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**MONITORING OF PERMITTING ACTIVITIES AND
CHANGES IN THE REGULATION OF EXTRACTIVE
INDUSTRIES**

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Auctions and special permits for subsoil use

The Ukrainian Geological Survey has [published](#) information on the issuance of 2 special permits for mining and development on:

- loam in the Zakhidna Valkivske deposit area in the Kharkiv region (20 years);
- sand on the Pivnichna and Pivdenna parts of the Novotrostryanetska-2 site in the Lviv region (20 years).

Grounds for issuing special permits: provided that the total area of the subsoil plot does not exceed 25 hectares, and the applicant is the owner of the plot.

The Ukrainian Geological Survey [announced](#) the fourth auctions for the sale of special permits. 14 subsoil plots with deposits of primary kaolin, sand, refractory clay, marble, granite, amber, underground drinking water, rotten stone, siliceous chalk, limestone are offered for auction. The total initial cost of the lots is UAH 71,143,286.75. Trading will take place on the [Prozorro](#) platform on March 7 in real time.

№	The name of the object	A type of mineral	Region	The initial price of the lot, UAH
1.	Sadova site	primary kaolin	Vinnytsia	5 018 280
2.	Novokostiantynivska site	sand	Odesa	568 000
3.	Plot Zhalyanska-2	clay is easy to melt	Rivne	437 360
4.	Bevkul site	marble	Zakarpattia	113 600
5.	Voznesensk site	granite	Mykolayiv	568 000
6.	Sorochynska 2 plot	sand	Poltava	937 200
7.	Yuriivska-7 site	amber	Rivne	3 210 194
8.	Lysynets site, where the spring No. 2-n is located	underground drinking water (for non-centralized water supply)	Ivano-Frankivsk	2 663 801
9.	Plot Zarichna-13	amber	Rivne	3 658 772
10.	Plot Kryuchkova 1	amber	Rivne	1 956 760
11.	Yuriivska plot-6	amber	Rivne	3 212 040
12.	Nemiyske deposit	rotten stone, siliceous chalk, phosphate-containing limestone, low-phosphate limestone	Vinnytsia	5 572 293,40
13.	Bushanske deposit	phosphate-containing limestone, low-phosphate limestone, trepel, siliceous chalk	Vinnytsia	2 157 568,05
14.	Section of the Polyove deposit (wells No. 0627A, 0629A)	underground drinking water (for non-centralized water supply)	Kirovohrad	41 069 418,30

On February 13, 2024, the State Geological Survey held repeated auctions for 6 special permits for the use of subsoil, but the auctions did not take place due to the lack of participants.

Repeat auctions for the following special permits are also scheduled for February 20, 23, and 27, 2024:

№	The name of the object	A type of mineral	Region	The initial price of the lot, UAH
1.	Vilshansk (Pidhorodnyansk) deposit	granite	Kirovohrad	7 743 173
2.	Kryuchkova plot	amber	Rivne	3 431 740
3.	Potashnyanske deposit	sand	Kyiv	3 064 996
4.	The Pivdenna section of the Zborivskoe deposit	andesite-dacite	Zakarpattia	15 999 826,74
5.	Shakhtodilyanka Krasnolymanska (layer k5v)	the main one is hard coal and secondary ones are gas (methane) of coal deposits, germanium in hard coal	Donetsk	32 527 179,30
6.	Plot Luhova-113	amber	Rivne	9 685 962
7.	Stugna plot	sand	Kyiv	31 950
8.	Plot Ozerna-16	amber	Rivne	6 822 816
9.	Bovkun deposit	granite, migmatite, crystalline slate	Kyiv	2 597 163,45

Regulatory initiatives

The Cabinet of Ministers of Ukraine approved the plan of priority actions of the Government for 2024

Among other things, the plan of priority actions envisages the following measures related to subsoil use:

Action	Responsible for implementation	Term	Execution indicators	Expected results
Development and submission to the Cabinet of Ministers of Ukraine of a draft resolution on some issues of the use (realization) of a part of the produced products that remains in the state's ownership in accordance with the agreement on the distribution of products (natural gas) (further - PSA)	Ministry of Energy The Ukrainian Geological Survey Ministry of Economy State Tax Service Ministry of Environmental Protection and Natural Resources of Ukraine	May	the resolution of the Cabinet of Ministers of Ukraine adopted	definition of a clear mechanism for the use (realization) of the state part of the produced products in accordance with the agreement on the distribution of hydrocarbons in kind within the framework of the implementation of the PSA
Development and submission to the Cabinet of Ministers of Ukraine of draft orders of the Cabinet of Ministers of Ukraine regarding the signing of additional PSAs	Ministry of Energy The Ukrainian Geological Survey Ministry of Economy State Tax Service Ministry of Environmental Protection and Natural Resources	December	additional agreement No. 1 to the Agreement on the distribution of hydrocarbons to be extracted within the Okhtyrka site was signed	increasing the volume of hydrocarbon production through the implementation of signed production sharing agreements; regulation of terms and conditions for the start of hydrocarbon extraction according

			additional agreement No. 1 to the Agreement on the distribution of hydrocarbons to be extracted within the Grunivska site was signed	to the signed agreements, which will enable the investor to carry out
Development and submission to the Cabinet of Ministers of Ukraine of a draft resolution of the Cabinet of Ministers of Ukraine on approving the list of subsoil areas (mineral deposits) that are of strategic importance for the sustainable development of the economy and defense capabilities of the state, which will be provided for use through auctions for the sale of special permits for the use of subsoil	Ministry of Environmental Protection and Natural Resources of Ukraine The Ukrainian Geological Survey	September	the resolution of the Cabinet of Ministers of Ukraine adopted	ensuring quick and transparent access of subsoil users to mineral deposits, increasing the amount of funds coming to the state budget
Implementation of modern digital technologies for storing and using geological data to simplify independent analysis and investment decision-making by investors	Ministry of Environmental Protection and Natural Resources The Ukrainian Geological Survey	December	the functionality of the subsoil user's electronic cabinet has been expanded	ensuring the possibility of access to the State Register of special permits for the use of subsoil, obtaining an electronic form of a special permit for the use of subsoil, introducing access of subsoil users to digitized geological information that is the property of the state
Development and submission to the Cabinet of Ministers of Ukraine of the draft State Targeted Economic Program for the Development of the Nuclear Industrial Complex of Ukraine for the period until 2028	Ministry of Energy state enterprise "Eastern Mining and Processing Plant" (by agreement)	March	the order of the Cabinet of Ministers of Ukraine was adopted	ensuring sustainable functioning and further development of the uranium mining and processing complex to increase the volume of production of uranium oxide concentrate
Development and submission to the Cabinet of Ministers of Ukraine of the draft of the State target environmental program	Ministry of Energy state enterprise "Eastern Mining and Processing Plant" (by agreement)	March	the order of the Cabinet of Ministers of Ukraine was adopted	safe decommissioning of the uranium mining and uranium processing complex of the Smolinsk mine of the state

for the decommissioning of the uranium facility for the period until 2028				enterprise "Eastern Mining and Processing Plant", bringing the territory with an increased level of ionizing radiation to an ecologically safe state, ensuring the protection of the population's health, as well as creating the foundations for the sustainable development of the rehabilitated territories
Development and submission to the Cabinet of Ministers of Ukraine of a draft law on amendments to the Tax Code of Ukraine regarding the payment of an environmental tax for waste disposal and disposal of extractive industry waste	Ministry of Environmental Protection and Natural Resources Ministry of Finance State Tax Service	May	the Cabinet of Ministers of Ukraine submitted a draft law to the Verkhovna Rada of Ukraine	establishment of environmental tax rates taking into account the type and class of waste, as well as the characteristics of waste from the extractive industry, which is consistent with the best European practices in collecting tax on waste disposal
Development and submission to the Cabinet of Ministers of Ukraine of a draft law on waste from the extractive industry	Ministry of Environmental Protection and Natural Resources	March	the Cabinet of Ministers of Ukraine submitted a draft law to the Verkhovna Rada of Ukraine	determination of the legal, economic and organizational principles of activities related to waste management of the extractive industry with the aim of preventing or reducing the negative consequences of the activities of extractive industry enterprises on the environment and human health

It is worth [noting](#) that the resolution of the Cabinet of Ministers of Ukraine on some issues of use (sale) of a part of the produced products that remains in the state's ownership in accordance with the agreement on the distribution of products (natural gas) has already been adopted, as NadraMonitor reported in the [previous](#) issue.

Other news of the government, executive authorities, companies

On February 20, 2024, the [presentation](#) of the 2022 report of the Extractive Industries Transparency Initiative (EITI) of Ukraine will take place. During the event, the following will be presented:

- qualitative and quantitative indicators of the depth of coverage of the EITI Report;
- impact of EITI on ensuring transparency and accountability;
- analysis of compliance with the international EITI Standard;
- possibilities of the Electronic system of analysis and reporting of EITI in Ukraine.

During the monitoring period, the Cabinet of Ministers of Ukraine also adopted the following decisions:

- approved the [financial](#) plan of the joint-stock company "United Mining and Chemical Company" for 2024;
- adopted an order with an appeal from the National Bank of Ukraine with a request to grant a separate permit for the cross-border transfer of currency values for the following companies: [PJSC DTEK PAVLOGRADVUHILLYA](#), [LLC "NGD Holding"](#), [PJSC "Inguletsky Mining and Processing Plant"](#), [PJSC "Northern Mining and Enrichment Plant"](#), [PJSC "NAFTOGAZVYDOBUVANNYA"](#), [LLC "DTEK POKROVSKA SONYACHNA ELEKROSTANCIA"](#), [LLC "DTEK Kurakhiv Thermal Power Station"](#). The companies are part of the DTEK group and have received permission to pay dividends to the company's shareholders or pay off credit debts.

In 2023, JSC "NAK Naftogaz of Ukraine" [received](#) the highest production figures from capital repair of wells in the last 4 years. It is reported that this indicator exceeded the production in 2021 by 20%. In particular, JSC "Ukrgezvydobuvannya" recently carried out major repairs and restored an old well, which now additionally yields more than 340,000 cubic meters. m of gas per day.

JSC "NAK Naftogaz of Ukraine" [paid](#) UAH 6.1 billion to the state budget of Ukraine for January 2024. UAH 500 million was additionally directed to local budgets.

On February 20, 2024, there will be a public [report](#) by the Head of The Ukrainian Geological Survey Opimakh Roman on the results of the department's work in 2023 and plans for 2024.

The Security Service of Ukraine [informed](#) the Russian oligarch Oleg Deripaska about the suspicion and detained his Ukrainian top managers, who supplied the Russian Federation with raw materials for the production of missiles. In particular, we are talking about the

managers of the company "Glukhiv Quarry of Quartzites". From 2012 until the beginning of the full-scale invasion of the Russian Federation, the management of the mining company supplied Russia with wholesale batches of rock for steel smelting.