

Local Knowledge for Global Business

There has been approved the procedure for issuing permits for the right to use subsoil plots in Uzbekistan

In accordance with the Decree of the President of the Republic of Uzbekistan "On measures to further stimulate geological exploration and improve the procedure for taxing subsoil users" No.УП-6319 dated October 6, 2021 from January 1, 2022:

- ▶ the special procedure for putting up for auction the right to use subsoil plots for geological exploration or extraction of hydrocarbons, precious, non-ferrous, rare and radioactive metals and other types of objects of ore minerals has been established:
- ▶ land plots allotted for exploration and (or) survey work are not subject to taxation by land tax from legal entities;
- ▶ an annual license fee for the use of subsoil for geological exploration calculated on the basis of the allotted area and types of minerals has been introduced.

The Resolution of the Cabinet of Ministers "On measures to further improve the procedure for issuing permits for the right to use subsoil plots" No.133 dated March 25, 2022 approved the Regulation on the procedure for artisanal mining of precious metals(the "Regulation").

In accordance with the Regulation:

- permits for the extraction of precious metals are issued for subsoil plots annually approved by the State Committee for Geology and Mineral Resources.
- ▶ subsoil plots are placed as a lot on the "E-auksion" web portal, the starting price of one hectare of which will be determined at 35 based calculation value (approximately USD 836). Permits are issued to winners based on the results of the auction in the "E-auksion" system, only those who are residents of Uzbekistan for a period of 3 years.
- entrepreneurs who receive the right to use subsoil plots, before starting excavations, must notify local authorities, committees for ecology and environmental protection and industrial safety, and the Inspectorate for control of mining and geological activities in writing.

Practice areas

LICENSES AND PERMITS, SUBSOIL USE

Locations

UZBEKISTAN