Law of the PRC on the Exploration and Development of Resources in the Deep Seabed Areas

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Chapter I — General Provisions

Article 1 — This Law is enacted for the purposes of regulating activities for the exploration and development of resources in the deep seabed areas, promoting the sustainable development of the deep sea science and technology, advancing the peaceful use of the deep seabed areas, protecting the marine environment, safeguarding the common interests of mankind, and fulfilling the obligations of the People's Republic of China as a State Party to the United Nations Convention on the Law of the Sea.

Article 2 — This Law shall apply to activities for the exploration and development of resources in the deep seabed areas as defined in the United Nations Convention on the Law of the Sea, which are carried out by

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citizens, legal persons, or other organizations of the People's Republic of China. For purposes of this Law, the "deep seabed areas" means the seabed and ocean floor and subsoil thereof beyond the limits of national jurisdiction of the People's Republic of China.

Article 3 — The state shall encourage and support activities for the exploration and development of resources in the deep seabed areas, promote international cooperation, and safeguard the lawful rights and interests of citizens, legal persons, and other organizations of the People's Republic of China engaged in such activities.

Article 4 — The administrative department of oceanic affairs under the State Council shall be responsible for the supervision and administration of activities for the exploration and development of resources in the deep seabed areas. Other relevant departments under the State Council shall, in accordance with their respective functions and duties as prescribed by the State Council, perform the relevant work of supervision and administration.

Article 5 — In the exploration and development of resources in the deep seabed areas, the state shall adhere to the principles of peaceful use, cooperative sharing, protection of the environment, and safeguarding the common interests of mankind, and shall preserve and protect the marine environment.

Chapter II — Exploration and Development

Article 6 — Citizens, legal persons, and other organizations of the People's Republic of China that intend to engage in the exploration and development of resources in the deep seabed areas shall first file an application with the administrative department of oceanic affairs under the State Council for a permit. The administrative department of oceanic affairs under the State Council shall examine the application and decide whether or not to grant the permit. In the case of granting a permit, it shall issue a permit for the exploration and development of resources in the deep seabed areas.

Article 7 — Citizens, legal persons, and other organizations of the People's Republic of China that file an application for engaging in the exploration and development of resources in the deep seabed areas shall meet the following conditions:

(1) having the financial resources, technical capability, and equipment necessary for the exploration and development of resources in the deep seabed areas;

(2) having experience in and a good record of conducting activities relating to the exploration and development of resources in the deep seabed areas; and

(3) other conditions as prescribed by the administrative department of oceanic affairs under the State Council.

Article 8 — The administrative department of oceanic affairs under the State Council shall, in the process of examination and approval, consider the opinions of the relevant departments under the State Council and conduct an environmental impact assessment review.

Article 9 — A permit holder shall carry out exploration and development of resources within the term and area specified in the permit, and shall report the progress of exploration and development to the administrative department of oceanic affairs under the State Council in accordance with regulations.

Article 10 — A permit holder shall, in accordance with relevant regulations of the state, pay the resource taxes and fees that ought to be paid.

Article 11 — A permit holder may not transfer, lease out, or lend the permit, or allow any other entity or individual to engage in exploration and development of resources under the name of the permit holder. A permit holder may, with the approval of the administrative department of oceanic affairs under the State Council, transfer the permit. The specific measures shall be formulated by the State Council.

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Article 12 — Where a permit holder, in the course of exploration and development, discovers cultural relics or other objects of an archaeological or historical nature, it shall protect them and promptly report the discovery to the administrative department of oceanic affairs under the State Council and the administrative department of cultural relics.

Chapter III — Environmental Protection

Article 13 — A permit holder shall, before carrying out exploration and development of resources, conduct an environmental impact assessment and prepare an environmental impact report. The environmental impact report shall be submitted to the administrative department of oceanic affairs under the State Council for examination and approval.

Article 14 — A permit holder shall, in accordance with the environmental impact report approved by the administrative department of oceanic affairs under the State Council and the relevant laws and regulations of the state, adopt necessary measures to prevent, reduce, and control pollution and other hazards to the marine environment caused by the exploration and development of resources, and protect the marine ecosystem.

Article 15 — A permit holder shall formulate contingency plans for environmental emergencies and shall take emergency measures promptly when an environmental emergency occurs, and shall report to the administrative department of oceanic affairs under the State Council and other relevant departments.

Article 16 — The administrative department of oceanic affairs under the State Council shall supervise and inspect the implementation of the environmental protection measures by the permit holder and shall order the permit holder to make corrections if it finds any problems.

Chapter IV — Scientific Research

Article 17 — The state shall encourage and support scientific research relating to the exploration and development of resources in the deep seabed areas, promote the development and application of technologies relating to the exploration and development of resources in the deep seabed areas, and improve the capacity for independent innovation.

Article 18 — Citizens, legal persons, and other organizations of the People's Republic of China that intend to engage in scientific research on resources in the deep seabed areas shall file the research plan and other materials with the administrative department of oceanic affairs under the State Council for the record.

Article 19 — The state shall encourage and support international cooperation in scientific research on resources in the deep seabed areas, and shall support and promote technical training and personnel exchanges in this field.

Article 20 — Research vessels and equipment used for scientific research on resources in the deep seabed areas shall comply with the relevant technical standards of the state and shall be subject to supervision and inspection by the administrative department of oceanic affairs under the State Council.

Chapter V — Supervision and Administration

Article 21 — The administrative department of oceanic affairs under the State Council shall supervise and inspect the activities of permit holders in their exploration and development of resources in the deep seabed areas and shall have the authority to take the following measures:

(1) entering the sites of the permit holders for inspection;

(2) requiring the permit holders to provide relevant documents and materials;

(3) questioning the relevant persons of the permit holders; and

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(4) ordering the permit holders to cease and desist from illegal acts.

Article 22 — In the course of supervision and inspection, the personnel of the administrative department of oceanic affairs under the State Council and other relevant departments shall produce their law enforcement credentials. The permit holders and other relevant entities and individuals shall cooperate and may not obstruct or refuse such supervision and inspection.

Article 23 — The administrative department of oceanic affairs under the State Council shall establish an information-sharing mechanism for the exploration and development of resources in the deep seabed areas and shall promptly release relevant information to the public.

Chapter VI — Legal Liability

Article 24 — Where any entity or individual, in violation of the provisions of this Law, engages in the exploration and development of resources in the deep seabed areas without obtaining a permit, the administrative department of oceanic affairs under the State Council shall order it or the individual to cease the illegal act, confiscate the illegal gains, and impose a fine of not less than 500,000 yuan but not more than 1,000,000 yuan; if the circumstances are serious, a fine of not less than 1,000,000 yuan but not more than 2,000,000 yuan shall be imposed.

Article 25 — Where a permit holder commits any of the following acts, the administrative department of oceanic affairs under the State Council shall order it to make corrections and may impose a fine of not less than 100,000 yuan but not more than 500,000 yuan:

(1) carrying out exploration and development beyond the term, area, or type of resources specified in the permit;

(2) transferring, leasing out, or lending the permit, or allowing any other entity or individual to engage in exploration and development of resources under the name of the permit holder without approval; or

(3) failing to report the progress of exploration and development to the administrative department of oceanic affairs under the State Council in accordance with the regulations.

Article 26 — Where a permit holder, in violation of the provisions of this Law, causes pollution or other hazards to the marine environment, the administrative department of oceanic affairs under the State Council shall order it to make corrections and impose a fine of not less than 200,000 yuan but not more than 1,000,000 yuan; if the circumstances are serious, the permit shall be revoked and a fine of not less than 1,000,000 yuan but not more than 2,000,000 yuan shall be imposed. If a crime is constituted, criminal liability shall be investigated in accordance with the law.

Article 27 — Where a permit holder, in violation of the provisions of this Law, fails to adopt emergency measures promptly when an environmental emergency occurs, the administrative department of oceanic affairs under the State Council shall order it to make corrections and impose a fine of not less than 100,000 yuan but not more than 500,000 yuan.

Article 28 — Where any staff member of the administrative department of oceanic affairs under the State Council or any other relevant department, in the course of supervision and administration, abuses power, neglects duties, or engages in malpractices for private gain, sanctions shall be imposed in accordance with the law; if a crime is constituted, criminal liability shall be investigated in accordance with the law.

Chapter VII — Supplementary Provisions

Article 29 — This Law shall enter into force on May 1, 2016.

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