REPUBLIC OF CAMEROON

PEACE - WORK - FATHERLAND



LAW No 20 16 / 017 OF 14 DEC 2016

INSTITUTING THE MINING CODE

The Parliament deliberated and adopted, the President of the Republic hereby enacts the law set out below:

PART I GENERAL PROVISIONS

CHAPTER I PURPOSE AND SCOPE

<u>SECTION I</u>: This law lays down the Mining Code of Cameroon. It shall govern the reconnaissance, exploration, mining, possession, transportation, processing and marketing of mineral substances.

<u>SECTION 2</u>: The purpose of this law is to boost, encourage and promote investments in the mining sector that can contribute to the economic and social development of the country.

SECTION 3: (1) The provisions of this law shall apply throughout the territory of the Republic of Cameroon, in the continental shelf, territorial waters and the exclusive economic areas.

(2) Surface water, liquid and gaseous hydrocarbons as well as bituminous schists shall be governed by specific instruments.

CHAPTER II DEFINITIONS

<u>SECTION 4</u>: For the purposes of this law and the implementing instruments thereof, the following definitions shall apply:

Mining activity: reconnaissance, exploration, development, mining, processing, enrichment, transportation, storage, loading, marketing and mining site restoration and closure.

Quarry activity: reconnaissance, development, mining, processing, enrichment, transportation, storage, loading, marketing and mining site restoration and closure.

Authority in charge of mines: public entity particularly responsible for implementing the mining policy and promoting, monitoring and overseeing mining activities.

Anomaly: a feature observed in the normal characteristics of a mineral which suggests the presence of mineral traces or concentrations that could warrant mining.

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Farm-out: deed by which the holder of mining title transfers the mining of a deposit to a third party against payment of royalty or any other method of consideration agreed between the farmor and the farmee.

Non-industrial miner: a natural adult person of Cameroonian nationality involved in a non-industrial mining activity on his own behalf and who is holder of a non-industrial miner's card.

Non-industrial mining: an operation consisting in using traditional methods and processes to extract and concentrate top- or sub-soil mineral substances at a maximum depth of ten (10) metres, and obtaining marketable products.

Competent authority: a public authority empowered to issue instruments granting, renewing and approving mining titles and other mining sector-related licences.

Non-industrial mining licence: a legal document that confers on its holder the exclusive right to carry out non-industrial mining within the assigned perimeter.

Semi-mechanized non-industrial mining licence: a legal document that confers on its holder the exclusive right to carry out semi-mechanized non-industrial mining within the assigned perimeter.

Purchasing office: a company under Cameroonian law approved and specialized in the purchase, import and export of precious or semi-precious stones and metals.

Mining Registry or Mining Office: an agency of the ministry in charge of mines responsible for reviewing and managing applications for documents conferring mining rights, preserving, publishing and updating the map of mining sites, mining titles, permits and other authorizations for the mining of quarries, spring water, mineral water, thermo-mineral water and geothermal deposits.

Quarry: perimeter for the mining of building material or industrial phosphates and nitrates, as well as related facilities.

Non-industrial quarry: perimeter for the extraction of quarry material using manual and traditional methods and processes not involving the use of explosives.

Public interest quarry: perimeter for the industrial extraction of quarry substances intended for public interest works.



Domestic quarry: perimeter for the non-industrial extraction of quarry substances by the landowner solely for personal and non-commercial use.

Industrial quarry: perimeter for the extraction of quarry substances using industrial methods and processes which may involve the use of explosives.

Semi-mechanized non-industrial quarry: perimeter for the extraction of quarry substances using semi-industrial methods and processes.

Mining site map: up-to-date official topographic map on which the boundaries of all current mining titles, pending applications, available areas, land, forest and wildlife reserves, as well as national parks and protected areas are recorded.

Cession: complete or partial transfer of a mining right by its holder to a third party.

Mining Code: this law.

Collector: a natural person of Cameroonian nationality, holder of a collector's card which confers on him/her the right to buy from persons with a valid non-industrial mining card any non-industrial mining mineral substance and sell same to the Ministry in charge of mines or to owners of purchasing offices that market such substances.

Packaging: operation which consists in preserving a mining product in a container designed in accordance with the requirements of use, presentation, protection, handling and marketing.

Mining Registrar: mining registry official responsible for drawing up and keeping the Mining Titles Register.

Consolidation: grouping of all existing mining licences or titles of the same type into one or more licences or titles of such type.

Local content: all activities geared towards local capacity building, use of local human and material resources, technology transfer, sub-contracting local business, services and products and creation of measurable value added for the local economy.

Mining agreement: a partnership contract between the State and an exploration permit holder laying down conditions for developing and mining a

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newly discovered mineral deposit, including site closure and restoration operations.

Mining right: prerogative conferred on the holder of a mining licence or title.

Spring water: water with little or no mineral content, carbonated or not at the discharge point.

Mineral water: natural water containing a solution of mineral salts, gases or both, and having therapeutic properties.

Thermo-mineral water: mineral water with a high temperature at the discharge point.

Mining project feasibility study: a report indicating the possibility of mining a deposit with proven reserves, within the perimeter of the mining permit and showing the related implementation programme.

Mining project pre-feasibility study: a report indicating the possibility of mining a deposit based on mineral resource estimates.

Environmental and Social Impact Assessment: a systematic review to determine the possible positive and negative effects of a project on the natural and human environment. It helps to mitigate, pre-empt, eliminate or offset the adverse effects of a project on the environment and the people affected by the project.

Mining: all preparatory works, extraction, transportation, treatment and analysis on a given deposit to obtain marketable or useful products.

Non-industrial mining: mining operations which consist in extracting and concentrating mineral substances, and obtaining marketable products through traditional methods and processes.

Semi-mechanized non-industrial mining: operations carried out under a semi-mechanized non-industrial licence to mine precious and semi-precious substances with no more than three (03) excavators, a backhoe loader and any other instrument such as mineralized gravel or mineral concentrate washing machine, the use of chemicals whose processing is strictly prohibited.

Industrial mining: mining based on prior proof of the existence of a deposit that can be commercially mined, using the fixed facilities required for



collecting minerals through industrial processes in accordance with standard rules.

Extraction: all works intended to remove mineral substances or quarry material from the soil and sub-soil.

Deposit: any natural deposit of mineral substances workable under the current economic conditions.

Previously proven deposit: a deposit on which studies have been conducted up to the stage of mechanical and geotechnical surveys using concentrated grid, geophysical surveys and geochemical and alluvial prospecting campaigns.

Mineral deposit: a concentration of mineral substances within a specific area of the earth's crust.

Geothermal deposit: deposit embedded in the soil from which thermal energy can be tapped, particularly through the hot water and underground vapour contained therein.

Dumps and quarrying waste: waste, rubble, mining and quarry residues.

Trace: directly crosschecked and reliable information about mineralization in a particular place.

Extractive Industries Transparency Initiative (EITI): international standard which aims to ensure transparency in the extraction and management of the oil, gas and mining resources of various countries.

Buffer zone: space between two (02) mines which helps to prevent any contact between their works.

Mining list: a document that specifies imported goods for which import duty and tax exemptions are granted to the holder of a mining title in the exploration, installation or construction and operation phases.

Mine: mineral substance deposits not classified under quarries, excluding liquid or gaseous hydrocarbons, or an open cast or underground mineral substance site, including facilities and movable or immovable equipment used for the mining.

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Mineral ore: any potentially workable mineral substance in solid, liquid or gaseous form occurring naturally above or under the ground, excluding water and oil.

Miner or mine worker: an adult natural person working under the supervision and authority of a mining operator.

Mining operation: non-industrial and semi-mechanized non-industrial mining activity relating to the reconnaissance, exploration, mining, treatment, or transportation of mineral substances, excluding liquid or gaseous hydrocarbons and surface water.

Perimeter: the area limiting the land for which a mining title or a reconnaissance permit has been granted.

Reconnaissance permit: a legal instrument which confers on its holder:

- the non-exclusive and non-transferable right to carry out reconnaissance operations within the reconnaissance perimeter;
- the right to enter into the reconnaissance perimeter and to build facilities intended exclusively for reconnaissance works, subject to compliance with the land, forestry and property laws in force.

Exploration permit: a legal instrument that gives the holder the exclusive right to conduct exploration works within the perimeter of the permit.

Mining permit: a legal document that confers on the holder the exclusive right to conduct mining operations within the perimeter of the permit.

Small-scale mine: any permanent small-scale mining project based on proven existence of a deposit, using standard rules, semi-industrial or industrial processes, and whose annual production does not exceed a certain tonnage of the marketable product in the form of mineral ore, concentrate or metal, as laid down by regulation for each substance.

Exploration phase: the phase during which the holder of an exploration permit or a mining permit carries out exploration activities, until the completion of a feasibility study.

Installation or construction phase: period materialized by the issuance of a joint instrument by the ministers in charge of mines and of works, which begins at the end of the exploration phase, and during which the search for

