

REPUBLIC OF LITHUANIA
THE UNDERGROUND
LAW

Chapter I
GENERAL PROVISIONS

Article 1. The Purpose of the Underground Law

This Law shall define the basic rights and obligations of the public institutions of the Republic of Lithuania, as well as of legal and natural persons in exploration, exploitation and protection of the underground of the land territory of the Republic of Lithuania, its continental shelf and economic zone territory in the Baltic Sea starting with the surface of subsoil rocks on land and the surface of the bottom sediments in land waters and the sea.

Article 2. Ownership of the Underground

The underground shall be the exclusive ownership of the State. The basis of the exploitation of the underground resources shall be the right to exploitation, which in the procedure established by this and other laws can be granted to legal and natural persons of the Republic of Lithuania by the Government of the Republic of Lithuania or the public institution authorised by the Government, and to foreign legal and natural persons - by the Government of the Republic of Lithuania. Actions which directly or indirectly violate the right of State ownership of the underground shall be prohibited.

Article 3. Main Definitions

For purposes of this Law:

underground resources mean the part of natural resources, comprising the elements of structure and composition of the underground - the solid bodies, liquids, gases or energy fields, which can be utilised by the person, and the quantity or quality whereof are changing because of this utilisation;

mineral resources mean natural mineral substances in the underground, which can be used in material production or for other purposes:

- non-metallic mineral resources;
- metal ores;
- valuable minerals;
- hydrocarbons;

ground water means water which is naturally accumulated or artificially infiltrated in the underground, types whereof according to their utilisation are:

- fresh drinking - water which corresponds to the standards of drinking water of the Republic of Lithuania or is suitable for preparation of such water;

- mineral - water recognised as curative or suitable for prophylactics by the Ministry of Health;

- industrial - brines and mineralised water, from which technologically possible and economically feasible to extract chemical elements or their combinations;

- technical - water, not belonging to any of sorts, listed above and which can be used in industry, agriculture, fishery or other purposes;

underground thermal energy means thermal energy naturally or artificially accumulated in the underground, rocks, water or gas;

deposit of underground resources mean mineral resources, ground water or underground thermal energy, existing in

conventional limits, the quantity and quality of which has been explored and the extraction of which, in compliance with the requirements for protection of the environment, are or in the future can be economically feasible;

underground caves:

natural caves in rocks and their layers;

artificial caves, created in the course of mining or constructed specially;

valuable properties of the underground mean the features of the structure, composition of the underground and the processes occurring there, which are elements of the natural or human ecosystem and which influence the conditions of the human life and economic activities;

utilisation of the underground:

investigation of the underground;

exploitation of underground resources;

utilisation of underground cavities;

investigation of the underground (geological survey) means an activity the purpose whereof is to obtain knowledge of the underground structure, properties, state, geological processes occurring there, resources, the impact of economic activities on the underground. The work carried out to prepare underground resources and cavities for exploitation (drilling production wells, geophysical research and others) and providing the data about the underground are regarded as investigation of the underground. The types of the investigation of the underground are:

direct - investigations in the course of which the activities, that have an impact on the environment, are carried out (excavation, drilling, blasting, generating vibrating and physical fields, sampling and others);

remote - investigations which do not influence the environment, but estimate the physical properties or composition of certain objects in the underground - instrumental measurements of the physical fields or radiation, airborne geological surveys and others;

indirect - scientific generalisation and other investigations which do not influence the environment and which are not related to the estimation of the physical properties or composition of the certain objects of the underground;

exploitation of underground resources and utilisation of cavities mean the extraction of mineral resources, ground water, underground thermal energy, use of natural or artificial caves (excluding excavation for construction, deepening of the bottoms of rivers and harbours for shipping).

The utilisation of rocks for filtration purposes is regarded as exploitation of underground caves;

data about the underground (geological data) mean all data obtained in the course of the utilisation of the underground - drill cores, samples, fossils, collections of minerals and rocks, the results of the investigation of their physical, chemical and other properties and their generalisation; and

protection of the underground means activities and measures, the purpose of which is to protect the valuable properties of the underground from physical, chemical, biological or other negative influence occurring as a result of natural processes or human activity, and full or partial restoration of these properties, as well as rational exploitation of the underground resources.

Chapter II

STATE REGULATION OF THE UTILISATION, PROTECTION AND CONTROL OF THE UNDERGROUND

Article 4. General Competence of the Government of the Republic of Lithuania.

1. The investigation of the underground, exploitation and protection of its resources shall be organised and regulated by the Government of the Republic of Lithuania in the manner prescribed by this and other laws of the Republic of Lithuania, directly or through ministries, other governmental institutions and the governors of counties.

2. All functions of the State regulation provided by this Law, shall be provided for in the regulations of the ministries, governmental institutions, and the administrations of the governors of counties.

3. The programmes of exploitation of underground resources approved by the Government of the Republic of Lithuania shall be confirmed by the Seimas of the Republic of Lithuania.

Article 5. Competence of Special Public Institutions

1. Special public institutions for the regulation of the protection and utilisation of the underground shall be the Ministry of Environmental Protection and the Geological Survey of Lithuania.

2. The Ministry of Environmental Protection shall implement the State strategy for the protection and utilisation of the underground, carry out control of the exploitation and protection of underground resources, according to its competence estimate the limits and conditions for the exploitation of the underground resources, regulate and control the accounting of the underground resources, fulfil other functions delegated by the Law on Environmental Protection and other laws, and by decrees of the Government of the Republic of Lithuania.

3. The Geological Survey of Lithuania shall organise and carry out the State geological surveys, regulate the utilisation and protection of the underground, control direct and remote investigations, form and manage the State geological information system, fulfil other functions delegated by laws of the Republic of Lithuania and decrees of the Government of the Republic of Lithuania.

Article 6. Competence of the Governor of the County and Municipal Institutions

1. The governor of the county shall consider issues concerning taking, granting a right to utilise, and leasing the land, necessary for the utilisation of the underground, regulate the utilisation of the underground according to the procedure prescribed by the Government of the Republic of Lithuania and within his competence, established by laws of the Republic of Lithuania and the Government.

2. Municipal institutions shall regulate the utilisation and protection of the underground according to the competence established by the Law on Local Self-Government of the Republic of Lithuania.

Chapter III
INVESTIGATIONS OF THE UNDERGROUND

Article 7. Licences to Carry out the Investigation of the Underground

1. Direct and remote investigations of the underground may be carried out by legal and natural persons, having a licence to carry out this kind of economic activity.

2. The licences to carry out direct and remote

investigations of the underground for legal and natural persons of the Republic of Lithuania and foreign countries shall be issued by the Geological Survey of Lithuania in the manner prescribed by the Government of the Republic of Lithuania.

Article 8. Registration of the Investigations of the Underground

1. Investigations of the underground of all types must be registered by the Geological Survey of Lithuania in the manner prescribed by it, except for indirect investigations, which are performed with non-State resources.

2. Prior to their commencement, direct investigations of the underground must be reported to the board of the municipality, on the territory whereof the investigations are planned, and to the land survey of the administration of the governor of the county. These investigations shall be co-ordinated with the owners and users of the land in the procedure established by laws of the Republic of Lithuania and by the Government.

Article 9. Conditions of Investigation of the Underground

1. The utilisation of underground resources in the course of the investigation of the underground can be carried out only in necessary cases, amounts and ways provided for in the work plan.

2. The Geological Survey of Lithuania may instruct the licensee to carry out additional investigations, related with his work. The expenses of the additional work and the losses caused by them shall be compensated.

3. Wells drilled in the course of investigations of the underground, upon their completion, must be transferred to the Geological Survey of Lithuania, if it requests so. The user shall be compensated for the equipment left in the well, if removal of the equipment from the well is provided for in the work plan.

4. Wells, drilled in course of the investigation of the underground, after they are finished, can be transmitted to the legal and natural persons, in agreement with the Ministry of the Environmental Protection and the Geological Survey of Lithuania, compensating the user for the equipment left in the well, in cases where removal of this equipment from the well is provided for in the work plans.

Article 10. The Revocation of the Licence for the Investigation of the Underground

1. The licence to carry out investigation of the underground can be revoked by the Geological Survey of Lithuania at its own discretion or at the request of other State institution controlling the work which is carried out by the person holding the licence, in the event that the work has been carried out:

not in compliance with the registered work plan;
in violation to the requirements for the environmental protection;
in violation to other requirements established by this Law or other standard acts for the works of this type.

2. In the case of revocation of the licence to carry out the investigations of the underground, it must be returned to the State institution which has issued it.

Article 11. State Geological Surveys

1. According to the programmes approved by the Government of the Republic of Lithuania, the State, from its funds, shall carry out geological mapping, State monitoring of the underground, forecast of underground resources and other geological surveys, providing the data on the underground and necessary for the State

administration, environmental protection, economic activity and other needs of society, or required by the international obligations of the Republic of Lithuania.

2. The scientific geological researches shall be carried out in the procedure established by this Law, Law on Science and Studies of the Republic of Lithuania and decrees of the Government of the Republic of Lithuania.

Chapter IV EXPLOITATION OF UNDERGROUND RESOURCES OR CAVES

Article 12. The Procedure for Exploitation of Underground Resources and Caves

1. Underground resources or caves can be exploited only in the procedure established by laws of the Republic of Lithuania and the subordinate legislation.

2. It shall be prohibited to utilise natural underground caves for storing and burial of radioactive and toxic materials.

Article 13. The Right to Exploit Underground Resources or Caves

1. The underground resources and caves of the Republic of Lithuania can be exploited by the legal and natural persons of the Republic of Lithuania and foreign countries, who have acquired a licence issued by the Government of the Republic of Lithuania or a State institution authorised by it, and who have concluded an exploitation contract with it, in the manner prescribed by laws of the Republic of Lithuania and the Government of the Republic of Lithuania.

2. A licence to exploit the underground resources or caves shall grant to the person who holds it, the exclusive right to exploit the types of underground resources or caves, which are indicated in the licence, in the specified area, during a set period of time, in conformity with the terms of the exploitation contract.

3. Investigation (prospecting and appraisal) of the underground resources or caves may be provided for in the licence to exploit underground resources or caves, specifying the area and period of these investigations, and establishing their terms in the exploitation contract. In this case, the licence shall confer the right to exploit also the newly discovered or additionally investigated resources, under the conditions established in this Chapter.

The investigations (prospecting and appraisal), according to the licence to exploit the underground resources and caves, shall be carried out by the legal and natural persons who have the licence to carry out the economic activity of this kind in the procedure established in Chapter 3 of this Law.

4. Licences to exploit the underground resources and caves specified in Paragraph 1 of Article 14 shall be issued on a competitive bidding.

5. Investigations and exploitation of the underground resources of other types can be carried out in the same area and at the same time on the basis of a separate licence, provided that it does not impede the activities of other persons, who have earlier acquired the licence.

6. The owner or user of the landlot, which is possessed by the right of ownership, allotted for utilisation, or rented, shall have a right to utilise the underground resources for his economic purposes (not for sale) without a licence, in the procedure established by the Law of the Republic of Lithuania on

Land, other laws and decrees of the Government of the Republic of Lithuania.

Article 14. Granting Licences to Exploit Underground Resources and Cavities

1. The Government of the Republic of Lithuania shall grant licences for:

exploitation of deposits of hydrocarbons, metals, useful minerals, monomineral quartz sand;

exploitation of natural underground caves for burial of industrial waste (except radioactive and toxic materials);

arrangement and use of artificial underground caves for storage of radioactive and toxic materials; and

use of natural cavities for storage of oil, gas or other materials.

2. The governor of the county, upon co-ordinating with the Ministry of Environmental Protection, shall grant licences to exploit fresh drinking and technical water and underground thermal energy, in the procedure established by the Government of the Republic of Lithuania.

The licence to exploit fresh drinking ground water for centralised supply for cities can be issued only to the municipalities of these cities.

3. The Geological Survey of Lithuania, upon co-ordinating with the Ministry of the Environmental Protection and the administration of the governor of the county, shall grant licences to exploit the underground resources and caves not listed in Paragraphs 1 and 2 of this Article, in the procedure determined by the Government of the Republic of Lithuania.

4. The Government of the Republic of Lithuania shall grant licences to exploit underground resources and caves if their utilisation can influence the state of the underground in another country.

5. All the licences to exploit underground resources and caves must be registered in the Geological Survey of Lithuania.

6. The State institution granting licences to exploit underground resources and caves shall inform the municipality, the Land survey of the administration of the governor of the county and the public about licences to exploit underground resources and caves, before starting the activities provided for in the licence.

Article 15. The Plan for Exploitation

1. Exploitation of the underground resources and caves shall be possible only on the basis of a plan for exploitation which is co-ordinated with the governor of the county and approved by the Ministry of the Environmental Protection.

2. The following must be provided for in the plan for exploitation:

measures for recultivation of land, as well as necessary measures for restoration of other elements of the environment;

measures for the protection of underground resources, left in the deposit, from the exhaustion and decrease in quality, when the exploitation of the deposit is temporarily or completely terminated.

In course of the first five years of exploitation of the underground resources or caves, the user must accumulate the funds necessary for the fulfilment of measures specified in Paragraph 2 of this Article and guarantee the use of the funds for those purposes.

Article 16. The Conditions for Exploitation of the Underground Resources

1. The underground resources can be exploited only after appraisal whereof and upon having evaluated the influence of their extraction on the environment.

The Geological Survey of Lithuania shall approve the appraised resources according to the procedure established by it.

2. The underground resources must be exploited in complex or protecting not utilised resources, being in the same deposit or in the zone of its influence.

3. The underground resources must be exploited rationally and only for the purposes, indicated in the licence.

4. The limits for the amount of the underground resources to be extracted, sold or exported, which can be established by the Government of the Republic of Lithuania or other State institution, shall be indicated in the exploitation contract.

5. In course of the exploitation of the deposit, it is obligatory to monitor the state of the resources, to predict changes in its quantity and quality and the influence of the exploitation on the environment, and carry out an accounting of the deposits which are extracted and remaining in the deposit.

In course of the utilisation of the underground caves it is obligatory to monitor their state and the influence of their utilisation on the environment.

The Ministry of Environment Protection and the Geological Survey of Lithuania shall be provided with the data of these observations, in the manner prescribed by these institutions. The methods and the amount of the monitoring and prediction, accuracy and frequency of the accounting must be provided for in the plan of exploitation and financed by the licensee.

6. Upon discovering geological, archaeological and other objects with a scientific or cultural value, the licensee must inform the appropriate State institutions and cease works in the corresponding area, if its continuation can damage these objects.

Article 17. Allotting of a Piece of Land

A piece of land, necessary for exploitation of the underground resources or caves, shall be taken, allotted for utilisation or loaned according to the procedure established by the Law of the Republic of Lithuania on Land, other laws, and the Government of the Republic of Lithuania.

Article 18. Expiration of the Validity of the Licence to Exploit the Underground Resources and Caves

The licence to exploit the underground resources and cavities shall expire when:

- 1) the period of the validity of the licence expires; and
- 2) the object of the exploitation is exhausted.

Article 19. The Revocation of the Licence to Exploit the Underground Resources and Caves

1. The licence to exploit the underground resources shall be revoked when the parties, concluding the exploitation contract, do not agree on the terms of the contract.

2. The licence to exploit the underground resources can be revoked when the licensee:

violates the requirements of the exploitation contract or the exploitation plan or the terms of fulfilment of the work and does not eliminate the violations within the time specified in the exploitation contract;

violates the requirements for environmental protection or works safety; and

violates the requirements of laws of the Republic of Lithuania or other standard acts.

In the specified cases, the State institution, which has granted the licence, shall revoke it in the procedure established by the Government of the Republic of Lithuania.

3. The Government of the Republic of Lithuania may revoke the licence to exploit the underground resources and caves due to the State interests. In this case the licensee shall be compensated for the losses, which are evaluated by the State institution, authorised by the Government of the Republic of Lithuania, in the procedure established by the Government of the Republic of Lithuania.

Chapter V THE PROTECTION OF THE UNDERGROUND

Article 20. Measures of the Protection of the Underground

In order to protect the underground, the economic activities shall be regulated in the manner prescribed by the Law on the Environmental Protection, by the following main measures:

- territorial planning is carried out;
- the influence of the economic activities and the consequences of the force majeure on the state of the underground are predicted;
- systematic exploration and monitoring of the state of the underground is carried out;
- protected territories are established.

Article 21. Territorial Planning

1. Territorial planning must be carried out, taking into consideration the structure and resources of the underground, foreseeing the influence of the economic activities on the state of the underground, its resources and valuable features.

2. General plans of the State and counties, before their approval, must be co-ordinated with the Ministry of Environmental Protection and the Geological Survey of Lithuania, which may arrange the departmental expert examination of these plans, or propose to arrange the State ecological expert examination and provide for the expert examination of the designs of certain objects in course of implementation of these plans.

3. The underground resources, which are not under exploitation must be protected against activities damaging their quality, conditions of exploitation, building the territory or another actions, which can burden their exploitation in the future.

Article 22. The Monitoring of the State of the Underground

1. The state of the underground shall be systematically monitored on all the territory of the Republic of Lithuania, in the zones of intensive geological processes and the hazards, caused by them, areas of human impact and in surroundings of certain objects of economic activity.

2. The State monitoring of the underground of the territory of the Republic of Lithuania, as a part of the general system of ecological monitoring, shall be organised by the Geological Survey of Lithuania, in the manner prescribed by the Law on Environmental Protection.

3. It shall be prohibited to damage and break wells, geological and geodetic signs and other installations used for monitoring of the state of the underground or to complicate their utilisation for investigations and, also, to damage benchmarks and mining signs indicating the deposits and the zones of their

protection.

Article 23. The Protection and Use of the Underground
in the Protected Areas

Protection of the underground and their valuable features shall be ensured in the protected areas on the basis of the Law on Environmental Protection, Law on Forestry, Law on Protected Areas, Law on Land, and other standard acts.

Chapter VI
DATA ABOUT THE UNDERGROUND

Article 24. Required Providing of Data on the
Underground

1. Ministries, departments, other State institutions, municipalities, scientific and educational institutions, other legal and natural persons must provide the Geological Survey of Lithuania with data on the underground, acquired in course of direct and remote investigations of the underground or utilisation of the underground resources, irrespective who financed these works, as well as the data on indirect investigations, provided that they have been carried out with the State funds. The Geological Survey of Lithuania shall establish the procedure and the form of presentation of these data. The data shall be furnished free of charge.

2. Upon reorganisation or abolishment of enterprises engaged in the investigation of the underground or the exploitation of underground resources, as well as change in their owners, the further utilisation or annihilation of the data about the underground, which belong to them, must be co-ordinated with the Geological Survey of Lithuania.

Article 25. State Geological Information System

1. State-owned data on the underground shall be a State property. They shall form a unified State geological information system, the certain parts whereof may also be constituent parts of other State information systems.

2. The State geological information system as the State property shall be created, protected and managed by the Geological Survey of Lithuania.

3. The deposits, prospective areas, and their resources shall be registered in the State Cadastre of Underground Resources according to the procedure established by the Government of the Republic of Lithuania. The Geological Survey of Lithuania shall be the manager of this Cadastre.

Article 26. The Utilisation of the Data about the
Underground

1. The data about the underground shall be freely used by the legal and natural persons who financed the acquisition of the data, except for the restrictions established by laws of the Republic of Lithuania and in this Chapter.

2. The Geological Survey of Lithuania shall use the data acquired with the State funds as the State property, reserving the right of authorship of the persons who have acquired these data, for works which are regarded as the matter of the copyright according to the Civil Code of the Republic of Lithuania.

3. The data acquired with the funds of legal and natural persons (not the State), can be used by the Geological Survey of Lithuania, without the permission of the persons who have acquired these data, only for official needs (fulfilment of its functions of the public regulation), cannot publish them or

transfer to other persons, except to State institutions, if the latter request so.

These restrictions of utilisation of the data shall be valid for five years from their acquisition, or two years after expiration of the licence to carry out the work, taking into consideration which term is previous.

After expiration of this term, the data shall be used in the manner specified in Paragraph 2 of this Article.

4. If the licence to carry out exploration of the underground or exploitation of the underground resources or caves is revoked in the cases provided for in Articles 10 and 19, the data shall immediately become the State property and shall be used as provided by Paragraph 2 of this Article.

5. The data of the State geological information system must be available to legal and natural persons of the Republic of Lithuania, except for the restrictions specified in Paragraph 3 of this Article. The utilisation of the data about the underground resources may be restricted because of the State interests. The procedure for the utilisation of the State geological information system shall be established by the Geological Survey of Lithuania.

6. Legal and natural persons cannot sell the data acquired from the State geological information system.

7. The Government of the Republic of Lithuania may restrict publication, distribution, and transfer to third persons or abroad of the data about the underground resources, irrespective with whose funds and when they have been acquired, if it is necessary for State interests.

8. Geological collections, the exhibits of geological museums, drill cores or samples from drill cores can be taken out of the Republic of Lithuania only with the permit of the Geological Survey of Lithuania, issued according to the procedure established by the Government of the Republic of Lithuania.

Chapter VII RESPONSIBILITY FOR THE VIOLATION OF THE UNDERGROUND LAW AND THE SETTLEMENT OF DISPUTES

Article 27. Responsibility for the Violation of the Underground Law

Legal and natural persons of the Republic of Lithuania who have violated the Underground Law of the Republic of Lithuania shall incur disciplinary, administrative, material, and criminal liability, pursuant to laws of the Republic of Lithuania.

Article 28. Claims for the Damage Caused by Illegal Activities

1. Damage to the State, municipalities, legal and natural persons caused by illegal activities in course of utilisation of the underground, resulting in the diminishing of the underground resources, complicating the conditions of their exploitation, changing their valuable features, or changing other elements of the environment, must be compensated.

2. The following shall have a right to file a claim for compensation for the damage caused by illegal activities in the course of the utilisation of the underground:

legal and natural persons, whose property or other interests are damaged;

municipalities, when damage has been done on the territories governed by them or their population;

the Ministry of Environmental Protection, when damage has been caused to the environment, the underground resources, or in other cases within its jurisdiction;

the Geological Survey of Lithuania, when damage has been caused due to the violation of the procedure for exploration of the underground, as well as the procedure for furnishing or using of the data about underground, and in other cases, within its jurisdiction;

other State institutions of the Republic of Lithuania within their jurisdiction;

the Government of the Republic of Lithuania, when other States have suffered the damage caused by the illegal activities in course of the utilisation of the underground in the Republic of Lithuania and because of that claims by these States are being filed.

Article 29. Settlement of Disputes

Disputes concerning the exploration, utilisation and protection of the underground shall be settled by courts in a lawsuit.

Chapter VIII INTERNATIONAL RELATIONS

Article 30. Influence on the Environment of other States

The utilisation of the underground and other economic activities carried out in the Republic of Lithuania cannot have a negative influence on the state of the environment and the underground of other States, and, therefore, cause damage to their population.

Article 31. International Co-operation

The Government of the Republic of Lithuania shall take care that the utilisation of the underground and other economic activities carried out in neighbouring States would not have a negative influence on the state of the environment of the Republic of Lithuania, valuable features and the resources of the underground, and would not cause damage to the population. It is the aim of international agreements on the regulation of economic activities and utilisation of the underground in border territories, exchange of data about the state of the underground, promotion of co-operation in the exploration of the underground, and by other means.

Article 32. International Agreements

If international agreements of the Republic of Lithuania provide for the regulations other than those specified in this Law, the regulations of the international agreement shall apply, provided that they do not contradict the Constitution of the Republic of Lithuania.

Chapter IX FINAL PROVISIONS

Article 33

The Underground Code of the Republic of Lithuania (Èin., 1976, Nr.17-133, Nr.24-218; 1980, Nr.3-30; 1983, Nr.21-223; 1984, Nr.34-391; 1987, Nr.36-429) shall be declared invalid.

I promulgate this Law passed by the Seimas of the Republic
of Lithuania.

ALGIRDAS BRAZAUSKAS
President of the Republic

Vilnius
5 July 1995
No.I-1034