

**Greenland Parliament Act of 7 December 2009 on mineral resources and mineral resource activities (the Mineral Resources Act)**

**Part 1**

*General rules*

1.–(1) This Greenland Parliament Act aims to ensure appropriate exploitation of mineral resources and use of the subsoil for storage or purposes relating to mineral resource activities as well as regulation of matters of importance to mineral resource activities and subsoil activities.

(2) The Greenland Parliament Act aims to ensure that activities under the Act are performed in a sound manner as regards safety, health, the environment, resource exploitation and social sustainability and appropriately and according to acknowledged best international practices under similar conditions.

2.–(1) The Greenland Self-Government has the right of use of and the right to exploit mineral resources in the subsoil in Greenland.

(2) The following activities may be performed only under a licence granted by the Greenland Government under the rules of the Greenland Parliament Act; but see sections 45-48 below:

- (i) Prospecting, exploration and exploitation of mineral resources in Greenland and export of mineral resources from Greenland.
- (ii) Use of the subsoil for storage or purposes relating to mineral resource activities.
- (iii) Use of energy from water, wind or the subsoil for activities under the Greenland Parliament Act.
- (iv) Establishment and operation of pipelines for activities under the Greenland Parliament Act.

(3) The Greenland Self-Government may perform scientific and practical surveys of a general or cartographic nature relating to mineral resources, mineral resource activities, use of the subsoil for storage or purposes relating to mineral resource activities, related energy activities, related pipeline activities or other related activities.

(4) The Geological Surveys of Denmark and Greenland (GEUS) and the National Environmental Research Institute (NERI) may conduct research of special relevance to mineral resource exploration in Greenland, to the extent and as long as the research is conducted to meet the Danish Government's obligation to make such research available to the Greenland Government under section 9(4) of the Act on Greenland Self-Government.

3.–(1) The Mineral Resource Authority under the Greenland Government is the overall administrative authority for mineral resources, including all matters relating to mineral resources, mineral resource activities, use of the subsoil for storage or purposes relating to mineral resource activities, related energy activities, related pipeline activities and other related activities.

(2) The Greenland Government ensures that all matters relating to mineral resources, mineral resource activities, use of the subsoil for storage or purposes relating to mineral resource activities, related energy activities, related pipeline activities and other related activities are considered as a single, integral whole by the Authority.

(3) The Authority considers all such matters on the basis of this Greenland Parliament Act and provisions laid down under the Act as well as on the basis of other acts and rules of relevance to mineral resources, mineral resource activities, use of the subsoil for storage or purposes relating to mineral resource activities, related energy activities, related pipeline activities and other related activities unless other acts or rules provide that other authorities must consider the matter. The Mineral Resource Authority is the administrative and competent authority under the other acts and rules with regard to mineral resources, mineral resource activities, use of the subsoil for storage or purposes relating to mineral resource activities, related energy activities, related pipeline activities and other related activities.

4.–(1) Each year the Greenland Government presents to the Greenland Parliament an account of licences granted, applications for licences and implemented and planned invitations to apply for licences.

(2) Each year the Greenland Government prepares a public report on the matters mentioned in subsection (1) above. The Greenland Government submits the report to the Greenland Parliament.

## **Part 2**

### *Definitions*

#### *Mineral resources*

5.–(1) Mineral resources means hydrocarbons and minerals.

(2) Hydrocarbons means oil and natural gas; see subsections (3) and (4) below.

(3) Oil means all hydrocarbons that are in a liquid state at standard atmospheric pressure (1.01325 bar) and temperature (15° Celsius).

(4) Natural gas means all hydrocarbons that are in a gaseous state at standard atmospheric pressure (1.01325 bar) and temperature (15° Celsius). However, when fees are calculated under this Greenland Parliament Act, natural gas also means other gases that are combined with and produced together with such gaseous hydrocarbons.

(5) Minerals means all other mineral resources than hydrocarbons.

(6) The Greenland Government may lay down specific provisions on the definitions and matters mentioned in subsections (1)-(4) above, including provisions on the definition of mineral resources, hydrocarbons and minerals.

#### *Offshore facilities*

6.–(1) In this Greenland Parliament Act offshore facilities means:

(i) Platforms or other installations:

(a) From which prospecting, exploration or exploitation (production) of hydrocarbons from the subsoil under the sea floor is carried out.

(b) Used for accommodation of persons employed on or at the installations mentioned in subparagraph (a) above.

(c) Used for piped transport of hydrocarbons or other substances or materials between the installations mentioned in subparagraph (a) above or between such installations and onshore installations.

(d) Related to offshore energy installations for supply of energy to the installations mentioned in subparagraphs (a), (b) and (c) above.

(ii) Installations that are used for storage or loading of hydrocarbons exploited from or produced on one of the installations mentioned in (i)(a) above and which are permanently related to such installation.

(2) Ships are not covered by the definition in subsection (1) above except drillships and floating processing, storage and shipping units.

(3) A mobile offshore unit means any offshore facility that can be moved from one position to another, whether it is self-propelled or has to be towed, and which is intended for use in several different positions in its lifetime.

(4) A fixed offshore unit means an offshore facility that is not a mobile offshore unit.

(5) Fixed offshore units that are mutually connected by bridges and which have the same licensee or owner are considered as one overall unit.

#### *Accommodation vessels*

**7.** Accommodation vessels means vessels and installations that are not offshore facilities, see section 6 above, and which hold accommodation facilities for persons working on offshore facilities.

#### *Offshore vessels*

**8.** Offshore vessels means vessels and other installations that are not offshore facilities or accommodation vessels, see sections 6 and 7 above, and which perform activities in relation to offshore facilities; see section 6 above.

### **Part 3**

#### *Scope*

#### *Geographic scope*

**9.**–(1) The Greenland Parliament Act extends to the territorial land and territorial sea off Greenland and in the continental shelf area and the exclusive economic zone off Greenland.

(2) The rules of the Greenland Parliament Act on health and safety, see section 79 below, do not apply to the territorial land.

(3) The rules of the Greenland Parliament Act on the environment do not apply to the continental shelf area and the exclusive economic zone off Greenland insofar as the Marine Environment Act provides otherwise.

#### *Activities*

**10.** The Greenland Parliament Act applies to:

(i) Prospecting, exploration and exploitation of mineral resources as well as other activities related thereto.

(ii) Prospecting and exploitation of energy from water, wind and subsoil for activities under the Greenland Parliament Act as well as other activities related thereto.

(iii) Use of the subsoil for storage and purposes relating to mineral resource activities as well as other activities related thereto.

(iv) Scientific, practical and other surveys of importance to the activities mentioned in paragraphs (i)-(iii) above.

### *Facilities and installations*

**11.** The Greenland Parliament Act applies to facilities, installations, etc. that are located on the territorial land, in the territorial sea or in the continental shelf area and which are used in connection with activities under this Act.

### *Offshore facilities and accommodation vessels*

**12.**–(1) The Greenland Parliament Act applies to fixed and mobile offshore units, see section 6 above, in the territorial sea or in the continental shelf area.

(2) The Greenland Parliament Act applies to accommodation facilities on accommodation vessels, see section 7 above, where persons working on an offshore facility are accommodated, insofar as it is of importance to the health or safety of the persons accommodated.

### *Offshore vessels*

**13.** In respect of offshore vessels, see section 8 above, the Greenland Parliament Act applies to the activities performed from such vessels and to the equipment used insofar as the activities or the equipment is of importance to the safety, health or environmental conditions in connection with the related offshore facilities.

### *Safety zones around offshore facilities and accommodation vessels*

**14.**–(1) The Greenland Parliament Act applies in the safety zones around offshore facilities and accommodation vessels.

(2) Within the safety zones, the Greenland Parliament Act applies to ships, other marine vessels and aircraft, to mobile offshore units and other mobile facilities and installations that are sailing, being towed or anchoring in that connection as well as to fishing equipment, anchors, other mooring equipment, other equipment and other objects.

(3) Offshore facilities and accommodation vessels are surrounded by safety zones, unless the facilities or vessels are sailing or being towed.

(4) The safety zones extend 500 metres around the facilities or vessels, measured from any point on their outer edge or from any other marking used. In the vertical plane, the safety zone extends from the sea floor to 500 metres above the highest point of the facility or vessel. In the horizontal plane, the safety zone extends 500 metres from each point of the outer edge of the facility or vessel, at the position where such edge is located at any time.

(5) The Greenland Government may decide to deviate from the extent of the safety zones laid down in subsection (4) above.

(6) In danger or accident situations that may result in personal injury or loss of human lives, serious pollution, major damage to property or a significant production stop, the Greenland Government may extend existing safety zones or establish new zones insofar as it is considered necessary to prevent, avoid or limit the above damaging effects.

**Part 4**  
*Prospecting*

**15.**–(1) The Greenland Government may grant a licence for prospecting for mineral resources, mineral resource activities, use of the subsoil for storage or purposes relating to mineral resource activities or related activities. The licence is granted for periods of up to five years at a time.

(2) The granting of the licence referred to in subsection (1) above does not exclude that a similar licence may be granted to others for the same area.

(3) The Greenland Government may stipulate terms for the licence, including terms on payment of consideration.

(4) The Greenland Government may lay down provisions on the payment of a fee for granting licences under subsection (1) above, submission of applications therefor and consideration by the authorities of such licences.

**Part 5**  
*Exploration and exploitation*

**16.**–(1) The Greenland Government may for a specific area and on specific terms grant an exclusive licence for exploration and exploitation of one or more mineral resources. Licences may be granted separately for exploration and exploitation, respectively.

(2) An exploration licence may contain terms on gradual reduction of the area covered by the licence and on the work commitments to be fulfilled by the licensee.

(3) An exploitation licence under subsection (1) above can only be granted to limited companies; but see section 32(2) below. The company may only perform activities covered by licences granted under this Greenland Parliament Act and must not be taxed jointly with other companies, unless joint taxation is compulsory. As a main rule, the company must have its registered office in Greenland. The company must not be more thinly capitalised than the group of which the company forms part, but the company's loan capital may always exceed the shareholders' equity up to a ratio of 2:1. The company must generally trade at arm's length prices and on arm's length terms. The licensee must have the expertise and financial background required for the exploitation activities in question.

(4) In the entire licence period, the licensee under an exploitation licence must meet the requirements stated in subsection (3) above and must have the right to dispose of its assets, including not being in suspension of payments, in insolvent liquidation or in a situation comparable therewith.

(5) An exploitation licence is valid for the periods mentioned in Parts 6 and 7. The total period cannot exceed 50 years.

(6) An exploitation licence terminates when exploitation activities are discontinued and the closure referred to in section 42 below is completed; see section 43 below.

(7) The Greenland Government may lay down provisions on the payment of a fee for granting licences under subsection (1) above, submission of applications therefor and consideration by the authorities of such licences.

**17.**–(1) The consideration to be paid by the licensee to the Greenland Self-Government is laid down in a licence under section 16 above. The licence may include a provision to the effect that an annual fee is payable, calculated on the basis of the size of the area covered by the licence (area fee). Terms may also be laid down on the payment of a fee calculated on the

basis of the mineral resources extracted, etc. (royalty) or terms on payment to the Greenland Self-Government of a share of the profits from the activities under the licence (profits fee).

(2) A licence under section 16 above may prescribe that a company controlled by the Greenland Self-Government will be entitled on specified terms to join as a participant in the activities covered by the licence.

(3) In connection with the determination of a licensee's payments to the Greenland Self-Government under subsections (1) and (2) above, the licensee may be granted exemption from taxation of the activities covered by the licence if the activities are subject to fees at least as onerous as the taxation would have been, and the fees are fully covered by section 7 of the Act on Greenland Self-Government.

**18.**-(1) A licence under section 16 may lay down the extent to which the licensee must use labour from Greenland. However, to the extent necessary for the activities, the licensee may use foreign labour if labour with similar qualifications does not exist or is not available in Greenland.

(2) A licence under section 16 may lay down the extent to which the licensee must use Greenland enterprises for contracts, supplies and services. Other enterprises may be used if Greenland enterprises are not technically or commercially competitive.

(3) A licence under section 16 may lay down the extent to which the licensee must process exploited mineral resources in Greenland. However, minerals may be processed outside Greenland if processing in Greenland would result in significantly higher costs or greater inconvenience.

(4) A licence under section 16 above may determine the extent to which the licensee must conduct surveys and prepare and implement plans to ensure that exploration or exploitation of mineral resources is socially sustainable. The Greenland Government must approve such surveys and plans.

(5) The Greenland Government may lay down specific provisions on the matters mentioned in subsections (1)-(4) above, including provisions on the definition of Greenland labour and Greenland enterprises.

**19.** Before exploitation and measures relating thereto are initiated, the Greenland Government must have approved an exploitation plan for the activities, including production organisation and related facilities. When so required by changed circumstances, the licensee must as soon as possible submit an amended plan to the Greenland Government for approval.

**20.**-(1) When approving the exploitation plan under section 19 above, the Greenland Government may on specified terms allow the licensee to establish and operate related energy installations that can supply the mining facility or the offshore facility and other related facilities with energy from wind, water or other energy sources. The licence for related energy installations is granted as part of an exploitation licence. An energy installation must be approved according to section 19 above. In connection with the granting of an energy licence, the location of power cables, etc. is also considered.

(2) In an energy licence under subsection (1) above, the Greenland Government may lay down terms on the energy installation and its use, etc., including terms on reversion, coordination of the use by several licensees of the same energy installation and duty to supply energy to others.

(3) In an energy licence under subsection (1) above, the Greenland Government may lay down terms to the effect that the licensee must pay consideration to the Greenland Self-Government. The licence may include a provision to the effect that an annual fee is payable,

calculated on the basis of the size of the area covered by the licence (area fee), or on the basis of the energy resource exploited (volume fee) or the energy produced (royalty). Terms may also be laid down on payment to the Greenland Self-Government of a share of the profits from the activities covered by the licence (profits fee).

**21.**–(1) When approving an exploitation plan under section 19 above, the Greenland Government may on specified terms grant a licence to establish and operate related pipeline facilities that may be used for transport of liquid or gaseous substances to or from the mining facility, the offshore facility or a related power facility and other related facilities.

(2) In a pipeline licence under subsection (1) above, the Greenland Government may lay down terms on the pipeline facility and its use, etc., including terms on reversion, coordination of the use by several licensees of the same pipeline facility and duty to provide transport services to others.

(3) In a pipeline licence under subsection (1) above, the Greenland Government may lay down terms to the effect that the licensee must pay consideration to the Greenland Self-Government. The licence may include a provision to the effect that an annual fee is payable, calculated on the basis of the quantity of substances that is transported or can be transported through the pipeline or terms on payment to the Greenland Self-Government of a share of the profits from the activities covered by the licence (profits fee).

## **Part 6**

### *Special rules on exploration and exploitation of hydrocarbons*

**22.**–(1) As regards hydrocarbons licences for exploration and exploitation are granted under section 16 above for a period of up to ten years or, if special circumstances exist, for a period of up to 16 years. A licence may be extended with a view to exploration by up to three years at a time.

(2) When the terms stipulated in a licence under subsection (1) above have been fulfilled, the licensee is entitled to extension of the licence with a view to exploitation. The licence is extended for those parts of the area that contain commercially exploitable deposits which the licensee intends to exploit. The licence is extended for a period of 30 years. The Greenland Government may stipulate as a term for the extension that an application for approval under section 19 above must be submitted within a specified reasonable deadline.

(3) The period for exploitation laid down under subsection (2) above may be extended by the Greenland Government if warranted by special circumstances; but see section 16(5) above.

**23.**–(1) Licences under section 16 above for exploration and exploitation of hydrocarbons are granted as provided by the Greenland Government in one of the manners mentioned in subsections (2)-(5) below.

(2) A licence under section 16 above may be granted following a general public invitation to apply for licences (a licensing round). The Greenland Government publishes a notice of the invitation for applications at least 90 days before the expiry of the deadline on the Greenland Government's website and in another manner.

(3) A licence under section 16 above may be granted following a special public invitation to apply for licences (a special licensing round) if an application for a licence for an area has been submitted without prior invitation pursuant to subsection (2) above and the Greenland Government finds that the application should be considered. The Greenland Government publishes a notice on the application and an invitation for other applications for licences in the same area. The notice is published not later than 90 days after the receipt of the application on

the Greenland Government's website and in another manner. The deadline for submitting other applications is 90 days after the publication of the notice.

(4) The Greenland Government may determine that for a specified period a specified area must be open for the successive granting of licences under section 16 following applications to this effect (an open door procedure) if the Greenland Government deems it inexpedient to apply the procedures mentioned in subsections (2) and (3) above. The Greenland Government publishes a notice on the open door procedure on the Greenland Government's website and in another manner. Changes in the open door procedure will be published in the same manner. Applications for licences under the open door procedure can be submitted 90 days after the publication of the notice at the earliest.

(5) A licence under section 16 above for a specified area may be granted according to a neighbouring block procedure to a licensee under a licence for a neighbouring area, without applying the procedures referred to in subsections (2)-(4) above if the Greenland Government deems that such procedure is warranted by geological or exploitation-related considerations. The Greenland Government sends a notice of the neighbouring block procedure to all licensees under licences for neighbouring areas. The notice of the neighbouring block procedure must include information on the application procedure, the deadline for applications and the licence terms.

(6) The Greenland Government may refrain from granting a licence on the basis of applications submitted by the use of the procedures mentioned in subsections (2)-(5) above.

**24.**-(1) Licences under section 16 above for exploration and exploitation of hydrocarbons are granted on the basis of the selection criteria set out in subsections (2)-(6) below.

(2) One selection criterion is the applicant's expert knowledge, including:

- (i) The applicant's previous experience in exploration or exploitation of hydrocarbons.
- (ii) The applicant's previous experience in exploration or exploitation of hydrocarbons in areas with similar conditions.

(3) A second selection criterion is the applicant's financial background.

(4) A third selection criterion is the way in which the applicant intends to perform exploration work and initiate exploitation in the area covered by the application, including:

- (i) The applicant's systems and procedures in connection with safety, health and the environment.
- (ii) The applicant's willingness and ability to perform thorough and efficient exploration for hydrocarbons in the area covered by the application as shown by the exploration activities (work program) offered by the applicant and related documentation.

(5) In the evaluation of an applicant, the Greenland Government attaches importance to the applicant's non-efficiency or non-performance of obligations in connection with previous licences in Greenland, besides the criteria mentioned in subsections (2)-(4) above.

(6) Moreover, the Greenland Government may stipulate other relevant, objective and non-discriminatory selection criteria with a view to making the final choice between applicants deemed to be equal following an evaluation according to the selection criteria mentioned in subsections (2)-(5) above.

(7) When establishing the procedure for granting licences, the Greenland Government may decide that the Greenland Government can make up groups of enterprises that are granted licences jointly. The make-up is then based on one or more of the criteria mentioned in subsections (2)-(6) above.

(8) When establishing the procedure for granting licences, the Greenland Government may decide that the Greenland Government can appoint the operator of a group of enterprises that



are granted a licence jointly. The appointment is then made on the basis of expert knowledge and possibly some of the other criteria mentioned in subsections (2)-(6) above.

(9) The criteria mentioned in subsections (2)-(6) above and provisions on the weighting of such criteria are published together with the invitation to submit applications mentioned in section 23(2)-(4) above and the notice of the neighbouring block procedure mentioned in section 23(5) above.

**25.**-(1) When resource, economic or social considerations so require, the Greenland Government may order a licensee under this Greenland Parliament Act to submit, before a specified deadline, a satisfactory plan for exploitation measures, etc. under section 19 above for a deposit considered to be commercially exploitable. The Greenland Government must approve the plan. Following approval of the plan, the Greenland Government may order the licensee to initiate exploitation. At the same time, the licence is extended with a view to exploitation for the part of the licence area covering the deposit, for a period of 30 years.

(2) A licensee's obligations under an order to initiate exploitation, see subsection (1) above, must be fulfilled not later than three years after the issue of the order, unless the licensee has returned the parts of the licence area covered by the order or returned the licence before such date.

**26.**-(1) When approving the exploitation plan, see section 19 above, the Greenland Government stipulates terms on the quantity to be exploited on the basis of the information in the exploitation plan and the time of the start of exploitation.

(2) Where consideration for appropriate and efficient exploitation so requires or decisive social considerations so necessitate, the Greenland Government may make changes in approved exploitation plans or determine a new quantity that may be exploited.

**27.**-(1) Where a hydrocarbon deposit extends through the areas of several licensees, the licensees must coordinate exploration and exploitation, if any. The Greenland Government must approve agreements to this effect. If no agreement on a coordination agreement can be reached within a reasonable time, the Greenland Government may stipulate the terms of such coordination.

(2) Where a deposit extends into the sovereignty of another nation, the Greenland Government may, if an agreement is made with such other nation on coordination of exploration and exploitation, order the licensee of the Greenland part of the deposit to participate in such agreement and stipulate the terms thereof.

**28.** Where, based on resource, economic or social considerations, two or more hydrocarbon deposits should be exploited together, the Greenland Government may issue an order to this effect following negotiations with the licensees. Under such order, a licensee may be ordered, against payment, to make processing and transport facilities available for such coordination. In the event of lack of agreement between the licensees on payment, the Greenland Government determines the amount of such payment.

## **Part 7**

### *Special rules on exploration and exploitation of minerals*

**29.**-(1) As regards minerals, exploration licences under section 16 above are granted for a period of up to ten years or, if special circumstances exist, for a period of up to 16 years. A

licence may be extended with a view to exploration by up to three years at a time. An extension for more than ten years may be granted on modified terms.

(2) A licensee who under a licence under subsection (1) above has discovered and delimited commercially exploitable deposits that the licensee intends to exploit, and who has otherwise met the terms of the licence, is entitled to be granted an exploitation licence. The licence may be granted to a company designated by the licensee; see section 16(3) above. The licence is granted for those parts of the area that contain commercially exploitable deposits which the licensee intends to exploit. The licence is granted for a period of 30 years, unless a shorter period has been laid down as a condition for granting the licence. The Greenland Government may stipulate as a term for the licence that an application for approval under section 19 above must be submitted within a specified reasonable deadline.

(3) The Greenland Government may extend the period for exploitation stated in subsection (2) above; but see section 16(5) above.

**30.** In a licence under section 16 above for exploitation of minerals, terms pursuant to section 17(1)-(2) above can only be laid down if stipulated in the exploration licence, or if section 17(3) above or a similar rule in Greenland tax legislation is applied.

**31.**-(1) The Greenland Government may lay down specific provisions on minerals, including provisions on exploration, exploitation, processing, storage, depositing, transport, trading, export, import and certification of minerals.

(2) The Greenland Government may lay down provisions to the effect that certain minerals may only be processed and traded according to a licence or approval granted by the Greenland Government. The Greenland Government may lay down provisions or terms for such licences or approvals. Activities mentioned in subsection (1) above, which a licensee wishes to perform pursuant to a licence under section 16 above, require only approval.

## **Part 8**

### *Special rules on small-scale exploration and exploitation of minerals*

**32.**-(1) The rules of this Greenland Parliament Act on exploration and exploitation of minerals also apply to small-scale exploration and exploitation of minerals, unless otherwise stated in this Part 8. The same applies to provisions laid down by the Greenland Government on exploration and exploitation of minerals under this Greenland Parliament Act.

(2) Irrespective of section 16(3) above, a licence for small-scale exploration and exploitation may only be granted to natural persons who are permanently residing and fully liable to pay tax in Greenland and who have been registered with the National Registration Office as residents in Greenland for the previous five years and have been fully liable to pay tax in Greenland for the previous five years.

(3) The Greenland Government may depart from the requirements in subsection (2) above on registration with the National Registration Office as residents in Greenland for the previous five years and full liability to pay tax in Greenland for the previous five years when deemed reasonable on the basis of the applicant's connection with Greenland and when the applicant has lived outside Greenland for reasons of education or the like.

**33.**-(1) The Greenland Government may on specific terms grant exclusive or non-exclusive licences for small-scale exploration or exploitation of minerals.

(2) Small-scale licences may be granted as licences for simultaneous exploration and exploitation or separately for exploration and exploitation, respectively. In exploration licences, the licensee may be granted a preferential right to an exploitation licence.

(3) In the entire licence period, the licensee under a small-scale licence must be permanently residing and fully liable to pay tax in Greenland as well as legally competent and have the right to dispose of his assets, including not being in suspension of payments, in bankruptcy or in a situation comparable therewith. The licensee must generally trade at arm's length prices and on arm's length terms.

The licensee must have the expertise and financial background required for the exploitation activities in question.

(4) A small-scale licence may be granted to one person or to several persons jointly, but not to more than five persons.

(5) A person must not be a licensee under more than five small-scale licences in any one calendar year.

(6) The Greenland Government may lay down specific provisions on small-scale mineral resource activities, including provisions on payment of a fee for granting small-scale licences under subsection (1) above and submission of applications therefor and payment of expenses in connection with the authorities' consideration of such licences.

**34.**–(1) The licence area of a small-scale licence is determined in the licence; but see subsections (2) and (3) below.

(2) The licence area of an exclusive small-scale licence cannot be larger than 1 km<sup>2</sup>.

(3) The licence area of a small-scale licence must not include areas covered by exclusive licences for exploration or exploitation of mineral resources granted to others under this Greenland Parliament Act. A non-exclusive small-scale licence lapses insofar as an exclusive licence is granted for the same area and mineral resources under section 16 or under section 33 above.

(4) The Greenland Government may lay down provisions on a maximum number of small-scale licences that may be in force at any one time.

(5) A small-scale licence under section 33 above is granted for a period of up to three years.

(6) A licensee who under an exclusive small-scale licence has demonstrated commercially exploitable deposits and initiated exploration of the deposits, and who otherwise meets the terms stated in the licence, is entitled to extension of the licence period by up to ten years at a time. The total licence period cannot exceed 30 years.

**35.**–(1) A small-scale licence includes only exploration or exploitation performed personally by the licensee or members of the licensee's household; but see subsection (2) below.

(2) The Greenland Government may allow a licensee under an exclusive small-scale licence to employ up to nine persons in the licence area.

**36.**–(1) In small-scale licences, the Greenland Government stipulates specific provisions on the performance of mineral resource activities under the licence, taking into account the licensee's planned mineral resource activities, including the nature and scope of the activities. When changed activities or circumstances so warrant, the Greenland Government may modify the provisions.

(2) In small-scale licences, the Greenland Government stipulates specific provisions on the activities that may be performed without a special licence, that may be performed only according to a special licence and that are not permitted, respectively.

(3) Under non-exclusive small-scale licences, mineral resource activities may be performed only by using small, handheld non-mechanical tools such as hammers, chisels, crowbars and pickaxes.

**37.**–(1) The rules of section 18(4) above on surveys on and plans for social sustainability do not apply to small-scale licences.

(2) The rules of Part 15 below on environmental impact assessment do not apply to small-scale licences and activities under such licences, except activities assumed to have major impact on the environment.

**38.**–(1) A licensee who wishes to exploit mineral resources must prepare a plan for the exploitation and activities, measures, etc. related thereto (an exploitation plan) and a plan for activities, measures, etc. in connection with termination of exploitation and closure of any facilities, etc. (a closure plan). The Greenland Government must approve the plans before the licensee initiates exploitation or activities and measures related thereto. The rules of sections 19, 42 and 43 apply by analogy.

(2) The rules of subsection (1) above do not apply if a licensee under a non-exclusive licence only wants to exploit less valuable minerals. The licensee must then submit a declaration to this effect to the Greenland Government. The Greenland Government must approve the declaration before the licensee initiates exploitation or activities and measures related thereto.

## **Part 9**

### *Subsoil licences*

**39.** The Greenland Government may for a specific area and on specific terms grant a licence for use of the subsoil for storage or purposes relating to prospecting, exploration or exploitation of mineral resources. A subsoil licence may be granted for a period of up to 50 years. If required as a result of the permitted use of the subsoil or other very special circumstances, including storage of gases, a subsoil licence may, however, be granted for a specified longer period or after the granting of the licence be extended for a specified period.

**40.** In a subsoil licence under section 39 above, the Greenland Government lays down the extent to which the licensee must pay consideration to the Greenland Self-Government. The licence may include terms to the effect that an annual fee is payable, calculated on the basis of the size of the area covered by the licence (area fee) or on the basis of the volume of gases, liquids, substances or materials stored in or otherwise injected into the subsoil (volume fee). Terms may also be laid down on the payment of a fee calculated on the basis of the use of the subsoil, etc. (usage fee) or terms on payment to the Greenland Self-Government of a share of the profits from the activities under the licence (profits fee).

**41.** The Greenland Government may lay down specific provisions on subsoil licences under section 39 above, including provisions to the effect that the rules of the Greenland Parliament Act on exploitation of mineral resources and exploitation licences must apply by analogy to subsoil licences.

## **Part 10**

### *Termination of activities under licences*

**42.**–(1) In licences under this Greenland Parliament Act, specific provisions are laid down on the licensee's obligations on the termination of activities to remove facilities, etc. established by the licensee and otherwise subsequently to clean up, monitor, etc. the affected areas; regarding exploitation, see also section 43 below.

(2) For approvals under sections 43 and 86 below, the Greenland Government may lay down terms to ensure fulfilment of the licensee's obligations pursuant to subsection (1) above, including provision of security. When changed circumstances so require, including extension of facilities, the Greenland Government may lay down modified terms, including terms on changed security.

(3) If the licensee does not comply with an order or enforcement notice to implement the measures mentioned in subsection (1) above, the Greenland Government may implement them for the licensee's account and risk.

**43.**–(1) In connection with an application for approval of exploitation measures, etc. under section 19 above, the licensee must submit a plan for steps to be taken on termination of activities in respect of facilities, etc. established by the licensee, and how the affected areas will be left (closure plan). If the licensee plans to leave facilities, etc. in the area that for environmental, health or safety reasons will require maintenance or other measures after the closure, the closure plan must include plans for the maintenance or the measures and monitoring thereof.

(2) The closure plan must state how to ensure that the plan can be financially implemented.

(3) The Greenland Government must approve the closure plan before exploitation and measures aimed at exploitation are initiated; see section 19 above. In connection with the approval, the Greenland Government may lay down terms on protection of the environment and health and safety measures after the termination of activities, including monitoring in a period after closure.

(4) The closure plan must be kept updated in relation to developments in the exploitation activities and in society. When changed circumstances so require, the Greenland Government may decide that the plan and the security provided for its implementation must be altered. The Greenland Government must approve updates and alterations of the closure plan and changes to the security provided for its implementation.

**44.**–(1) Suspension of exploitation activities for a period with a view to subsequent resumption of the activities is subject to approval by the Greenland Government. The approval is intended to ensure that facilities, etc. are maintained and monitored while the exploitation activities are suspended and that the closure plan mentioned in section 43 above can be implemented at a later time if activities are not resumed. Approval must also ensure that plans for safety, health, the environment, etc. are adapted to the temporary suspension of exploitation activities and possible subsequent definitive termination of the exploitation activities. Approval may be granted for up to two years at a time. Renewed approval may be granted on modified terms.

(2) If temporary suspension has lasted six years, or if the terms for suspension are not met, the Greenland Government may order the licensee to implement the closure plan mentioned in section 43 above.

## **Part 11**

### *Collection and extraction of minerals without a licence*

**45.**–(1) A person who is a permanent resident of and fully liable to pay tax in Greenland may carry out non-commercial collection of loose minerals without a licence being required.

(2) Collection under subsection (1) above must not be carried out in areas where a licence has been granted under section 16 or section 33 above and may only be carried out subject to subsoil licences under section 39 above.

(3) If a person has collected minerals under subsection (1) above and wishes to resell or process them with a view to sale, he may apply for a licence for small-scale exploitation of the minerals pursuant to the rules of Part 8 for the area in which the minerals are exploited.

(4) After approval by the Greenland Government, persons granted a licence under section 33 above may arrange guided tours for tourists, etc. with a view to presenting Greenland's geology. The Greenland Government may lay down specific provisions on such activities.

(5) The Greenland Government may lay down specific provisions on non-commercial collection of loose minerals and export of such minerals from Greenland carried out by persons who are not permanent residents and fully liable to pay tax in Greenland.

**46.**–(1) The Greenland Government may approve that local authorities collect and extract gravel, stone and similar minerals to be used locally as road and building materials etc. for the establishment and maintenance of common roads, open spaces, quays, houses, buildings, etc; but see subsection (2) below. The Greenland Government may in connection with an approval stipulate terms on all matters relating to exploitation. If exploitation is approved, it may be carried out without an exploitation licence to the extent and on the terms set out in the approval. Exploitation must be carried out in a sound manner with regard to safety, health and the environment.

(2) Exploitation under subsection (1) above must not be carried out in areas where a licence has been granted under section 16 or section 33 above and may only be carried out subject to subsoil licences under section 39 above.

**47.**–(1) The Greenland Government may approve that enterprises that manufacture and supply concrete, concrete articles as well as gravel, stone and similar minerals for use in Greenland as road and building materials, etc. collect and extract such minerals for such use; but see subsections (2) and (4) below. The Greenland Government may in connection with an approval stipulate terms on all matters relating to exploitation. If exploitation is approved, it may be carried out without an exploitation licence to the extent and on the terms set out in the approval. Exploitation must be carried out in a sound manner with regard to safety, health and the environment.

(2) Exploitation under subsection (1) above must not be carried out in areas where a licence has been granted under section 16 and section 33 above and may only be carried out subject to subsoil licences under section 39 above.

(3) Enterprises that have for a minimum of two years before the commencement of this Greenland Parliament Act met the requirements of subsection (1) above and carried on the activities mentioned in that subsection will be granted approval under subsection (1).

(4) Areas in towns and settlements for the purpose of the activities mentioned in subsection (1) above are allotted by the local council pursuant to the rules of the land use legislation.

**48.** The Greenland Government may lay down specific provisions on the collection and extraction of minerals under sections 45-47 above, including provisions to the effect that certain areas are exempted from collection and extraction under sections 45-47.

## **Part 12**

### *Scientific surveys*

**49.**-(1) Geological, geophysical, glaciological, hydrological and other surveys of a scientific nature of importance to the activities mentioned in section 2(2)(i)-(iv) above are permitted only according to licences granted by the Greenland Government under this Greenland Parliament Act; but see section 2(3) and (4) above.

(2) The Greenland Government may lay down specific provisions on scientific surveys, including provisions on payment of expenses in connection with rescue operations and insurance cover or provision of security for such payments. Before the Greenland Government lays down provisions, the Greenland Government will consult the Commission for Scientific Surveys in Greenland (KVUG).

## **Part 13**

### *General rules on environmental protection*

#### *Environmental protection, climate protection, nature conservation and responsibility for such protection and conservation*

**50.** The rules of this Greenland Parliament Act on environmental protection cover also protection of the climate and conservation of nature unless otherwise provided in this Greenland Parliament Act. The same applies to the rules of the Greenland Parliament Act on liability and responsibility for pollution and other environmental impact as well as compensation for environmental damage.

### *Environmental protection*

**51.**-(1) The rules of this Greenland Parliament Act on environmental protection aim to help protect nature and the environment so that society can develop on a sustainable basis respecting human conditions of life and respecting preservation of animal and plant life.

(2) The environmental protection rules aim to prevent, limit and combat pollution of and other impact on nature and the environment caused by activities that may:

- (i) Endanger human health.
- (ii) Damage animal or plant life or natural or cultural values on or in the soil, in the sea or in the subsoil.
- (iii) Obstruct the rightful utilisation of the soil, the sea, the subsoil or natural resources.
- (iv) Impair recreational values or activities.

(3) In connection with the contents of subsection (2) above, the aim is specifically to:

- (i) Prevent, limit and combat pollution of the soil, the sea, the sea floor, the subsoil, water, air, adverse effects on the climate as well as vibration and noise nuisance.
- (ii) Limit the use and waste of raw materials and other resources.
- (iii) Promote the use of cleaner technology.
- (iv) Promote recycling and limit problems in relation to the disposal of waste.

**52.**-(1) Through the application and administration of the rules of this Greenland Parliament Act on environmental protection, importance must be attached to what is attainable through

the use of the best available techniques, including less polluting facilities, machinery, equipment, processes, technologies, raw materials, substances and materials and the best possible measures for combating pollution. In this assessment, particular importance must be attached to preventive measures through the use of cleaner technology.

(2) In the evaluation of the scope and type of measures to prevent and combat pollution, importance must be attached to the nature of the external environment and the probable impact of pollution on this environment and the complete cycle of substances and materials, with a view to limiting the waste of resources as much as possible.

**53.**–(1) Those who wish to commence activities under this Greenland Parliament Act and who may cause pollution must choose such a place for carrying on the activities as to limit the danger of pollution as much as possible. In the choice of location, allowance must be made for the nature of the area, including the present and planned future utilisation as well as for the possibilities of appropriate disposal of waste water, waste and other polluting substances and materials.

(2) Those who wish to commence, commence or perform activities that may cause pollution must take measures that can prevent such pollution and plan the establishment, organisation and performance of the activities in a manner so that the activities cause the least possible pollution; see section 52 above. In connection with the choice, establishment and arrangement of the facilities, etc. for the activities, including machinery, equipment and any accommodation facilities and in connection with the organisation of operations, including the choice of exploration, exploitation, application or working processes, raw materials, substances and materials for use in connection with the operations as well as emergency and pollution abatement procedures, it must be ensured that pollution, emissions, the generation of waste and the use of resources will be reduced in the best possible manner.

(3) When under this Greenland Parliament Act an enterprise or a person has obligations concerning the protection of the environment or abatement, reduction or control of pollution, the party concerned must in connection with meeting the obligations ensure and promote the use of the best available techniques, including less polluting facilities, machinery, equipment, processes, technologies, raw materials, substances and materials and the best possible measures for the abatement of pollution insofar as this is technically, practically and financially possible for the party concerned; see subsections (1) and (2) and section 52 above.

(4) When under this Greenland Parliament Act an enterprise or a person must ensure that environmental risks are identified, assessed and reduced as much as is practically possible, the party concerned must also, as regards the protection of the environment, ensure and promote the use of the best available techniques, including less polluting facilities, machinery, equipment, processes, technologies, raw materials, substances and materials and the best possible measures for the abatement of pollution insofar as this is technically, practically and financially possible for the party concerned; see subsections (1) and (3) and section 52 above.

- (5) The rule of subsection (4) above applies equally with regard to the following situations:
- (i) When an enterprise or a person must ensure that another party plans and performs work or other activities in a manner so that environmental risks are identified, assessed or reduced as much as practically possible.
  - (ii) When an enterprise or a person must ensure supervision of another party planning and performing work or other activities in a manner so that environmental risks are identified, assessed and reduced as much as practically possible.
  - (iii) When an enterprise or a person must contribute to identify, assess and reduce environmental risks as much as practically possible.



- (iv) When an employer or other enterprise or person must ensure that an employee receives the necessary training and instructions in performing the work in a manner so that environmental risks are identified, assessed and reduced as much as practically possible.
- (v) When an enterprise or a person must ensure elimination or reduction of environmental risks.
- (vi) When an enterprise or a person must ensure the environmental soundness of a facility, a device, a ship or other vessels and the construction, arrangement and equipment, etc. of the object.

**54.** The Greenland Government may lay down specific provisions on environmental protection and the matters mentioned in sections 51-53 above, including provisions on the application of national or international rules, agreements or guidelines concerning environmental protection.

#### *Climate protection*

**55.**–(1) The rules of this Greenland Parliament Act on climate protection aim to help protect the climate so that society can develop on a sustainable basis respecting human conditions of life and respecting preservation of animal and plant life.

(2) The rules on climate protection of this Greenland Parliament Act aim to prevent, limit and combat pollution and other impacts on the climate from activities that may directly or indirectly:

- (i) Endanger human health.
- (ii) Damage animal or plant life or natural or cultural values on or in the soil, in the sea or in the subsoil.
- (iii) Obstruct the rightful utilisation of the soil, the sea, the subsoil or natural resources.
- (iv) Impair human conditions of life.
- (iv) Impair recreational values or activities.

**56.** When the Greenland Government makes a decision on the granting of a licence for or approval of an activity or the establishment and operation of a facility that is subject to this Greenland Parliament Act, the Greenland Government attaches importance to, for example, the consideration for avoiding impairment or any other negative impact on the climate.

**57.** If an activity or a facility that is subject to this Greenland Parliament Act must be presumed to have a significant negative impact on the climate, a licence or an approval may be granted only on the basis of an assessment of the impact of the activity or facility on the climate and after the public and authorities and organisations affected have had an opportunity to express their opinion on it. The assessment is made according to the rules on environmental impact assessments; see Part 15.

**58.** The Greenland Government may lay down specific provisions on climate protection and the matters mentioned in sections 55-57 above, including provisions on the application of national or international rules, agreements or guidelines concerning climate protection.

## *Nature conservation*

**59.** The rules of this Greenland Parliament Act on nature conservation aim to help protect nature and the environment so that society can develop on a sustainable basis respecting human conditions of life and respecting preservation of animal and plant life.

**60.** When the Greenland Government makes a decision on the granting of a licence for or approval of an activity or the establishment and operation of a facility that is subject to this Greenland Parliament Act, the Greenland Government attaches importance to, for example, the consideration for avoiding impairment of nature and the habitats of species in designated national and international nature conservation areas and disturbance of the species for which the areas have been designated.

**61.**–(1) If an activity or a facility that is subject to this Greenland Parliament Act must be presumed to have a significant impact on nature, a licence or an approval may be granted only on the basis of an assessment of the impact of the activity or facility on nature and after the public and authorities and organisations affected have had an opportunity to express their opinion on it. The assessment is made according to the rules on environmental impact assessments; see Part 15.

(2) If an activity or a facility that is subject to this Greenland Parliament Act must be presumed to have significant impacts on a designated national or international nature conservation area, a licence or an approval may be granted only on the basis of an assessment of the impacts of the activity or facility on the location considering the conservation objectives for the location. If deemed expedient by the Greenland Government, the general public must be given an opportunity to express its opinions on the assessment of the impacts on the location before a licence or an approval is granted.

(3) In the instances mentioned in subsections (1) and (2) above, a licence or an approval may be granted only if the activity or facility does not damage the integrity of a national or international nature conservation area, or if important public interests, including interests of a social or economic nature, make it imperative to perform the activity or establish and operate the facility; but see subsection (4) below.

(4) If an activity or a facility must be presumed to have a significant impact on a national or international nature conservation area with a prioritised habitat or a prioritised species, the Greenland Government may in the instances mentioned in subsection (3) above grant a licence for or an approval of the activity or facility only if it is necessary considering human health, public safety or the achievement of significant beneficial environmental impacts, or if other important public interests make it imperative to perform the activity or establish and operate the facility.

(5) When a licence or an approval is granted under subsection (3) or subsection (4) above, the Greenland Government will lay down appropriate compensatory measures also in relation to terms of the licence or the approval. Expenses for any compensatory measures will be covered by the licence or approval applicant.

**62.** The Greenland Government may lay down specific provisions on nature conservation and the matters mentioned in sections 59-61 above, including provisions on the application of national or international rules, agreements or guidelines concerning nature conservation.

## **Part 14**

### *Environmental liability and responsibility*

**63.**–(1) Under the rules on environmental liability and responsibility in sections 63-66, environmental damage means:

- (i) Pollution of the soil, the sea, the sea floor, the subsoil, water or air.
- (ii) Pollution of or other negative impact on the climate.
- (iii) Pollution of or other significant negative impact on nature, including human beings, fauna or flora.
- (iv) Significant disturbance of matters mentioned in (iii) above because of noise, vibrations, heat, light, etc.

(2) The responsible party means the party performing, being in charge of or supervising the performance of an activity subject to this Greenland Parliament Act. If the party concerned is a party other than the licensee under a licence relating to the activity, the licensee is also responsible for the activity. The two parties are then jointly (jointly and severally) liable and responsible and the responsible party under the rules of sections 64-67 below.

(3) The party responsible for environmental damage or imminent danger of environmental damage means the party under subsection (2) above who is responsible for an activity that has caused or contributed to the damage or the imminent danger of damage. This provision applies irrespective of how the damage or the imminent danger of damage has arisen and even though the damage or the imminent danger of damage has arisen as a result of fortuitous circumstances.

**64.**–(1) The party responsible for an imminent danger of environmental damage must immediately initiate necessary preventive measures that can avert the imminent danger of environmental damage and notify the Greenland Government of the danger and the measures taken. The party responsible for environmental damage must immediately initiate any practically feasible measure that can limit the scope of the damage and prevent any further damage and notify the Greenland Government of the damage and the measures taken.

(2) The Greenland Government supervises that these duties are performed and may issue enforcement notices concerning the performance of the duties and the adoption of measures in relation thereto.

**65.**–(1) The Greenland Government may issue an enforcement notice to the responsible party to provide information of importance for an assessment as to whether environmental damage or an imminent danger of environmental damage has occurred. For example, an enforcement notice may be issued to the effect that the responsible party must for its own account conduct studies, make analyses and take measurements of substances or materials or similar with a view to clarifying the cause and effect of pollution that has occurred.

(2) Enforcement notices may be issued irrespective of the responsible party not having the right of use of the property or the area where pollution has occurred. The enforcement notice may lay down a duty to restore the polluted property or the polluted area, etc.

(3) If the responsible party does not have the right of use of the property or the area, the Greenland Government may issue an enforcement notice to the party having the right of use of the property or the area to the effect that the party concerned must tolerate the responsible party or others conducting studies or restoring the property or area, etc.

(4) Enforcement notices under subsection (3) above are binding on the party who at any given time has the right of use of the property or the area where pollution has been demonstrated.

**66.**–(1) In the event of environmental damage or imminent danger of environmental damage that is subject to the rules of sections 63-65 above, the Greenland Government will reach a decision on the matter and on any measures etc. according to the rules of sections 63-65.

(2) The Greenland Government will publish its decision. The publication of a decision that environmental damage has occurred or that there is imminent danger of environmental damage is for the account of the responsible party. The Greenland Government may lay down specific provisions on such publication.

(3) The Greenland Government may lay down specific provisions on environmental liability and responsibility, including provisions on the matters mentioned in subsections (1)-(2) and sections 63-65 above.

#### *Compensation for environmental damage*

**67.**–(1) The rules of sections 68-72 below on compensation for environmental damage apply to damage caused by pollution of the soil, the sea, the sea floor, the subsoil, water or air as part of the activities under the Greenland Parliament Act.

(2) The rules of sections 68-72 below apply by analogy to pollution and any other negative impact on the climate or nature as well as disturbances in the form of noise, vibrations, heat, light or similar. Such pollution, impact or disturbance is also covered by the rules on pollution of sections 68-72 below.

**68.** Pursuant to the rules of section 67 and sections 69-72, compensation will be granted for the following types of damage:

- (i) Personal injury and loss of dependency.
- (ii) Damage to property.
- (iii) Other financial loss.
- (iv) Reasonable costs of
  - (a) measures to prevent and abate damage or injury;
  - (b) restoration of the environment and nature; and
  - (c) mitigation and neutralisation of pollution and any other negative impact on the environment, climate and nature.

**69.**–(1) The party who is responsible for environmental damage under section 63 above and causes pollution in connection with an activity under the Greenland Parliament Act must compensate the damage caused by the pollution even if the damage is accidental. If the party concerned is a party other than the licensee under a licence relating to the activity, the licensee is also responsible for the activity. The two parties are then jointly (jointly and severally) liable and responsible and the responsible party under the rules of subsections (2)-(4) and sections 70-72 below.

(2) Liability under subsection (1) above will not be incurred if the responsible party proves that the activity was performed in accordance with indispensable directions laid down by a public authority, unless the directions follow from enforcement notices or instructions that are due to the responsible party's own activities or circumstances.

(3) Compensation for personal injury or loss of dependency may be reduced or lapse if the injured or deceased person intentionally contributed to the damage. Moreover, the compensation may be reduced and in special cases lapse if the injured or deceased person contributed to the damage by gross negligence.

(4) In other cases, compensation may be reduced or lapse if the injured person intentionally

or due to gross negligence contributed to the damage.

**70.**–(1) An agreement concerning derogation from the rules of the Greenland Parliament Act on compensation for environmental damage is invalid if the agreement was concluded before the occurrence of the damage and the derogation is to the detriment of the aggrieved party.

(2) The rule of subsection (1) above does not apply to an agreement between the responsible party and a businessman who acts as part of his trade insofar as the agreement concerns the mutual relationship between the contracting parties. Insofar as such an agreement directly or indirectly concerns the relationship of the contracting parties with others, the rule of subsection (1) above applies.

**71.** The rules of sections 67-70 and section 72 on compensation for environmental damage do not limit the access of the aggrieved party to compensation according to the general law of contractual damages and of non-contractual damages or in pursuance of other provisions laid down in the Greenland Parliament Act or other legislation.

**72.** The Greenland Government may lay down specific provisions on compensation for environmental damage and the matters mentioned in sections 67-71 above, including provisions on the application of national or international rules, agreements or guidelines concerning compensation for environmental damage.

## **Part 15**

### *Environmental impact assessment (EIA)*

**73.**–(1) A licence for and approval of one of the following activities can be granted only when an assessment has been made of the impact on the environment (EIA) of the performance of the activity and a report thereon (EIA report) has been approved by the Greenland Government:

- (i) Exploitation of hydrocarbons.
- (ii) Exploitation of minerals except small-scale exploitation of minerals under Part 8 and collection and extraction of minerals without a licence under Part 11.
- (iii) Use of the subsoil for storage or purposes relating to mineral resource activities.
- (iv) Use of energy from water, wind or the subsoil for activities subject to this Greenland Parliament Act.
- (v) Establishment or location and use of large facilities used for activities subject to this Greenland Parliament Act, including fixed offshore units, mobile offshore units, accommodation vessels, mining facilities, subsoil facilities, related energy installations and related pipeline facilities.
- (vi) Termination of an activity or the operation of a facility, etc. mentioned in subparagraphs (i)-(v) above or dismantling (removal) or closure of a facility, etc. mentioned in subparagraph (v) above.

(2) If an activity subject to this Greenland Parliament Act and not to subsection (1) above must be assumed to have significant impact on the environment, a licence for and approval of the activity can be granted only when an environmental impact assessment has been made and an EIA report approved by the Greenland Government.

(3) The Greenland Government decides whether, in the cases mentioned in subsection (2) above, an environmental impact assessment must be made and an EIA report prepared. The Greenland Government lays down specific provisions on the criteria to be used for the decision.

**74.**–(1) The applicant must make the environmental impact assessment, prepare the EIA report and submit it to the Greenland Government when an approved EIA report is required under the rules of section 73 above. The applicant must also prepare a non-technical summary of the EIA report.

(2) The Greenland Government may decide that additional material for the environmental impact assessment (EIA) must be provided, or that the EIA responsible party must make additional further studies or assessments of specific conditions of importance to the environmental impact assessment.

(3) The Greenland Parliament lays down specific provisions on the performance of environmental impact assessments as well as the preparation and approval of EIA reports, including provisions on the material to be provided for the purpose of the environmental impact assessments.

**75.**–(1) Information about the submission of an EIA report will be published on the Greenland Government’s website or in another suitable manner.

(2) Similarly, information is published on the decision of a case, including any terms, the most important reasons and considerations forming the basis of the decision and, if necessary, a description of the most significant measures to avoid, limit or mitigate negative impacts.

## **Part 16**

### *Social sustainability assessment (SSA)*

**76.**–(1) If an activity subject to this Greenland Parliament Act must be assumed to have significant impact on social conditions, a licence for and approval of the activity can be granted only when a social sustainability assessment (SSA) has been made of the performance of the activity and an SSA report has been approved by the Greenland Government.

(2) The Greenland Government decides whether, in the cases mentioned in subsection (1) above, an SSA must be made and an SSA report prepared. The Greenland Government lays down specific provisions on the criteria to be used for the decision.

**77.**–(1) The applicant must make an SSA, prepare an SSA report and submit it to the Greenland Government when an approved SSA report is required under the rules of section 76 above. The applicant must also prepare a non-technical summary of the SSA report.

(2) The SSA report must appropriately demonstrate, describe and assess the direct and indirect impacts of the activity on social conditions as well as the interaction between the conditions, mutual impact between the conditions and cumulative effects of impacts on the conditions.

(3) The Greenland Parliament lays down specific provisions on the performance of social sustainability assessments as well as the preparation and approval of SSA reports, including provisions on the material to be provided for the purpose of an SSA.

(4) Information about the submission of an SSA report will be published on the Greenland Government’s website or in another suitable manner.

**78.** The Greenland Government may decide that additional material for an SSA must be provided, or that the SSA responsible party must make additional studies or assessments of specific conditions of importance to the social sustainability assessment.

## **Part 17**

### *Health and safety on offshore facilities*

**79.**–(1) The licensee must ensure that health and safety risks in relation to offshore facilities used for exploration, exploitation or transport of hydrocarbons have been identified, assessed and reduced as much as is practically possible.

(2) The licensee must ensure that supervision is performed of the operation of an offshore facility taking place in accordance with this Greenland Parliament Act, other legislation and rules issued under the Greenland Parliament Act and other legislation.

(3) The licensee must ensure that the enterprise that on behalf of the licensee performs or supervises and is in charge of the performance of activities under the licence is given the opportunity to meet the health and safety obligations imposed on the licensee. The licensee must also ensure that the enterprise in question ensures and supervises that the health and safety risks are identified, assessed and reduced as much as is practically possible, and that activities under the licence are performed in accordance with this Greenland Parliament Act, other legislation and provisions laid down in pursuance of the Greenland Parliament Act and other legislation.

(4) The Greenland Government may lay down provisions on health and safety in connection with offshore facilities located in the territorial sea or the continental shelf area off Greenland. For example, provisions may be laid down on the responsibility and obligations of the licensee, the division of responsibilities among the enterprises and persons performing or engaged in offshore hydrocarbon activities as well as on the preparation of health and safety reports as documentation that the requirements of subsections (1)-(3) above have been met. Moreover, provisions may be laid down on the management of health and safety, on safety and protection zones, on the construction and dismantling of offshore facilities as well as on equipment, approvals, supervision, emergency preparedness, life-saving measures, training requirements, working hours, etc.

### *Emergency committee and accident investigation board*

**80.**–(1) The Greenland Government will set up an emergency committee with the task of coordinating the action of the authorities in the case of accidents and emergencies, including war, on offshore facilities. The members of the emergency committee will supervise the measures taken by those responsible for offshore facilities and will coordinate the authorities' preventive, life-saving and control measures.

(2) The Greenland Government will lay down rules of procedure for the emergency committee.

**81.**–(1) The Greenland Government may set up an accident investigation board with the purpose of investigating major events on and near offshore facilities that have caused damage to facilities or serious injury or damage to persons, property, living or non-living resources or the environment.

(2) The Greenland Government may order the accident investigation board to investigate events that must be presumed to be of interest for safety, health or the environment in connection with the use of an offshore facility and may lay down specific provisions for the activities of the accident investigation board, including the rights and obligations of the accident investigation board in relation to investigation of the matters mentioned in subsection (1) above.

**82.**–(1) Those to whom duties have been assigned under this Greenland Parliament Act must upon request provide the Greenland Government, the emergency committee and the accident investigation board with all information they consider necessary for performing their activities under this Part. This provision also applies to persons who are acting on behalf of those to whom duties under the Greenland Parliament Act have been assigned.

(2) Those to whom duties have been assigned under this Greenland Parliament Act must render the Greenland Government, the emergency committee and the accident investigation board all necessary assistance during their investigations under this Part.

## **Part 18**

### *Authority consideration, etc.*

**83.**–(1) Activities covered by licences granted under the Greenland Parliament Act must be performed in accordance with acknowledged best international practices in the area under similar conditions. Activities must be performed appropriately as well as in a sound manner as regards safety, health, the environment, resource utilisation and social sustainability.

**84.**–(1) Subject to legislation whereby powers have been assigned to other authorities, the Greenland Government may lay down provisions on the performance of activities covered by licences under the Greenland Parliament Act in and outside the area covered by the licence as well as on other activities and matters under the Greenland Parliament Act. The Greenland Government may lay down provisions on technical matters, matters relating to health and safety in connection with offshore activities as well as environmental matters, resource utilisation and social sustainability.

(2) In a licence, the Greenland Government may specify terms on all matters relating to the licence in accordance with section 83 and the purposes stated in section 1 and to the same extent lay down provisions on licence terms, including standard terms and model licences.

**85.**–(1) The Greenland Government may lay down provisions on export and import of mineral resources.

(2) The Greenland Government may lay down provisions or make decisions with a view to implementing or applying international agreements or rules on matters under this Greenland Parliament Act in Greenland.

(3) The Greenland Government may lay down provisions on export and import of rough diamonds and activities relating to rough diamonds as well as provisions aimed at implementing or applying international agreements or rules on rough diamonds, including meeting requirements under the Kimberley Process Certification Scheme.

**86.**–(1) Activities covered by licences granted under this Greenland Parliament Act, including establishment of buildings, facilities and installations, etc. in and outside the area covered by the licence and measures in connection with temporary suspension of exploitation activities must be approved by the Greenland Government before implementation in accordance with the terms laid down in the licence. The same applies to measures to meet obligations on termination of activities covered by licences under this Greenland Parliament Act. Works performed in connection with activities under this Greenland Parliament Act, including drilling of wells, shaft sinking, driving of drifts, etc. must in each case be approved by the Greenland Government before implementation.

(2) The Greenland Government supervises the activities of licensees and others under this Greenland Parliament Act, including provisions and terms laid down in pursuance of this Act.



The Greenland Government may issue orders or enforcement notices to ensure compliance with the Greenland Parliament Act, provisions laid down in pursuance of the Act and licence terms. Orders may be issued to licensees or others covered by the Greenland Parliament Act. Supervisory authority employees have at all times, on proof of identity and without a court order, access to all parts of enterprises and activities under this Greenland Parliament Act to the extent required for the purpose of carrying out the supervision.

(3) Licensees and others under this Greenland Parliament Act must submit any information required for the authorities' consideration of their operations or activities under the Act. The Greenland Government may for the purpose of the regulatory process under this Greenland Parliament Act order licensees and others to submit the information in the way and in the form deemed necessary by the Greenland Government.

(4) Licensees must regularly submit reports on the activities performed and their results. Terms on such reporting and on confidentiality in this connection are laid down in the licences.

(5) Licensees and others under this Greenland Parliament Act pay any expenses incurred in connection with the regulatory process under the Greenland Parliament Act. Payment may be charged in the form of fees or reimbursement of expenses. The Greenland Government lays down specific provisions to this effect.

**87.**-(1) The regulatory process, including approvals, under this Greenland Parliament Act does not exempt licensees and others under the Act from obtaining approvals or permits required under other legislation.

(2) A licence under this Greenland Parliament Act does, however, exempt the licensee and others from meeting requirements on land allotment in and outside the licence area for buildings and facilities; but see section 47(4) above. A licence under this Greenland Parliament Act also entitles the licensee to perform activities covered by the licence as well as other directly related activities.

## **Part 19**

### *Other rules*

**88.**-(1) Direct or indirect transfer of a licence under this Greenland Parliament Act to a third party requires approval by the Greenland Government.

(2) A licence under this Greenland Parliament Act is exempt from legal proceedings.

**89.** Licences under this Greenland Parliament Act must stipulate the circumstances under which the licence is forfeited or may be revoked by the Greenland Government.

**90.** A licence may stipulate that a dispute between the Greenland Government and the licensee as to whether the terms of a licence have been complied with must be brought before a court of arbitration whose decision will be final.

**91.** The licence must stipulate the extent to which the licensee's obligations remain upon termination of the licence.

**92.** A licensee must compensate damage caused in connection with operations or activities under the licence even if the damage is accidental.

(2) The compensation under subsection (1) above may be reduced or lapse if the aggrieved party intentionally or due to gross negligence contributed to the damage.

(3) The licence may stipulate that the licensee's liability must be covered by insurance or another type of security.

(4) The rules of subsections (1)-(3) above apply by analogy to activities performed by others under this Greenland Parliament Act, including licensees under approvals granted pursuant to the Act insofar as their activities are covered by the Act.

(5) The Greenland Government may lay down provisions to the effect that, insofar as their services are used for operations or activities under the licence, the liability of contractors, suppliers and service providers must be covered by insurance or another type of security.

**93.**-(1) The Greenland Government may to the necessary extent allow steps to be taken for compulsory acquisition of real property with a view to activities under this Greenland Parliament Act.

(2) Compulsory acquisition under subsection (1) above is effected in accordance with the rules of the Greenland Parliament Act on compulsory acquisition.

**94.** The size of fees, etc. which are paid to cover expenses incurred by the Mineral Resource Authority may be fixed with partial coverage of the expenses.

**95.** The Greenland Government may decide that authority tasks under this Greenland Parliament Act must be performed by other public authorities or private parties to a specific extent; but see section 3(1) and (2). Unless otherwise provided in the authorisation, the authorised public authorities or private parties and their employees thus have the same powers as the Greenland Government and its employees would have in performing the task in question.

## **Part 20**

### *Sanctions, commencement, etc.*

**96.**-(1) A fine is imposed on those who perform activities as mentioned in section 2(2) without a licence under this Greenland Parliament Act.

(2) A fine may be imposed on those who intentionally or due to gross negligence:

- (i) Misrepresent or misinform or fail to disclose information to which an authority is entitled under this Greenland Parliament Act or according to provisions and terms laid down in pursuance of this Act.
- (ii) Collect or extract minerals contrary to sections 45-47 above.
- (iii) Fail to deposit excess minerals under section 45(6) above.
- (iv) Are in breach of terms of licences or approvals granted under this Greenland Parliament Act or provisions laid down pursuant to this Act.
- (v) Fail to comply with orders or enforcement notices issued under this Greenland Parliament Act or provisions issued in pursuance of the Act.

(3) Provisions laid down pursuant to this Greenland Parliament Act may provide that infringements of the provisions may result in liability to fines or other sanctions under the Criminal Act for Greenland.

(4) Where the infringement has been committed by an enterprise owned in whole or in part by the Greenland Self-Government, the Danish Government, a local authority or a local authority community covered by the Greenland Parliament Act on local councils, settlement councils, etc., a public limited company, a private limited company, a cooperative society or similar, liability under criminal law may be imposed on the enterprise, etc. as such. The same applies if the infringement has been committed by the Greenland Self-Government, a local

authority or a local authority community covered by the Greenland Parliament Act on local authorities, settlement councils, etc.

(5) Fines imposed in pursuance of this Greenland Parliament Act or provisions laid down in pursuance of this Act accrue to the Greenland treasury.

**97.**–(1) The Greenland Government may confiscate mineral resources that have been collected without a licence or contrary to sections 45-47 above or provisions laid down in pursuance of section 48.

(2) Confiscated mineral resources are sold by the Greenland Government. The proceeds accrue to the Greenland treasury.

**98.**–(1) This Greenland Parliament Act takes effect on 1 January 2010.

(2) At the same time Act No. 335 of 6 June 1991 on Mineral Resources, etc. in Greenland is repealed.

(3) In respect of Greenland, the following amendments are also made in the Act on the Continental Shelf, see Consolidation Act no. 1101 of 18 November 2005 as amended:

**1.** *Section 1, section 2, section 3(2), section 4(5) and section 5(1)* are repealed.

**2.** In *section 3(1)* “, but see subsection 2” is deleted.

**3.** *Section 6* will have the following wording:

**“6.** Facilities and safety zones, see section 3, that are located in or have been established within the Greenland part of the continental shelf are subject to the law otherwise applying to Greenland. The Greenland Government exercises the powers laid down in section 4 in compliance with the rules of the Greenland Parliament Act on mineral resources and mineral resource activities (the Mineral Resources Act).”

(4) Prospecting licences and licences to explore for or exploit mineral resources in Greenland that have been granted when this Greenland Parliament Act takes effect remain valid and will be regulated under the Greenland Parliament Act.

(5) The provisions on mineral resource activities and application procedures and standard licence terms applying on 1 January 2010 remain in force with the amendments concerning the administrative authority that follow from this Greenland Parliament Act until the provisions, etc. are repealed or replaced by new provisions laid down in pursuance of this Greenland Parliament Act.

*Greenland Self-Government, 7 December 2009*

Kuupik Kleist

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Ove Karl Berthelsen