as from commencement of commercial production, claim the invariability of the specific mining tax, including its rates, tax base and the future imposition of any other tax assessed on income from mining activities, including royalties or similar charges, and the mining licence rate and method of determination. The mining tax invariability is incompatible with the income tax invariability rights granted to foreign investors under other DL 600 provisions.

Duties

No special duties apply. As a general rule, Chile applies a flat 6 per cent custom duty on imports of all merchandise, which is calculated on the CIF value of the merchandise, unless this is found to be below fair market conditions by the Chilean Customs Service. Nevertheless, Chile has entered into free-trade agreements whereby the import duty is reduced for most merchandise produced in the other state.

- 16** What tax advantages and incentives are available to private parties carrying on mining activities?

Under DL 600, an investor may agree, alternatively, to the mining-tax invariability (article 11-ter) mentioned above; or to an overall fixed income tax rate of 42 per cent for a term of 10 years from beginning commercial production, instead of the normal tax rate as per the Income Tax Law, which is currently 35 per cent. This rate can be extended to up to 20 years for mining projects over US\$50 million.

Additionally, under DL 600, foreign investors are entitled to be treated in the same manner as a local investor and, in some cases, to the freezing of custom duties and value-added tax (VAT).

A special tax regime has been established for mining and other industrial activities conducted in the extreme northern and southern regions of the country.

Other incentives include:

- in certain cases, accelerated depreciation of fixed assets to one-third of their normal life;
- deferred payment (from one to seven years) of customs duties on the import of certain capital goods; and
- the possibility for VAT taxpayers and exporters, in certain cases and under certain circumstances, to recover in cash accumulated VAT credits.

17 Is there any distinction between the duties, royalties and taxes payable by domestic parties and those payable by foreign parties?

See question 15.

Business structures

18 What are the principal business structures used by private parties carrying on mining activities?

Most foreign investors set up a stock company or corporation, a limited liability partnership or a branch office in Chile. It is also possible to organise stock companies, which are characterised by their flexibility both in incorporation and the determination of their provisions, giving more importance to the parties' agreements. There are also companies governed by the Mining Code, the most common of which is the contractual mining company, created by public deed with at least two partners.

19 Is there a requirement that a local entity be a party to the transaction?

There are no requirements regarding the nationality of the parties.

20 Are there jurisdictions with favourable bilateral investment treaties or tax treaties with your jurisdiction through which foreign entities will commonly structure their operations in your jurisdiction?

See question 33.

Financing

21 What are the principal sources of financing available to private parties carrying on mining activities? What role does the domestic public securities market play in financing the mining industry?

Project finance is the main source of financing for large-scale mining projects. Local commercial or syndicated loans are the source of financing or refinancing for mid-sized or small-scale mining projects. Although there are some mining companies on the stock market, to date, the stock market does not play a significant role in the financing of the Chilean mining industry. The bond market is also a good available alternative, though only a couple of mining entities have issued bonds, either domestically or internationally. Ultimately, the purchase of a royalty associated with future production of a mine and the *avío*, a similar contract to the above, have appeared as alternatives to finance.

Restrictions

22 What restrictions are imposed on the importation of machinery and equipment or services required in connection with exploration and extraction?

There are no specific limitations. All merchandise can be imported into Chile, with certain exceptions.

23 What restrictions are imposed on the processing, export or sale of minerals? Are there any export quotas, licensing or other mechanisms that prevent producers from freely exporting their production?

There are no restrictions other than the one established by Law No. 16,624, which requires copper producers (over 75,000 tons per year) to reserve or stock a percentage of their production for consumption by the national industry. The amounts of copper to be reserved are determined by COCHILCO.

24 What restrictions are imposed on the import of funds for exploration and extraction or the use of the proceeds from the export or sale of minerals?

Funds must be imported to Chile through a member of the formal exchange market (FEM) formed by all commercial banks, certain exchange houses, stock brokers and some entities authorised by the Central Bank. The investment of capital in Chile and the repatriation of an investment and its profits must be done either under chapter XIV of the Compendium of Foreign Exchange Regulations of the Central Bank of Chile or under DL 600. The first procedure is a mere registration of the investment with the Central Bank and it is available to individuals or legal entities irrespective of their domicile or residence and does not convey a prior approval. DL 600 offers investors the opportunity to enter into an agreement with the Republic of Chile to bring foreign capital into the country under terms that are guaranteed not to change, and it is available to individuals or legal entities domiciled or resident abroad investing more than US\$5 million. In regard to mining projects, as long as the companies fulfil certain specific requirements, the length of the agreement can be longer.

Exporters may choose either to bring the foreign currency resulting from an export transaction into Chile or to maintain such foreign currency abroad by making investments, paying import operations or foreign loans. If an exporter chooses to bring the foreign currency into Chile, there is no obligation to bring the foreign currency into the country through the FEM nor to convert it into Chilean pesos.

The applicable regulations provide for compliance with certain reporting requirements regarding the outcome of the relevant export and the use of the foreign currency.

Environment

25 What are the principal environmental laws applicable to the mining industry? What are the principal regulatory bodies that administer those laws?

The PC guarantees all persons the right to live in a clean environment and it establishes that the law may determine specific restrictions in exercising particular rights and privileges in order to protect the environment.

Law No. 19,300 of 1994 is the most important environmental legal statute. Together with its regulations (ie, Executive Decree No. 95 of 2001), it sets down the legal framework, including the environmental impact assessment system (EIAS).

The specific mining environmental regulations can be classified into those related to air emissions, waterworks, industrial liquid and solid waste, household waste, hazardous substances and wastes, explosives, anthropological, archaeological, historical or cultural

heritage, land use, flora, fauna, wildlife-protected areas including glaciers, road construction and occupational health and safety.

The principal regulatory authorities are the Environmental Ministry and the Environmental Agency (SEA).

- 26** What is the environmental review and permitting process for a mining project? How long does it normally take to obtain the necessary permits?

The holder of a mining project must submit the environmental assessment of the project to Environmental Agency through an environmental impact study (EIA) or an environmental impact statement (DIA), depending on environmental impacts.

The EIA concludes with a favourable environmental resolution or the denial of the project. The environmental impact procedure must finish in 120 or 180 business days, in the case of an EIA, or 60 or 90 business days, in the case of a DIA. Usually, this takes longer if the authority begins consultations regarding the project or the project holder asks for a suspension of the procedure. In the case of an EIA the project is considered approved if there is no formal decision in that period.

Almost all other environmental mining permits are obtained once the environmental resolution is filed because the competent authorities (other than SEA) require SEA's approval to file the environmental permits. The favourable environmental resolution obliges all public agencies to issue all exclusively environmental authorisations and, on the contrary, if the decision is negative, those same agencies must deny them.

The whole environmental permit process may take approximately 15 months.

- 27** What is the closure and remediation process for a mining project? What performance bonds, guarantees and other financial assurances are required?

A closure plan must be presented together with the presentation of the exploitation method, or any major change to it, to Sernageomin, which has 60 days to answer the request. They must be updated every five years to be adapted to the mining reality that may have changed over time. Nonetheless, if Sernageomin determines, at any time, that the approved closure plan does not guarantee compliance with the law, due to changes in the operation of the mining project, a new closure plan must be filed.

There is no obligation to submit performance bonds, guarantees or any other financial assurances.

Health & safety, and labour issues

- 28** What are the principal health and safety, and labour laws applicable to the mining industry? What are the principal regulatory bodies that administer those laws?

In relation with health and safety, the PC guarantees all persons the right to live in a clean environment and it establishes that the law determine specific restrictions in exercising particular rights privileges in order to protect the environment.

The most important regulation regarding mining safety and health is Executive Decree No. 132 of 2004, which contains many specific obligations for mining companies in regard to mining works, machinery, equipment, tools, buildings and mining facilities. Supplementary Executive Decree No. 594 of 2000 regulates the sanitary conditions in every workplace (noise, hazardous substances management, ventilation, industrial, hazardous and household waste, etc), including mining activities.

The principal regulatory authorities are the Regional Office (SEREMI) of Health Ministry and Sernagoemin,

Regarding labour matters, PC secures to all persons the labour

freedom and forbids any discrimination based on criteria other than personal capacity and suitability; notwithstanding the law may require the Chilean nationality and age limits in certain cases. The Constitution also guarantees the right of the employer to freely choose his or her employees. Therefore, the employer may freely choose to hire an individual, solely based upon his or her personal capacity and suitability for the job.

Labour Code is the most important labour regulatory body, together with other general and specific regulations like Law No. 16,744, which set rules on occupational accidents and diseases.

The principal regulatory authorities are the Labour Office and the Labour Ministry.

- 29** What restrictions and limitations are imposed on the use of domestic and foreign employees in connection with mining activities?

General rules apply: no less than 85 per cent of the workers of one given employer with more than 25 employees must be Chilean, though certain exceptions may apply in calculating the number of Chilean workers. General immigration rules also apply: foreign workers are required to obtain work visas to work in Chile and individual employment contracts of foreigners must include certain mandatory clauses.

Social and community issues

- 30** What are the principal community engagement or CSR laws applicable to the mining industry? What are the principal regulatory bodies that administer those laws?

There are no laws regarding CSR, usually each company makes its own policies or engagements in relation with CSR.

- 31** How do the rights of aboriginal, indigenous or currently or previously disadvantaged peoples affect the acquisition or exercise of mining rights?

The Indigenous Law No. 19,253 of 1993 and Convention No.169 of the International Labour Organization (ILO) of 1989, which was ratified by Chile in September 2008 and became enforceable in September 2009, set up a special status for the indigenous lands and indigenous natural resources, and subject their acquisition and exploitation to some obligations and limitations.

According to the Indigenous Law, indigenous land can't be alienated and requires prior approval of the Indigenous Development National Corporation (CONADI) to impose a lien (eg, an easement) on indigenous land; therefore, the exploration or exploitation of works of a mining concessionaire may be slowed down if such arrangements are not entered into in due course.

- 32** What international treaties, conventions or protocols relating to CSR issues are applicable in your jurisdiction?

As we explained above, there is no law regarding CSR issues.

Chile has ratified the Convention no. 169 from ILO concerning Indigenous and Tribal Peoples of independent countries and the United Nations (UN) Declaration of Rights of Indigenous People adopted in 2007, that establishes basic principles like the recognition of the indigenous and tribal people, and the right to self determination and autonomy in relation with their culture, religion, education, communications, health, and several other matters.

International treaties

- 33** What international treaties apply to the mining industry or an investment in the mining industry?

Chile has signed agreements for the promotion and protection

of investments with many countries throughout the world. It is a member of the WTO, it signed the Kyoto Protocol, the Washington Convention, the Stockholm Convention, and it has a mining treaty with Argentina. Chile has also signed many double taxation treaties (Canada, Mexico, Spain, Norway, South Korea, etc) and free-trade agreements (Canada, the United States, the European Union, Mexico, South Korea, New Zealand, Singapore, Brunei and China).

Update and trends

In January 2010, new legislation was published creating a new environmental institutional framework, such as the Ministry of the Environment, the Environmental Assessment Service and the Superintendence of the Environment.

The Ministry of the Environment is currently fully operative and is focused on setting policies, drafting regulations to clarify and specify the amendments introduced to Law No 19,300. In turn, the Environmental Assessment Service, which replaced the previous Natural Environmental Commission, is fully operative and focused in the environmental assessment of projects. Finally, the Superintendence of the Environment, which will supervise the fulfilment of the environmental approval resolutions and laws has not yet received legal power to act until the new environmental courts are created, creation that is pending upon the approval of the special law regulating those courts.

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