

Bill: Greenland Parliament Act no. [X] of [dd mm 2021] to ban uranium prospecting, exploration and exploitation

1.–(1) Uranium prospecting, exploration and exploitation is not permitted.

(2) The provision in subsection (1) does not apply to prospecting, exploration and exploitation directed at non-uranium resources if the average uranium content is less than 100 ppm.

2.–(1) The Government of Greenland may issue provisions to the effect that the ban in section 1(1) also applies to other radioactive elements.

(2) When issuing provisions under subsection (1), the Government of Greenland may also set permitted thresholds for other radioactive elements. The Government of Greenland may further issue provisions on restriction and revocation of prospecting, exploration and exploitation licences for the relevant radioactive elements.

3.–(1) The Government of Greenland may restrict or revoke any mineral resource prospecting, exploration or exploitation licence if exploitation in accordance with section 1 is not possible.

4.–(1) Violations of section 1 may be subject to a fine.

(2) Where the violation has been committed by a business owned in whole or in part by the Government of Greenland, the state, a local authority or a local authority community covered by the Greenland Parliament Act on municipal government (*inatsisartutlov om den kommunale styrelse*), a public limited company, a private limited company, a cooperative society or the like, liability under criminal law may be imposed on the business, etc. as such. The same applies where the violation has been committed by the Government of Greenland, a municipality or a local authority community comprised by the Greenland Parliament Act on municipal government.

(3) Fines imposed under this Greenland Parliament Act will accrue to the Treasury.

(4) In provisions issued under section 2, provisions may be laid down for a fine to be imposed for any violation of the ban.

5.–(1) This Greenland Parliament Act enters into force on [day month year].

(2) This Greenland Parliament Act applies to licences granted after its effective date.

The Government of Greenland, [dd mm 2021]

Explanatory notes to the Bill

General explanatory notes

1. Introduction

The purpose of this Bill is to ban uranium prospecting, exploration and exploitation in connection with mineral resource activities in Greenland.

The responsibility for the mineral resource area transferred to the Government of Greenland on 1 January 2010. At the same time as the transfer of responsibility for the mineral resource area to the Government of Greenland on 1 January 2010, Greenland Parliament Act no. 7 of 7 December 2009 on mineral resources and mineral resource activities (the Mineral Resources Act) came into force. The Mineral Resources Act was adopted in order to ensure appropriate exploitation of mineral resources and utilisation of the subsoil in Greenland and activities in relation thereto. Since coming into force in 2010, the Mineral Resources Act has been amended several times with a view to updating and adapting the Act to reflect developments in the mineral resource area, the mineral resources industry and Greenland society.

The Mineral Resources Act in Greenland governs all aspects of mineral resource activities and exploitation of mineral resources. Among other things, the aspects governed by the Act include mineral resource activities and environmental aspects. However, the Mineral Resources Act does not govern for which mineral resources a prospecting, exploration and exploitation licence can be obtained. In principle, therefore, mineral resource activities comprising all mineral resources may be carried out if a licence to this effect has been obtained in accordance with the provisions of the Mineral Resources Act.

Following the Greenland Parliament's abandonment of its so-called zero tolerance policy in October 2013, it has also been possible, in principle, to obtain a licence for mineral resource activities comprising radioactive elements, including uranium.

For many years and particularly since the abandonment of the zero tolerance policy, uranium has been a subject of much public awareness. It has turned out that there is broad public opposition to uranium related mining projects. This is particularly due to the special risks associated with mining activities involving uranium, including radiation, risk of contamination spread, etc. This public opposition has most recently shown itself in connection with the general election in April 2021 and in opinion polls in connection with this. However, the people of Greenland have also expressed support for continued mining activities as long as they do not involve uranium and the related risks.

It is the Government of Greenland that owns the subsoil and mineral resources of Greenland, and it must therefore also be for the people of Greenland to decide how to best utilise the natural resources of Greenland. Against this background, the Government of Greenland would with this Bill like to supplement the Mineral Resources Act with a view to introducing by law a zero tolerance policy in respect of uranium. The Bill is intended to implement the Government of Greenland's decision of principle that Greenland shall not be an uranium producer or uranium seller.

2. Current law

Today, there is no regulated ban on uranium prospecting, exploration and exploitation in Greenland. However, no licences to explore for or exploit radioactive minerals are available for small-scale activities under Part 8 of the Mineral Resources Act, see the second sentence of section 33(1) of the Mineral Resources Act. Furthermore, under Part 11 of the Mineral Resources Act, the right to collect and extract without a licence under sections 45 and 45a of the Mineral Resources Act does not include radioactive minerals, see section 45c of the Mineral Resources Act.

Since the transfer of responsibility for the mineral resources area and until 2013, the Government has managed the mineral resources area in such a way that there have generally been no mineral resources activities directed at radioactive elements, including uranium. For more details, see section 2.1 below.

Very few licensees have been granted a licence to explore for radioactive elements, including uranium, but for those who have, special terms have been laid down in their exploration licences at the same time. Currently, there are no uranium exploitation activities in Greenland, although prospecting, exploration and exploitation licences are in principle could be granted under the current Mineral Resources Act. For more details, see section 2.2 below.

It should also be noted that this Bill does not relieve anyone of their obligations, duties, etc. under other legislation. Thus, mineral resource activities comprised by this Bill must be performed in accordance with the Mineral Resources Act and Greenland Parliament Act no. 33 of 9 December 2015 on ionising radiation and radiation protection.

2.1 Abandonment of zero tolerance policy

The zero tolerance policy was abandoned by the Greenland Parliament on 23 October 2013 at the 2nd reading of the "Proposal for a decision by the Greenland Parliament for the Greenland Parliament to agree with effect from the autumn session (EM13) that the "Zero tolerance" policy for the extraction of uranium and other radioactive elements ceases".

On 21 October 2013, the Committee for Trade, Commerce, Mineral and Oil Resources issued a report for the 2nd reading of the proposal by the Greenland Parliament. According to section

1.1 of the report, the decision in principle formally meant that *"if the Greenland Parliament were to adopt the proposal, there will no longer be a threshold for the radioactive mineral content in connection with exploration or exploitation in Greenland."*

According to the original presentational memorandum provided to the Greenland Parliament on 8 October 2013:

"In 2009, the responsibility for the area of mineral resources and mineral resource activities transferred to the Government of Greenland. Highly symbolically, it was the first area of responsibility which transferred to the Government of Greenland after the introduction of the Government of Greenland in 2009. The mineral resources area includes all minerals as nothing in the legislative basis separates the mining of ore containing radioactive minerals from the mining of ore containing non-radioactive minerals."

For historical reasons, a political decision was made to introduce a "zero tolerance" policy towards mining of uranium and other radioactive materials. The zero tolerance policy has meant that all exploration licences specify that the companies are allowed to explore for all minerals except for radioactive minerals."

On 16 October 2013, the then Minister for Industry and Mineral Resources answered a number of questions from the Committee for Trade, Commerce, Mineral and Oil Resources for the above mentioned report to be issued by the Committee before the Greenland Parliament's discussion of the decision proposal. The then Minister replied, among other things, that the zero tolerance policy applied to exploration and exploitation activities and related licences concerning minerals whose radioactive content exceeded natural background levels. In this connection, the Minister also stated that the natural uranium content is typically between 0.0004-0.0006 per cent for granitic rock. The reason given by the Minister for the wish to abandon the zero tolerance policy was, among other things, the possibility of mining rare earth elements.

Neither the adoption nor the abandonment of the zero tolerance policy has given rise to any written rules on prospecting, exploration or exploitation of radioactive elements or other minerals containing radioactive elements, whether above or below the natural background levels, except for the bans in relation to small-scale activities and collection and extraction without a licence under the second sentence of section 33(1) and section 45c of the Mineral Resources Act.

The zero tolerance policy was implemented, among other things, so that individual mineral resource prospecting and exploration licences have included the mineral resources specified in the adopted standard terms for prospecting and exploration licences under the Mineral Resources Act. Those standard terms have excluded radioactive elements.

Except for provisions on the payment of royalties, there have been no changes to the standard terms for licences under the Mineral Resources Act in the period since the abandonment of the zero tolerance policy in October 2013. Thus, the general policy is still that no licences are granted for mineral activities directed at radioactive elements, including uranium.

Immediately before and after the abandonment of the zero tolerance policy by the Greenland Parliament in October 2013, however, some specific exploration licences granted under the Mineral Resources Act included radioactive elements, including uranium, subject to special terms.

2.2 The Mineral Resources Act

The purpose of this Bill is to supplement the existing Mineral Resources Act with regard to uranium prospecting, exploration and exploitation.

The Mineral Resources Act was adopted in order to ensure appropriate exploitation of mineral resources and utilisation of the subsoil in Greenland and activities in relation thereto. The purpose of the Mineral Resources Act is further to ensure that mineral resource activities are performed appropriately as well as in a sound manner as regards safety, health, the environment, resource utilisation and social sustainability.

The Mineral Resources Act in Greenland governs all aspects of mineral resource activities and exploitation of mineral resources. The aspects governed by the Act include mineral resource activities and environmental aspects. However, the Mineral Resources Act does not govern for which mineral resources a prospecting, exploration and exploitation licence can be obtained, except from the bans in relation to small-scale activities and collection and extraction without a licence under the second sentence of section 33(1) and section 45c of the Mineral Resources Act. In principle, therefore, prospecting, exploration and exploitation comprising all mineral resources is permitted – outside the scope of these provisions – if a licence to this effect has been obtained in accordance with the provisions of the Mineral Resources Act.

Prospecting for, exploration for and exploitation of mineral resources may only be carried out under a licence granted by the Government of Greenland pursuant to the provisions of the Mineral Resources Act.

A mineral resource prospecting licence typically includes preliminary reconnaissance of a limited extent and is granted for a period of five years as a general rule.

A mineral resource exploration licence is granted for a period of up to 10 years as a general rule and typically concerns more detailed activities such as geological, geochemical and geophysical surveys and drilling as well as construction of tunnels and shafts, etc.

In practice, an exploration and exploitation licence is granted separately. A mineral resource exploitation licence is granted on an exclusive basis, unless the project in question falls within the special rules of the Mineral Resources Act on small-scale activities. Exploitation activities are not defined in the Mineral Resources Act, but exploration and exploitation activities include all activities which are carried out by or on behalf of the licensee under the licence, including the establishment of the necessary infrastructure and activities in support of exploration or exploitation activities.

No licences to explore for or exploit radioactive minerals can be granted for small-scale activities under Part 8 of the Mineral Resources Act, see the second sentence of section 33(1) of the Mineral Resources Act. Furthermore, no prospecting licences for small-scale projects can be granted. Moreover, the right to collect and extract without a licence under Part 11 of the Mineral Resources Act does not include radioactive minerals, see section 45c of the Mineral Resources Act.

Uranium is thus already regulated by the Mineral Resources Act with regard to small-scale activities and collection and extraction of mineral resources without a licence. Consequently, this Bill only supplements the current Mineral Resources Act in the area of mineral resource activities which are subject to a licence under section 2(2)(i) of the Mineral Resources Act.

3. Contents of the Bill

3.1 The ban on uranium prospecting, exploration and exploitation

The Bill aims to ban uranium prospecting, exploration and exploitation.

However, mineral resource activities which are directed against resources other than uranium will be permitted if the uranium content of the ore is very limited. The background to this restriction is that the general background radiation would otherwise render it difficult or impossible to carry out a number of mineral resource activities which the Government of Greenland does not intend to ban.

An uranium threshold content of 100 ppm (parts per million) by weight is proposed, which corresponds to 0.01 per cent. This threshold corresponds to the threshold that applies in Nova Scotia, Canada, that introduced a similar uranium ban in 2009.

Additionally, the threshold is set on the basis of the fact that the natural uranium background values depend on the rock type(s) and therefore vary a lot in Greenland. For granitic rock types, the background value is typically 4-60 ppm. The natural background value for uranium is thus estimated to be less than 100 ppm. By setting the permitted threshold at 100 ppm, it is ensured that this Bill will not limit the possibility of realising projects where the uranium content does not exceed natural background values. It is also ensured that this Bill will not limit the possibility of realising projects that could have been realised during the period of the zero tolerance policy.

Conversely, the assessment is that a threshold of 100 ppm is sufficiently low to ensure the purpose of the Act. In this connection, it is estimated that with a threshold of 100 ppm, it will be possible to ensure that no mineral resource activities which give rise to major concerns in terms of radiation, contamination spread, etc. will be carried out.

Uranium may thus spread into the surrounding environment and this could potentially have a critical impact on the environment.

Also, in connection with activities targeted at uranium resources, high-risk uranium leaks, e.g. from yellow cake, may occur in connection with production, transport, process water spills, etc. By banning activities targeted at uranium, several of these risks are eliminated. By simultaneously banning mineral resource activities targeted at other mineral resources if the uranium content exceeds 100 ppm, the assessment is that the activities can be carried out in an appropriate and sound manner, also with respect to the risks associated with uranium extraction.

3.2 Other radioactive elements

No ban is introduced for prospecting, exploration and exploitation which concerns other radioactive elements, but the Government of Greenland is given the option of extending the ban to other radioactive elements. If the ban is extended to other radioactive elements, the Government of Greenland may also set thresholds for such elements.

At the same time, an examination will be made to determine whether to introduce a ban on and setting a threshold for thorium.

3.3 The scope of the Bill and its relationship to the Mineral Resources Act

The Bill does not apply to small-scale projects under Part 8 of the Mineral Resources Act or to the collection and extraction of minerals without a licence under Part 11 of the Mineral Resources Act. This is because the Mineral Resources Act already prevents small-scale exploration and exploitation of radioactive minerals. The Mineral Resources Act also prevents collection and extraction without a licence, see Part 11 of the Mineral Resources Act, of radioactive minerals. For more details, see section 2.2 above.

The scope of this Bill also includes prospecting. However, as no prospecting licences are granted for small-scale projects or for collection and extraction without a licence, the existing provisions of the Mineral Resources Act in this regard are adequate for these activities.

The activities which will be comprised by this Bill will still be regulated by the Mineral Resources Act in all other respects. This Bill therefore will not abolish any provisions of the Mineral Resources Act. Thus, licences for activities comprised by this Bill are also only obtainable under the Mineral Resources Act. For the same reason, for example, an application

for a licence under the provisions of the Mineral Resources Act may be refused even though a given project is not contrary to this Bill.

In specific cases, the Bill may lead to a deviation from the general principle of the Mineral Resources Act. Under section 29(2) of the Mineral Resources Act, a licensee under an exploration licence who has discovered and delineated deposits which the licensee intends to exploit and who has otherwise complied with the terms of the licence is entitled to be granted an exploitation licence. A licensee under an exploration licence which includes uranium is not entitled to be granted an exploitation licence for uranium after the effective date of this Bill, regardless that the licensee has discovered and delineated an uranium deposit. The same applies to the grant of an exploitation licence for other substantiated deposits which are in violation of the ban in section 1. This also applies to deposits of any radioactive elements for which the Government of Greenland has set provisions, see section 2 of the Bill.

Reference is also made to sections 1-2 of the Bill and the related explanatory notes.

The Bill further means that the Government of Greenland may restrict or revoke any mineral resource prospecting, exploration or exploitation licence if it is established that exploitation is not possible in accordance with the ban. The provision is relevant, among other things, in the situation where a major deposit of a radioactive element was not expected when an exploration licence was granted, but is discovered in the course of the exploration activities.

Reference is also made to section 3 of the Bill and the related explanatory notes.

A fine may be imposed for any violations of the ban. Under the second sentence of section 11(1) of the Criminal Code, violations of special statutes may be punishable if caused by negligence. This means that also violations caused by ordinary negligence may be subject to a fine. One consequence of this would be that a business etc. may be liable for a fine if it continues its prospecting, exploration or exploitation activities after it has or should have discovered that the ore contains such levels of elements that exploitation is not or will not be permitted under the prohibitory regime proposed by the Bill. In this connection, it is not decisive that the business has been granted a licence under the Mineral Resources Act.

If, however, a business etc. is not to be blamed for the levels of uranium contained in the ore exceeding the permitted level, it will not be liable to a fine.

Reference is also made to section 4 of the Bill and the related explanatory notes.

3.4 Specifically on the effective date of the Act

It is proposed that the Act will enter into force on [day month year] and that the Act will apply to licences granted after its effective date. This also applies to the grant of exploitation licences in continuation of an existing exploration licence.

Reference is also made to section 5 of the Bill and the related explanatory notes.

4. Economic and administrative consequences for the public sector

The Bill is not expected to have any immediate significant economic or administrative consequences for the public sector. The Bill may potentially prevent the realisation of future mining projects or parts thereof.

5. Economic and administrative consequences for the business sector

The Bill is not expected to increase the economic or administrative burdens on the business sector.

6. Consequences for the environment and nature

The Bill is assessed to potentially benefit the environment and nature of Greenland as the purpose of the Bill is to prevent uranium being extracted from the soil in such quantities as to involve a risk of adverse consequences for the environment and nature.

7. Administrative consequences for citizens

The Bill is primarily directed at commercial activities and regulates the possibilities of obtaining licences for mineral resource activities concerning uranium. As a starting point, therefore, the Bill will have no consequences for citizens.

8. Relations with the Danish Realm and the self-government arrangement

The Bill concerns mineral resource activities. The responsibility for the mineral resource area transferred to the Government of Greenland simultaneously with the adoption of the current Mineral Resources Act, and the Government of Greenland therefore has the power to manage, control and develop the mineral resource area. This also applies to the regulation envisaged in this Bill.

Prior to the envisaged abandonment of the zero tolerance policy in October 2013, the Danish government set up a working group in which authorities from Denmark and Greenland participated. The purpose of the working group was to look into the consequences involved in the extraction and export of uranium from Greenland if the zero tolerance policy was abandoned.

The working group concluded that based on international commitments, recommendations and experience gained by other countries, it could be established that uranium extraction and export required extensive regulation and the implementation of national administrative

systems with the necessary expertise. The working group also concluded that with regard to the legal assessment of the Government of Greenland's foreign policy powers, Danish and Greenland authorities disagreed. Therefore the working group recommended that Denmark and Greenland enter into cooperation agreements to ensure that Greenland would act in the interest of the Danish Realm as such in connection with the abandonment of the zero tolerance policy. The working group also found that it had not been clarified how powers would be allocated between Denmark and Greenland, for example, in terms of nuclear safety, radiation protection, etc. and the working group therefore recommended that Denmark and Greenland enter into cooperation agreements in these areas as well.

In January 2016, the Government of Greenland and the Danish government entered into an overall set of agreements which laid down the specific framework for Denmark's and Greenland's future cooperation and allocation of powers in relation to uranium extraction and export.

The set of agreements includes a general cooperation agreement on foreign policy, defence policy and national security policy matters relating to uranium extraction and export from Greenland. In Denmark, rules governing security and export controls were adopted on that background, based on EU regulation.

The set of agreements further includes an agreement concerning Greenland's safeguarding of nuclear security in connection with mining activities. According to this agreement, the area of nuclear security under the Danish Nuclear Installations Act (*atomanlægsloven*) and the Danish Act on Security and Environmental Aspects of Nuclear Installations etc. (*lov om sikkerhedsmæssige og miljømæssige forhold ved atomanlæg mv.*) falls within the power of the Government of Greenland. The agreement included approval and supervision of the construction and operation of nuclear installations in connection with mining activities and related uranium and thorium processing.

The purpose of the provisions of this Bill is generally to introduce stricter legislation with regard to uranium extraction etc. The Ministry therefore does not believe that the Bill will give rise to any concerns regarding the above mentioned set of agreements or rules or the interests of the Danish Realm in other areas.

9. Consultation of authorities and organisations

In the period from July 2. to August 2., the Bill was made available on the consultation portal of the Government of Greenland: www.naalakkersuisut.gl.

The Bill was also put out to consultation with the following authorities, organisations and businesses:

[...]

The Ministry of Mineral Resources received responses from the following authorities, organisations and businesses:

[...]

Explanatory notes to the individual provisions of the Bill

To section 1

This section provides the ban proposed by the Bill. The purpose of the Bill is to ban any kind of uranium prospecting, exploration and exploitation.

To subsection (1)

Under subsection (1), uranium prospecting, exploration and exploitation is not permitted. This applies regardless of whether uranium is the main product of the project or a by-product.

Uranium occurs naturally in rocks and sediments, and any licence area or potential licence area will therefore always include a certain amount of uranium. A genuine zero tolerance policy in respect of any uranium extraction would therefore prevent the realisation of mining projects even where the uranium content is so low that it must be assumed that the project may be realised without significant radiation or risk of other effects impacting on health, nature, the environment, etc.

The ban imposed in subsection (1) should therefore be read in connection with subsection (2) of the Bill, which provides that mining projects where it is necessary to extract uranium under the permitted threshold fall outside the scope of the prohibitory regime.

The prohibitory regime of the provision does not include small-scale projects and the collection and extraction of minerals without a licence, see Parts 8 and 11 of the Mineral Resources Act, as radioactive minerals, including uranium, are already excluded from such activities under the Mineral Resources Act. For more details, see also sections 2.2 and 3.3 above.

To subsection (2)

According to subsection (2) of the Bill, the ban under subsection (1) will not apply if the average uranium content is less than 100 ppm, corresponding to 0.01 per cent, *and* if the ore is extracted for non-uranium prospecting, exploration and exploitation purposes.

The exclusion in subsection (2) contains two cumulative conditions.

Thus, mineral resource prospecting, exploration and exploitation is only permitted if the total uranium content of the amount of ore being extracted is lower than the permitted threshold *and* if the ore is extracted for purposes other than uranium prospecting, exploration and exploitation.

Thus, no targeted uranium prospecting, exploration or exploitation is permitted. This applies even where the level of uranium is lower than the threshold mentioned in subsection (2). Uranium is therefore not permitted as one of the mineral resources comprised by a licence under the Mineral Resources Act.

Similarly, there can be no prospecting or exploration for or exploitation of any other mineral resources if the average uranium content exceeds the permitted threshold.

The purpose of the exclusion is to allow the realisation of mineral resource projects which contemplate exploiting other mineral resources than uranium, but where in the course of the activities a certain amount of uranium will be extracted as a result of the natural background values in the ore.

The provision should be read in the context of the permitted threshold. Thus, the total resource must not have an average uranium content which exceeds the permitted threshold.

The calculation of whether this is the case must be based on the average uranium content in the total resource. The purpose is to prevent that a project cannot be realised if a few of the activities of the project, including in connection with drill cores or the like, involve levels of uranium which exceed the permitted threshold. Basically, the uranium content may vary depending on the composition of the ore in different parts of the licence area, and a licence area should thus be expected to have different concentrations of uranium in different places.

The calculation will thus be based on the total substantiated resource. The proportionate uranium content of the total resource must not exceed the permitted threshold.

A more detailed description of the resource will usually be provided in a feasibility study. As a result of the 2019 amendment of the Mineral Resources Act, there is no longer a requirement for a feasibility study, but the requirement for the licensee to describe the resource of the licence area by way of a report, drill cores or otherwise still remains.

It is assumed that the licensee will describe the resource and its uranium content based on the same standards as those that apply to the substantiation of deposits under the Mineral Resources Act. The licensee must thus use internationally acknowledged methods and standards for examining and assessing the resource. Furthermore, a licensee must apply good and internationally acknowledged reporting standards for the mineral industry when preparing and submitting reports to the Government of Greenland on the resource.

Such reporting standards are often referred to as mineral reporting standards and they provide general provisions on how licensees must report on resources and various other matters to investors, potential investors and their advisers. Thus, for example, the licensee may use the

Australian reporting standard known as the JORC Code, the Canadian reporting standard known as National Instrument 43-101 Standards of Disclosure for Mineral Projects, which refers to the CIM Definition Standards on Mineral Resources and Mineral Reserves, the CIM Definition Standards, the South-African reporting standard known as the SAMREC Code or the pan-European reporting standard known as the PERC Reporting Standard. In this connection, it is also a requirement that the licensee can specify the total uranium content of the resource.

As a clear main rule, the assessment of whether the mineral resource activities are in accordance with section 1 will be made on the above mentioned background, which will often imply that it will only be during the course of the exploration activities that it can be established if the threshold has been complied with. However, mineral resource activities will not be permitted to continue if it is clear or should be clear to the licensee in other ways that the activities cannot be carried out in accordance with section 1.

The authorities are charged with the task of monitoring and may if necessary decide on or issue enforcement notices concerning the licensees' calculations of resources and the uranium content therein. One of the reasons for this is to avoid circumvention of the permitted uranium threshold content or of the permitted thresholds for other radioactive elements pursuant to section 2 of the Bill. The authorities may make such decisions or issue such enforcement notices on the basis of draft decisions or directions from the authorities' technical consultants.

It is emphasised that the provisions of the Mineral Resources Act apply correspondingly, and the licensee is therefore subject to a duty to inform in respect of the Government of Greenland. Reference is also made to section 3 of the Bill, which provides that the Government of Greenland may restrict or revoke a licence if it is established that exploitation is not possible in accordance with section 1. Licensees will thus also be subject to a duty to inform the Government of Greenland of any matters that may be relevant to the assessment of whether a licence should be restricted or revoked.

As a consequence of the prohibitory regime, any uranium that has been extracted in connection with mineral resource activities will have to be disposed of. It must be disposed of in accordance with the provisions of the Mineral Resources Act in force at any time, including the rules on appropriate utilisation of mineral resources. It is thus for the authorities and the Government of Greenland as usual to determine whether to grant an approval for a given project under the Mineral Resources Act, and the handling of by-products, other waste etc. must be a factor in this determination. Thus, no prospecting, exploration or exploitation licences are obtainable under this Bill. It is therefore not a given that a project will be approved under the Mineral Resources Act although it is not contrary to the prohibitory regime of this Bill. By way of example, an application for an exploitation licence under the provisions of the Mineral Resources Act may be refused if the contemplated handling of the

uranium as a by-product in an environmentally sound manner is not possible. This applies even if the uranium content is in accordance with section 1 of this Bill.

To section 2

This section proposes to authorise the Government of Greenland to lay down provisions to the effect that the ban in section 1 also applies to other radioactive elements, and also to authorise the Government of Greenland to set the permitted thresholds for such radioactive elements.

At the same time, an examination will be made to determine whether to introduce a ban on and setting a threshold for thorium.

To subsection (1)

This subsection proposes to authorise the Government of Greenland to introduce provisions according to which the ban in section 1 will apply to other radioactive elements than uranium.

A ban on other radioactive elements laid down under the provision will have effect at the earliest from the date when a notice to that effect is issued. Future bans on other radioactive elements will thus not affect existing licences.

To subsection (2)

This section proposes to authorise the Government of Greenland to set permitted thresholds for other radioactive elements if the authorisation under subsection (1) to include other radioactive elements in the ban in section 1 is utilised.

The permitted threshold in section 1(2) of the Bill thus only concerns uranium and is not necessarily appropriate for other radioactive elements that may be included under the Bill.

The Government of Greenland may further lay down rules on restriction and revocation of prospecting, exploration and exploitation licences for the relevant radioactive elements.

To section 3

This section proposes to authorise the Government of Greenland to revoke or amend prospecting, exploration and exploitation licences under the Mineral Resources Act if it is established that the activities under the licence are not or cannot be carried out in accordance with section 1 of the Bill.

Thus, the Government of Greenland may decide to amend a licence or to revoke a licence in its entirety if the Government of Greenland believes that it will not be possible later to exploit mineral resources without at the same time extracting uranium above the permitted threshold.

The authorisation to revoke or restrict a licence under this provision will be available only in cases where prospecting, exploration and exploitation activities will not be possible in accordance with section 1 of the Bill.

Licensees who in connection with their activities and on suspicion or discovery of uranium deposits are unsure whether it would be legal to continue the mineral resource activities may contact the authorities for clarification.

The provision does not change the Government of Greenland's authority to lay down provisions on revocation or restriction of licences, standard terms, etc. and, similarly, the Government of Greenland will still be authorised to revoke or restrict licences to the extent that this is possible in accordance with the general rules of administrative law in this regard.

It is assumed that the Government of Greenland will not make any decisions under this provision which are more intrusive than necessary. By way of example, a licence should not be revoked as a general rule if section 1 of the Bill can be complied with by restricting the licence area or by excluding certain mineral resources from the licence.

No provisions are laid down on compensation to licensees for revoked or restricted licences. Thus, the provisions of the Bill do not permit compensation to licensees for lost or restricted licences.

To section 4

This section concerns the imposition of sanctions for violations of the provisions of the Bill.

Under this section, sanctions will not be imposed in connection with all mineral resource activity involving uranium, including uranium above the permitted thresholds. Mineral resource activities may occur, e.g. in connection with drill cores in the exploration phase, where on an isolated basis uranium exceeding the permitted thresholds is extracted, but where it is still assumed that, as a whole, the project may be carried out in accordance with the prohibitory regime. The provision on sanctions should thus be read in the context of the calculation of the uranium amount which is made under section 1 of the Bill.

In this connection, it should be noted that licensees under the Mineral Resources Act are subject to a duty to inform and that compliance with this duty is assumed when uranium occurrences are discovered. Thus, licensees who in connection with their activities and on suspicion or discovery of uranium deposits are unsure whether it would be legal to continue

the mineral resource activities may and are encouraged to contact the authorities for clarification.

To subsection (1)

This subsection implies that sanctions may be imposed in the form of a fine for activities carried out contrary to section 1 of the Act.

To subsection (2)

This subsection provides that legal persons etc. violating subsection (1) may also be subject to a fine for such violation.

To subsection (3)

This subsection establishes that any fines imposed will accrue to the Treasury.

To subsection (4)

It follows from this provision that in rules issued under section 2, rules may be laid down for a fine to be imposed for any violation of the ban.

To section 5

This subsection concerns the effective date and transitional provisions of the Bill.

To subsection (1)

This subsection proposes an effective date for the Bill of [day month year].

To subsection (2)

Subsection (2) proposes to have the Bill apply only to licences granted after the effective date of the Act, see subsection (1).

The provision means that licences, standard terms, etc. already granted will not be affected by the Bill. An exploration licence comprising uranium will thus survive the adoption of this Bill.

Conversely, as a result of the transitional provision, no new licences comprising uranium can be granted after the effective date of the Bill. This also applies to the grant of exploitation licences in continuation of an existing exploration licence.

After the effective date of the Bill, no uranium exploitation licence can be granted to licensees who, prior to the effective date of the Bill, held an exploration licence comprising uranium. This applies regardless that the licensees will usually have a conditional right to obtain an exploitation licence for uranium deposits discovered under section 29(2) of the current Mineral Resources Act.