

Unofficial translation

**The Home Rule Parliament Act No 7 of May 31<sup>st</sup> 2001 on the exploitation of ice and water for exportation (The Ice And Water Exportation Act).**

**Chapter 1**

*Scope of application*

**Section 1.** This Act regulates the exploitation of ice and water for exportation.

*Subsection 2.* This Act also applies to the territorial waters around Greenland.

*Subsection 3.* This Act does not apply to the exploitation of ice and water with a view to supplies for consumption in Greenland or the use of ice and water resources for hydraulic power and exploration in this connection.

**Section 2.** Exploitation of ice and water for exportation and field exploration in this connection may exclusively be carried out under licences issued pursuant to the provisions of this Act.

*Subsection 2.* The Danish State and the Government of Greenland may as hitherto undertake scientific and practical studies of a general nature or with the purpose of producing maps and surveys of hydrological and glaciological conditions

**Chapter 2**

*Preliminary investigation*

**Section 3.** On specified terms and for a specified area the Government of Greenland may issue a licence without exclusive rights to the carrying out of preliminary investigation regarding the exploitation of ice and water for exportation.

*Subsection 2.* This licence may be issued for maximum periods of 3 years at a time.

**Chapter 3**

*Exploitation*

**Section 4.** On specified terms and for a specified area the Government of Greenland may issue a licence to the exploitation of ice and water for exportation. A licence is issued with exclusive rights for land areas. A licence for sea areas is issued without exclusive rights except under special circumstances.

*Subsection 2.* A licence may be issued separately for ice and water respectively. A licence lapses if exploitation is not commenced within a certain time limit which is specified in the licence and which cannot exceed 5 years from the issuing of the licence.

**Section 5.** A licence under Section 4 above may only be issued to private limited companies or joint-stock companies domiciled in Greenland which exclusively carry out activities under licences issued pursuant to this Act and which are not subject to joint taxation with other companies.

*Subsection 2.* The licensee shall have the necessary expert knowledge and financial resources required to undertake the exploitation activity in question.

*Subsection 3.* A license issued pursuant to Section 4 above may not cover an area whose exploitation potential considerably exceeds the needs of the licensee.

**Section 6.** Without compensation of the licensee the Government of Greenland may grant other parties licence to the exploitation of ice and water within an area covered by a license under this Act with a view to supply for consumption in inhabited areas.

**Section 7.** A licence under Section 4 above may be issued for a maximum period of 20 years.

*Subsection 2.* The Government of Greenland may prolong the period laid down in Subsection 1 above on terms further specified.

#### **Chapter 4**

##### *Plan for total activity*

**Section 8.** Prior to commencement of exploitation and the establishing of facilities and other measures a plan for total activity shall have been approved by the Government of Greenland.

*Subsection 2.* In the plan submitted pursuant to Subsection 1 above the licensee shall document the quality of the company's products when sold to the recipients as well as measures taken by the company to secure the quality of its products.

*Subsection 3.* The plan shall, furthermore, include the information mentioned in Section 11 below.

#### **Chapter 5**

##### *Plan for termination of activity*

**Section 9.** In connection with application for the approval of a plan for total activity under Section 8 above the licensee shall submit a plan that lays down what is to be done when activity is terminated with respect to clean-up operations and removal of installations established under the license. If this plan involves leaving behind on the site facilities which for environmental and safety reasons require maintenance after termination of the activity, the plan for termination of activity shall specify how this maintenance will be carried out.

*Subsection 2.* Prior to commencement of exploitation the plan for termination of activity shall have been approved by the Government of Greenland, cf. Section 8 above, and the plan shall specify the financial arrangements which secure that the plan can be carried out.

*Subsection 3.* The plan mentioned in Subsection 2 above shall be updated regularly and shall be revised in connection with significant changes in the exploitation activity. Changes of the plan for termination of activity are likewise subject to approval by the Government of Greenland.

**Section 10.** Temporary discontinuation of exploitation activity with a view to resumption at a later point in time is subject to approval by the Government of Greenland in order to secure that facilities are maintained while activity is suspended and that the plan for termination of activity mentioned above under Section 9 can be carried out at a later point if activity is not resumed. Discontinuation of activity may be approved for up to 2 years at a time.

*Subsection 2.* If such temporary discontinuation has lasted 2 years or if the terms stipulated for temporary discontinuation are not complied with, the Government of Greenland may order the licensee to carry out the plan for termination established pursuant to Section 9 above.

## **Chapter 6**

### *Terms, inspection, orders and information obligations*

**Section 11.** In connection with application for approval of a plan for total activity pursuant to Section 8 above, the applicant shall provide the information considered relevant by the Government of Greenland, including information on the company's solvency and prospects for profitable operations as well as an assessment of environmental and employment aspects of the activity in question.

**Section 12.** A license issued under Sections 3-4 above and an approval issued under Sections 8-10 above shall stipulate terms concerning technical, safety and environmental aspects as well as aspects relating to area, resources and quality.

*Subsection 2.* An approval under Sections 8-10 above may stipulate terms to secure that the obligations pursuant to Subsection 1 above can be met, including security.

**Section 13.** A license issued under Sections 3-4 above shall stipulate terms with respect to the obligations of the licensee to carry out clean-up operations and similar activities in the affected areas on a regular basis.

*Subsection 2.* A license issued under Section 4 shall stipulate terms relating to the obligations of the licensee to carry out clean-up operations and remove facilities established pursuant to the license when activity is terminated in accordance with the plan for termination of activity mentioned in Section 9 above.

*Subsection 3.* A license issued pursuant to Section 4 above shall, furthermore, stipulate terms to secure the fulfilling by the licensee of obligations pursuant to Subsection 2 above including terms with regard to security in full or in part.

**Section 14.** A license issued pursuant to Sections 3-4 above may stipulate terms regarding access of parties other than the licensee to exploit ice and water resources for own use within the area covered by the license.

**Section 15.** A license issued under Sections 3-4 above shall stipulate under what conditions the license may be withdrawn by the Government of Greenland and to which extent the obligations incumbent on the licensee shall remain in force following termination of the license.

**Section 16.** A license issued under Sections 3-4 above may stipulate that a dispute between the Government of Greenland and the licensee as to whether the obligations laid down in a license are met shall be put before a court of arbitration whose decision shall be final. Guidelines concerning the activity, the choice of legal basis and the composition of the court of arbitration may also be stipulated.

**Section 17.** Unless other arrangements are provided for by law, the Government of Greenland supervises the licensee's activity under this Act and may issue orders with regard to compliance with the Act as well as with instructions and terms issued pursuant to the Act. On providing due proof of identity staff of the supervising authority shall have access at all times without a court order to all parts of the company to the extent required for the carrying out of their supervising tasks.

*Subsection 2.* If the licensee does not comply with orders regarding the carrying out of the measures mentioned in Section 13 above, the Government of Greenland may carry these through for the licensee's account and risk.

**Section 18.** The licensee shall provide the Government of Greenland with all information needed by the authorities in connection with the activity. The Government of Greenland may order a licensee to submit the information needed by the authorities.

*Subsection 2.* Each year the licensee shall submit reports on the activity carried out and its results including the company's environmental impact. Conditions with respect to reporting shall be stipulated in the licenses.

## **Chapter 7**

### *Processing by the authorities and certification*

**Section 19.** The Government of Greenland may lay down that activity covered by this Act shall be administrated by a single official body, and within the framework of this Act further provisions may be laid down concerning administrative procedures.

**Section 20.** Prior to issuing a license under Sections 3-4 above statements shall be obtained from the municipalities affected. In the case of an area not covered by a municipality a statement shall be obtained from the relevant citizens' council.

**Section 21.** The Government of Greenland may lay down further rules on certification schemes that define quality categories for ice and water that is exploited and exported under licenses issued pursuant to Section 4 above.

*Subsection 2.* Licenses issued under Section 4 above may stipulate that the licensee shall comply with the provisions laid down pursuant to Subsection 1 above.

## **Chapter 8**

### *Company to take care of activities concerning exploitation and exportation of ice and water*

**Section 22.** The Government of Greenland and the licensee may enter into an agreement to the effect that a company owned by the Government of Greenland shall participate in the activity covered by the license.

*Subsection 2.* The Government of Greenland decides which company shall take care of activities relating to the participation of the Government of Greenland pursuant to Subsection 1. The Government of Greenland may lay down further rules for the company's handling of such activities including whether the activities should be taken care of by a separate company.

## **Chapter 9**

### *Other provisions*

**Section 23.** Any transfer of a license issued under Sections 3-4 above is subject to prior approval by the Government of Greenland.

*Subsection 2.* A license issued under Sections 3-4 above shall be exempted from debt recovery proceedings.

**Section 24.** The licensee is liable for damage caused by activity covered by a license issued under Sections 3-4 above in accordance with ordinary liability regulations unless there is further liability under the provisions of other legislation.

*Subsection 2.* A license issued under Sections 3-4 above may stipulate that the licensee's liability shall be covered by insurance or other security.

**Section 25.** On a yearly basis the Government of Greenland shall publish a report on activity under this Act.

## **Chapter 10** *Charges and fees*

**Section 26.** A license issued under Section 4 above may lay down terms with respect to the payment by the licensee of charges. It may be laid down that charges shall be paid based on the volume and the value of production.

**Section 27.** The Government of Greenland may lay down further rules on the payment by the licensee of a fee for a license issued under Sections 3-4 above including a fee for communication, prolongation, transfer and for all other business taken care of by the authorities with regard to the license.

*Subsection 2.* Moreover the Government of Greenland may lay down further rules on the payment of fees in connection with the submission of application for a license under Sections 3-4 above.

*Subsection 3.* The fees mentioned in Subsections 1-2 above shall contribute to the costs of procedures taken care of by the authorities and may be fixed so as to cover these costs fully or partly.

## **Chapter 11** *Expropriation*

**Section 28.** The Government of Greenland is authorised through expropriation to acquire real property for licensees and for the Government of Greenland necessary for the carrying out of activity covered by this Act. Expropriation shall be carried out pursuant to the provisions of the Expropriation Act of the Landsting.

## **Chapter 12** *Sanctions*

**Section 29.** Any person who performs activity mentioned in Section 2, Subsection 1 above without due license is liable to a fine.

*Subsection 2.* Unless other punitive measures are provided for by other legislation any person is liable to a fine who intentionally or through gross negligence

- 1) communicates incorrect or misleading information or withholds information to which an authority has claim pursuant to this Act or pursuant to instructions issued under the Act.

- 2) infringes Section 23 above
- 3) disregards terms issued pursuant to Section 12 Subsection 1, Section 13, Section 21 Subsection 2 or Section 26.
- 4) fails to comply with orders issued under Section 10 Subsection 2 or Section 17 Subsection 1.

*Subsection 3.* Regulations issued pursuant to this Act may lay down that infringement of the regulations issued, whether intentionally or through gross negligence, renders the offender liable to a fine.

*Subsection 4.* If the infringement mentioned in Subsections 1-3 above is committed by a company, an association, a private foundation or a like body, the juristic person as such is liable to a fine. If the infringement has been committed by the Government of Greenland, a municipality or a municipal association, these may be sentenced to a fine.

*Subsection 5.* Fines imposed pursuant to this Act or pursuant to instructions issued under the Act revert to Landskassen.

### **Chapter 13**

#### *Coming into force*

**Section 30.** This Act of the Landsting comes into force on January 1<sup>st</sup> 2001.

*Subsection 2.* The Order of the Landsting on exportation licenses for Greenland products does not apply to the exportation of ice and water under the present Act.

*Subsection 3.* The Act of the Landsting on access to public records does not apply to reporting on activity carried out under this Act of the Landsting and the results thereof.

### **Chapter 14**

#### *Transitional provisions*

**Section 31.** Licences for exploitation and exportation of ice and water for exportation that have been issued prior to the coming into force of this Act shall remain in force during the period for which they have been issued.

*Subsection 2.* Applications for licenses with regard to activities mentioned in Section 2 Subsection 1 above that have not been processed at the time of the coming into force of this Act shall be processed in accordance with this Act as from the date of its coming into force.

The Government of Greenland, May 31<sup>st</sup> 2001.

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