

**Federal Law on the Continental Shelf of the Russian Federation,
adopted by the State Duma on 25 October 1995**

This Federal Law defines the status of the continental shelf of the Russian Federation, the sovereign rights and jurisdiction of the Russian Federation over its continental shelf and their exercise in accordance with the Constitution of the Russian Federation, the generally recognized principles and rules of international law and the international treaties of the Russian Federation. Matters relating to the continental shelf of the Russian Federation and activities thereon not provided for in this Federal Law shall be regulated by other federal laws applicable to the continental shelf of the Russian Federation.

CHAPTER I
GENERAL PROVISIONS

Article 1
Definition of the limits of the continental shelf of the Russian Federation

The continental shelf of the Russian Federation (hereinafter referred to as "the continental shelf") comprises the seabed and subsoil of the submarine areas situated beyond the territorial sea of the Russian Federation (hereinafter referred to as "the territorial sea") throughout the natural prolongation of its land territory to the outer edge of the continental margin.

The continental margin is the prolongation of the land mass of the Russian Federation and consists of the seabed and subsoil of the shelf, the slope and the rise.

The definition of the continental shelf also applies to all the islands of the Russian Federation.

The inner edge of the continental shelf is the outer edge of the territorial sea.

In accordance with the provisions of article 2 of this Federal Law, the outer edge of the continental shelf is situated at a distance of 200 nautical miles from the baselines from which the width of the territorial sea is measured, provided that the outer edge of the continental margin does not extend for a distance of more than 200 nautical miles.

If the continental margin extends for a distance of more than 200 nautical miles from the aforementioned baselines, the outer edge of the continental shelf coincides with the outer edge of the continental margin determined in accordance with the rules of international law.

Article 2
Delimitation of the continental shelf

The delimitation of the continental shelf between the Russian Federation and States whose coasts lie opposite the coast of the Russian Federation or are adjacent to the coast of the Russian Federation shall be effected on the basis of the international treaties of the Russian Federation or the rules of international law.

Article 3
Charts and lists of geographical coordinates

The lines of the outer limits of the continental shelf or the lists of geographical coordinates substituted for such lines which are confirmed by the Government of the Russian Federation, with an indication of the basic geodesic data and the lines of delimitation determined by the international treaties of the Russian Federation or in accordance with the rules of international law, shall be indicated on charts of the regulation scale or published in the "Notices to Navigators".

A data bank concerning the outer edge of the continental shelf shall be compiled by the federal agency specifically authorized to do so by the Government of the Russian Federation.

Article 4
Fundamental concepts

For the purposes of this Federal Law the following fundamental concepts shall be used:

The natural resources of the continental shelf means the mineral and other non-living resources of the seabed and the subsoil (hereinafter referred to as "mineral resources"), together with living organisms belonging to "sedentary species", that is to say, organisms which, at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil (hereinafter referred to as "living resources"). A list of the species of living organisms which are natural resources of the continental shelf shall be drawn up by the federal fisheries agency specifically authorized to do so. The mineral and living resources of the continental shelf are under the control of the Russian Federation; activities connected with the exploration and exploitation (harvesting) of such resources and their protection fall within the competence of the Government of the Russian Federation.

The harvesting of the living resources of the continental shelf (hereinafter referred to as "harvesting") is a comprehensive process including the catching, landing, processing, transport and preservation of products and their transshipment, as well as the supply of fishing vessels and installations with fuel, food and water, and packaging and other materials.

Marine scientific research on the continental shelf (hereinafter referred to as "marine scientific research") means basic or applied research, and experimental work conducted for the purposes of such research, for the acquisition of knowledge about all aspects of the natural processes taking place on the seabed and in the subsoil thereof.

Marine resource research on the continental shelf (hereinafter referred to as "resource research") means applied scientific research activities for the study, exploration and exploitation of mineral resources and the harvesting of living resources.

Harmful substance means a substance which, if it finds its way into the sea, may create a danger to human health, damage living resources or marine flora or fauna, impair leisure amenities or interfere with other forms of legitimate use of the sea, or a substance subject to control under the international treaties of the Russian Federation.

Dumping means any deliberate discharge of waste or other materials from vessels and other floating facilities, from aircraft or from artificial islands, installations and structures; the discharge of wastes or other materials inherent in or resulting from the normal operation of vessels, aircraft, artificial islands, installations and structures, with the exception of wastes or other materials transported by vessels, aircraft, installations or structures which are operated for the purposes of discharging such materials or wastes, or other materials being delivered to such vessels, aircraft,

artificial islands, installations or structures, and with the exception of wastes and other materials resulting from the processing of such wastes or other materials on such vessels, aircraft, artificial islands, installations and structures shall not be regarded as dumping, nor shall the deposition of materials for purposes other than their simple disposal, provided that such action does not conflict with the purposes of this Federal Law or the international treaties of the Russian Federation.

Article 5 Rights of the Russian Federation over the continental shelf

The Russian Federation exercises over the continental shelf:

1. Sovereign rights for the purpose of exploring the continental shelf and exploiting its mineral and living resources. These rights are exclusive in the sense that if the Russian Federation does not explore the continental shelf or exploit its natural or living resources, no one may undertake these activities without the consent of the Russian Federation;

2. The exclusive right to authorize and regulate drilling on the continental shelf for all purposes;

3. The exclusive right to construct, and to authorize and regulate the erection, operation and use of artificial islands, installations and structures. The Russian Federation exercises jurisdiction over such artificial islands, installations and structures, including jurisdiction with respect to customs, tax, health and immigration laws and safety laws and regulations;

4. Jurisdiction with respect to:

Marine scientific research;

Protection and conservation of the marine environment in connection with the exploration and exploitation of mineral resources, the harvesting of living resources, and the dumping of wastes and other materials;

The laying and use of submarine cables and pipelines of the Russian Federation.

The Russian Federation exercises sovereign rights and jurisdiction over the continental shelf in pursuit of economic, trade, scientific and other interests in accordance with the procedures established by this Federal Law and the rules of international law.

The rights of the Russian Federation over the continental shelf do not affect the legal status of the superjacent waters or of the airspace above those waters.

In the exercise of its sovereign rights and jurisdiction over the continental shelf the Russian Federation shall not interfere with navigation and other rights and freedoms of other States recognized in accordance with the generally accepted principles and rules of international law.

Activities on the continental shelf shall take into account navigation, fishing, marine scientific research and other legitimate forms of activity, as well as the protection and conservation of the marine environment and mineral and living resources.

Article 6 Functions of federal agencies of State power with respect to the continental shelf

The functions of federal agencies of State power with respect to the continental shelf include:

1. Drafting and amendment of the legislation of the Russian Federation concerning the continental shelf and activities thereon;

2. Coordination of the activities of federal agencies of State power with respect to the continental shelf and activities thereon, protection of the lawful rights and interests of the Russian Federation on the continental shelf and protection of its mineral and living resources;
3. Formulation of a strategy for the study, prospecting, exploration and exploitation of mineral resources and the harvesting of living resources, and for the protection and conservation of the marine environment and mineral and living resources on the basis of the federal strategy, programmes and plans, taking into account the findings of State environmental assessments and giving special attention to the economic interests of the indigenous minorities and ethnic communities of the North and Far East of the Russian Federation and of the population permanently occupying sites in territory adjacent to the sea coast of the Russian Federation. Federal programmes and plans for the exploration and exploitation of mineral resources shall be formulated in conjunction with the executive agencies of subjects of the Russian Federation if such programmes and plans envisage the use of the coastal infrastructure of the subjects of the Russian Federation concerned;
4. Establishment of the procedures governing the use of mineral resources, including licensing procedures, and the establishment of the corresponding standards (rules and regulations);
5. Establishment of the procedures for conduct of competitive bidding (auctions) for the right to use blocks of the continental shelf and determination of the successful bidder;
6. Monitoring of the rational use of mineral and living resources, and their protection and conservation;
7. State inspection of mines;
8. Registration work connected with the study, exploration and exploitation of mineral resources; compilation of the federal balance of reserves of mineral resources; federal registration of blocks of the continental shelf used for the study, exploration and exploitation of mineral resources;
9. Conclusion of agreements on the division of production;
10. Imposition of limits and special conditions for use of the seabed and the subsoil thereof in remote sections of the continental shelf in connection with the possible future exploitation of mineral resources and in the spawning grounds of living resources;
11. Regulation and conduct of resource and marine scientific research;
12. Declaration of the closure of specific areas of the continental shelf to the conduct by foreign States, physical and juridical persons of the Russian Federation, physical and juridical persons of foreign States, and competent international organizations of marine scientific research connected with actual or planned exploration and exploitation of mineral resources in such areas and the harvesting of their living resources, and publication of the coordinates of the closed areas in the "Notices to Navigators";
13. Determination of the total permissible catch of living resources for each fishing area and species of living resource;
14. Establishment of the procedures for use of living resources, including the issue of licences for the harvesting of living resources, and the drafting and introduction of rules and standards on the rational use, conservation and reproduction of living resources;
15. Imposition of prohibitions and limits on the use of living resources and establishment of rules and standards on the reproduction of living resources;
16. Formulation of measures to prevent the destruction of living resources in the course of economic or other activities and navigation;
17. Establishment of a system of payment and determination of the amounts, conditions and procedures for the collection of payment for the use of blocks of the continental shelf for the purposes of prospecting, exploration and exploitation of mineral resources and for the use of living resources;
18. Regulation of the erection, operation and use of artificial islands, installations and structures for the purposes of prospecting, exploration and exploitation of mineral resources and harvesting of living resources, for other purposes and for the purposes of the conduct of resource and marine scientific research;
19. Regulation and determination of the conditions for laying submarine cables and pipelines used for the exploration and exploitation of mineral resources or for the operation of artificial islands, installations and structures,

including those extended into the territory of the Russian Federation;

20. Determination of the course and conditions for the laying of submarine cables and pipelines on the continental shelf;
21. Regulation of drilling on the continental shelf for all purposes;
22. Production of State environmental assessments, application of State environmental controls and State monitoring of the condition of the continental shelf;
23. Management of the data bank of the Russian State concerning the condition of the continental shelf and the state of its mineral and living resources;
24. Establishment of legal regulations for zones of exceptional environmental conditions and ecological disaster, and organization of immediate action to eliminate the consequences of accidents causing pollution by oil and by substances other than oil;
25. Establishment of environmental standards for the handling of pollutants, wastes and other materials to be dumped on the continental shelf, compilation of lists of the harmful substances, wastes and other materials whose dumping on the continental shelf is prohibited, and regulation and control of the dumping of wastes and other materials;
26. Protection and conservation of the rare and threatened species of living resources listed in the Red Book of the Russian Federation, and prevention of damage to their habitat, conditions of reproduction (spawning) and migration; creation of reserves and closed and reserved zones and the establishment of other specially protected natural areas, including areas adjacent to health resorts, the areas around sanatoriums and holiday resorts on the coast, which shall be published in the "Notices to Navigators";
27. Supervision of the implementation of measures for the protection of the continental shelf and its mineral and living resources, suppression of violations of this Federal Law or the international treaties of the Russian Federation, and prosecution of persons guilty of the commission of illegal acts;
28. Settlement of disputes concerning the continental shelf and activities thereon;
29. Conclusion and application of the international treaties of the Russian Federation concerning the continental shelf and activities thereon.

CHAPTER II STUDY, EXPLORATION AND EXPLOITATION OF MINERAL RESOURCES

Article 7 Allocation of blocks of the continental shelf to users

Blocks of the continental shelf (hereinafter referred to as "blocks") may be allocated to physical and juridical persons of the Russian Federation and to physical and juridical persons of foreign States (hereafter in this chapter referred to as "users").

Blocks are allocated for use for:

Regional geological study of the continental shelf for the purposes of evaluating the mineral-ore and petroleum-gas potential of large regions of the continental shelf (regional geological-geophysical work, geological surveys, mechanical geological prospecting, resource research);

Prospecting for mineral resources;

Exploration and exploitation of mineral resources;

Simultaneous prospecting, exploration and exploitation of mineral resources;

Construction and operation of submarine installations not connected with the exploration and exploitation of mineral resources;

Gathering of mineralogical, palaeontological and other geological materials for collections.

Blocks are geometrically delineated sections, the parameters of which are indicated in licences for the regional geological study of the continental shelf and the prospecting, exploration and exploitation of mineral resources, together with the area of the seabed with the coordinates of its limits and the depth of the subsoil.

The allocation of blocks to users shall be determined by the economic interests of the Russian Federation and effected in such a way that, other things being equal, preference is given to users making maximum use of the industrial possibilities of the Russian Federation.

In the interests of safety and the development of the industry and energy production of the Russian Federation, on the basis of representations from the federal executive agencies concerned, limitations may be imposed on the participation of foreign users in competitive bidding (auctions) for the right to prospect, explore and exploit the mineral resources of individual blocks, and the competitive bidding (auctions) may be restricted solely to Russian users.

The procedures and conditions for the conduct of competitive bidding (auctions) for the right to use blocks, the grounds for refusal to allow participation in competitive bidding, the content of licences for regional geological study of the continental shelf and the prospecting, exploration and exploitation of mineral resources, the periods for which such licences are granted, the rights and obligations of users of blocks, the operational safety requirements, the grounds for termination of the right to use blocks, including the early termination of such a right, the anti-monopoly requirements and the conditions for the division of production shall be regulated by the federal laws applicable to the continental shelf and activities thereon.

Article 8
Regulation of the regional geological study of the continental shelf
and the prospecting exploration and exploration of mineral resources

Licences for the regional geological study of the continental shelf and the prospecting, exploration and exploitation of mineral resources, including licences based on agreements concerning the division of production (hereafter in this chapter referred to as "licences" shall be issued by the specifically authorized federal agency for geology and use of the subsoil, in agreement with the specifically authorized federal defence agency, federal fisheries agency, federal agency for protection of the environment and natural resources, and federal agency for the defence branches of industry, and notification shall be given to the specifically authorized federal frontier service agency, the federal agency for science and technological policy, the federal customs agency and the federal agency for hydrometeorology and environmental monitoring.

The rights and obligations of users arise from the moment of receipt of the licence.

The following information must also be given in the licence:

Information about the environmentally sound use of blocks, including the organization of environmental monitoring, and mutually agreed arrangements for compensation for damage caused to living resources;

Information about measures to prevent and eliminate the consequences of accidents;

Information about the insurance, maintenance and elimination (removal) of installations and structures on

completion of the work.

Licences may include additional conditions for the use of infrastructure facilities in the territory of subjects of the Russian Federation in the areas covered by the licences or in adjacent blocks, provided that such conditions do not conflict with this Federal Law or other federal laws applicable to the continental shelf and activities thereon, and taking into account the economic interests of coastal subjects of the Russian Federation.

Payments for the use of ports, land, buildings, installations, means of transport (including pipelines) and other infrastructure facilities shall be made in accordance with the legislation of the Russian Federation.

With respect to the issue of licences, the scale of investment in the development of the social and productive structure of the coastal territory of subjects of the Russian Federation directly connected with the exploration and exploitation of mineral resources shall be agreed with the users of blocks and stated in the licences, as shall the placing of orders with enterprises of the Russian Federation as agreed with the federal executive agencies and the executive agencies of subjects of the Russian Federation.

Reserves, closed and reserved zones and other specially protected areas of the continental shelf of particular importance for the conservation, reproduction and migration of valuable species of living resources shall not be included in licences.

The right to use blocks may not be transferred by the users of blocks to third parties under the procedure for cession of rights provided for in the civil legislation of the Russian Federation.

Users of blocks shall be required to:

Carry out technological, hydrotechnological, health and other measures and comply with the applicable international rules and standards and the laws and regulations of the Russian Federation on protection of the marine environment and mineral and living resources;

Maintain regular communication with the coastal services of the Russian Federation and, provided that the appropriate equipment is available, transmit to the nearest radiometeorological centre of the Russian Federation, for the basic international synoptic periods, operational data of meteorological and hydrometeorological observations in accordance with the standard procedures of the World Meteorological Organization.

Foreign users of blocks shall also have an obligation to:

Conduct regional geological studies, prospecting, exploration and exploitation of mineral resources only when an official is present from the bodies responsible for protection of the continental shelf (hereinafter referred to as "protection bodies") mentioned in article 42 of this Federal Law and under his supervision;

Provide for the passage of officials of protection bodies free of charge to and from the site of the works and their use of radio communications, and bear all the costs of the maintenance, accommodation and full board of officials of protection agencies at the same level as their own managerial staff.

Compliance with the conditions for the use of blocks shall be monitored by the specifically authorized federal agency for geology and use of the subsoil, in conjunction with the specifically authorized federal agency for State supervision of mines and the protection bodies, within their spheres of competence.

At the request of the protection bodies, holders of licences shall submit to them the necessary documentation, provide explanations on issues falling within the competence of these bodies and enable them to verify compliance with the terms of the licences.

The protection bodies shall inform licence holders and the specifically authorized federal agency for geology and use of the subsoil in writing about the results of the checks and, when necessary, shall halt the works and propose the termination of a licence.

Article 9
Drilling on the continental shelf

The Government of the Russian Federation regulates and controls drilling on the continental shelf for all purposes.

The specifically authorized federal agency for geology and use of the subsoil shall consider drilling applications and issue drilling permits with the agreement of the specifically authorized federal defence agency, the federal agency for protection of the environment and natural resources, the federal agency for science and technological policy, the federal fisheries agency, the federal frontier service agency and the other federal executive agencies concerned. Drilling operations shall be carried out in accordance with this Federal Law and the international treaties of the Russian Federation.

CHAPTER III
STUDY AND USE OF LIVING RESOURCES

Article 10
Forms and procedures of the use of living resources

The following are the forms of use of living resources:

Catching of living resources for the purposes of scientific research and monitoring to evaluate stocks of the resources and determine the total permissible catch;

Catching of living resources for their reproduction and acclimatization;

Catching of living resources for academic and cultural-educational purposes;

Exploration and harvesting of living resources;

Commercial cultivation of living resources;

Artificial reproduction of living resources;

Catching of living resources for recreation and sport.

The forms of the use of living resources shall be registered by the specifically authorized federal fisheries agency.

The specifically authorized federal fisheries agency, in conjunction with the specifically authorized federal agency for protection of the environment and natural resources, shall establish the rules governing the harvesting and other forms of use of living resources and the total permissible catches of living resources.

The specifically authorized federal fisheries agency, in agreement with the specifically authorized federal defence agency and the federal frontier service agency, shall determine the areas and periods of harvesting on the continental shelf by foreign vessels.

Article 11
Award of the right to use living resources

The right to use living resources may be awarded to:

Physical and juridical persons of the Russian Federation (hereafter in this chapter referred to as "Russian applicants");

Physical and juridical persons of foreign States, foreign States and competent international organizations (hereafter in this chapter referred to as "foreign applicants").

Preference in the award of the right to use living resources shall be given to:

Representatives of indigenous minorities and ethnic communities of the North and Far East of the Russian Federation whose way of life, employment and economy are traditionally based on the harvesting of living resources;

The population of the North and Far East of the Russian Federation in places which they permanently occupy in territory adjacent to the sea coast of the Russian Federation;

Russian applicants carrying out measures for the artificial reproduction of living resources.

Foreign applicants may use living resources for scientific, industrial and other purposes only in accordance with an international treaty of the Russian Federation with the States of which such foreign applicants are nationals or in which they are registered, in accordance with the requirements of this Federal Law and the international treaties of the Russian Federation.

Article 12
Procedure and conditions for submission of applications for harvesting licences

Russian and foreign applicants shall submit to the specifically authorized federal fisheries agency applications for harvesting licences in the Russian language and the language of their country.

The specifically authorized federal fisheries agency, within a month from the date of receipt of the application, shall inform the applicant of the place, time and procedure for receipt of a harvesting licence or of the refusal to issue such a licence.

The grounds for refusal to issue a harvesting licence may include:

The absence of specific limits and quotas for catching the living resources;

Non-compliance of the harvesting licence application with the requirements of this Federal Law;

Submission of false information by the applicant;

Failure by the applicant to submit evidence or guarantees that he possesses or will possess the necessary financial and technical means to conduct the harvesting;

Violations of this Federal Law or the international treaties of the Russian Federation committed by the applicant during the preceding season;

Non-payment or late payment by the applicant of promissory notes, fines, or claims for compensation for damage presented to him earlier by the protection bodies.

Article 13

Procedure and conditions for issue of licences to harvest living resources

Licences to harvest living resources may be issued to Russian and foreign applicants by the specifically authorized federal fisheries agency, which shall notify the specifically authorized federal agency for the protection of the environment and natural resources, federal frontier service agency, federal customs agency and federal defence agency.

Licences to harvest living resources shall be valid for one calendar year within the period and areas for harvesting the species of living resources in question indicated in the licences. A copy of the licence to harvest living resources must be kept on every vessel carrying out the harvest.

Article 14

Rights and obligations of Russian and foreign applicants when carrying out a harvest

Russian and foreign applicants carrying out a harvest shall be entitled to do so only within the limits of the volumes, periods, species and areas indicated in the harvesting licence.

Such persons shall be required:

To observe the established rules and limits for the taking of living resources and comply with the conditions of the harvesting licence;

To make the regulation payments on time;

Not to allow any deterioration of the natural habitat of the living resources;

Not to allow the illegal acclimatization of species of living resources and comply with the quarantine requirements;

To ensure the unimpeded access of officials of the protection bodies to the vessel carrying out the harvest;

To provide at their own expense the best possible working conditions for officials of the protection bodies;

To submit free of charge reports on the species harvested and areas of the harvest to the specifically authorized federal fisheries agency and federal agency for the protection of the environment and natural resources, at their request;

To maintain regular communication with the coastal services of the Russian Federation and, provided that the appropriate equipment is available, transmit to the nearest radiometeorological centre of the Russian Federation, for the basic international synoptic periods, operational data of meteorological and hydrological observations in accordance with the standard procedures of the World Meteorological Organization;

To keep a harvesting log;

To have special identification signs;

To mark fixed fishing equipment at both ends with the name of the vessel (and for foreign vessels, the country of registration), the licence number and the serial number of the piece of equipment.

Foreign vessels harvesting under licence must also:

Submit by telefax or telegraph to the specifically authorized federal fisheries agency daily reports on each entry into the area to carry out the licensed harvest and each exit from the area, all entries and exits being effected through the control points;

Keep the protection agencies informed on a daily basis of the location of the vessels carrying out the harvest;

Carry out the harvest only when an official of the protection bodies is on board and under his control; provide for the passage of officials of the protection bodies free of charge to and from the harvesting site and their use of radio communication facilities, and bear all the costs of the maintenance, accommodation and full board of officials of the protection bodies, from the moment of their arrival on board the vessel until their departure, at the same level as their own managerial staff;

Submit by telefax or telegraph to the specifically authorized federal fisheries agency information about the results of the harvest every day, every 10 days and every month.

Article 15 Grounds for termination of a harvest

The following are grounds for termination of a harvest:

Voluntary waiver of the harvest by the applicant;

Taking by the applicant of the established quota;

Expiry of the period of validity of the harvesting licence;

Violation of the harvesting rules twice in a calendar year or exceeding the established limits for taking living resources;

Violation of this Federal Law or the international treaties of the Russian Federation;

Failure to make payment on time for use of living resources or failure to pay fines or compensation for damage;

Non-submission of reports on the species of living resources harvested, volumes of catches, and harvesting areas;

Causing reductions in the yield or quality of species of living resources, or systematic pollution of the waters of the continental shelf through the user's fault.

The voluntary waiver of a harvest must be announced by the user:

Before the beginning of the harvest - in writing to the specifically authorized federal fisheries agency with one month's prior notice;

During the harvest - immediately, with termination of the harvest.

In the event of non-compliance with the provisions of this article, the applicant shall be informed by telegraph of the cancellation of the harvesting licence or termination of the harvest. Licence cancellations shall be notified to the specifically authorized federal frontier service agency, federal customs agency, federal agency for protection of the environment and natural resources and federal defence agency.

CHAPTER IV
ERECTION OF ARTIFICIAL INSTALLATIONS AND LAYING OF SUBMARINE
CABLES AND PIPELINES ON THE CONTINENTAL SHELF

Article 16
Artificial islands, installations and structures

Artificial islands, installations and structures may be erected on the continental shelf by:

Federal executive agencies and executive agencies of subjects of the Russian Federation, and physical and juridical persons of the Russian Federation (hereafter in this chapter referred to as "Russian applicants");

Foreign States and their physical and juridical persons, and competent international organizations (hereafter in this chapter referred to as "foreign applicants").

The procedure for the submission, consideration and assessment of applications to erect artificial islands, installations and structures on the continental shelf and the procedure for taking decisions on them are established by this Federal Law and the international treaties of the Russian Federation.

Artificial islands, installations and structures do not possess the status of islands and do not have a territorial sea, exclusive economic zone or continental shelf.

Safety zones extending for not more than 500 metres from each point on the outer edge of artificial islands, installations and structures shall be established around such islands, installations and structures.

The specifically authorized federal defence agency, with the agreement of the specifically authorized federal frontier service agency, shall determine the measures which must be taken in these zones to ensure the safety of navigation and of the artificial islands, installations and structures. Information about the safety measures shall be published in the "Notices to Navigators".

The erection of artificial islands, installations and structures, the establishment of safety zones around them and the full or partial removal of artificial islands, installations and structures shall be reported, together with an indication of the depth, geographical coordinates and dimensions of such artificial islands, installations and structures which are not fully removed, to the specifically authorized federal defence agency for publication in the "Notices to Navigators".

Artificial islands, installations and structures shall not be erected on recognized sea lanes of substantial importance for international navigation.

Article 17
Content and submission of applications to erect and use artificial islands,
installations and structures on the continental shelf

Applications to erect and use artificial islands, installations and structures on the continental shelf (hereafter in this chapter referred to as "applications") must contain:

1. Information about the applicants and the persons responsible for the erection and use of the artificial islands, installations and structures;

2. The purposes of the artificial islands, installations and structures to be erected;
3. Information about the vessels and other floating facilities to be used in the construction works and the operation of the artificial islands, installations and structures (hereafter in this chapter referred to as "works");
4. The technological methods and equipment to be used in the planned works;
5. The geographical coordinates of the artificial islands, installations and structures to be erected;
6. Information about the parties' physical and juridical persons who will take part in the works;
7. The dates of commencement and completion of the works;
8. The dates of commencement and conclusion of the practical use of the artificial islands, installations and structures;
9. A description of the environmental impact, including the impact on the marine environment, mineral and living resources;
10. Measures to prevent or mitigate possible damage to the marine environment, mineral and living resources, including the provision of closed technical systems of water supply, floating or fixed cleansing equipment, and means of collecting oil-polluted water and other harmful substances;
11. Information about measures to prevent and deal with accidents;
12. Other information about the purposes, methods and means of carrying out the work.

Applications shall be submitted to the federal executive agencies not later than six months before the proposed date of commencement of the work.

Foreign applicants shall submit their applications through the diplomatic channel.

Article 18
Procedure for consideration of applications and issue of permits
to erect artificial islands, installations and structures

The federal executive agencies shall:

Notify the applicant of the receipt of his application within 10 days from the date of its receipt;

Send to the applicant a permit to erect artificial islands, installations and structures or notification of refusal within four months from the date of receipt of the application.

Notifications of the receipt of applications, permits to erect artificial islands, installations and structures, and notifications of refusal shall be sent to foreign applicants through the specifically authorized federal foreign affairs agency.

Incoming applications shall be considered and decisions shall be taken on them in consultation with the specifically authorized federal agency for geology and use of the subsoil, federal fisheries agency, federal agency for science and technological policy, federal defence agency, federal frontier service agency, federal security service agency, federal agency for protection of the environment and natural resources, federal agency for the defence branches of industry, federal customs agency and, when necessary, any other federal executive agencies concerned.

Permits for Russian and foreign applicants to erect, operate and use artificial islands, installations and structures shall be issued by:

The specifically authorized federal agency for geology and use of the subsoil in the case of the use of artificial islands, installations and structures for the regional geological study of the continental shelf and the prospecting, exploration and exploitation of mineral resources;

The specifically authorized federal fisheries agency in the case of use the of artificial islands, installations and structures for the harvesting, conservation and protection of living resources;

The specifically authorized federal agency for science and technological policy in the case of the use of artificial islands, installations and structures for the conduct of marine scientific research.

The artificial islands, installations and structures used by the specifically authorized federal defence agency or federal frontier service agency shall be erected with the consent of the federal executive agencies concerned.

Article 19

Grounds for refusal of permits to erect artificial islands, installations and structures

Permits to erect artificial islands, installations and structures may be refused if:

1. Their erection creates a threat to the security of the Russian Federation;
2. The erection of the artificial islands, installations and structures is incompatible with the requirements of the protection of mineral or living resources;
3. The artificial islands, installations and structures are to be located in reserves, closed or reserved zones or other specially protected natural areas of the continental shelf of considerable importance for the conservation, reproduction and migration of valuable species of living resources;
4. The artificial islands, installations and structures have a direct impact on the regional geological study of the continental shelf, the prospecting, exploration or exploitation of mineral resources or the harvesting of living resources;
5. The information contained in the application is inconsistent with the purposes of the erection of the artificial islands, installations and structures or there are unfulfilled obligations to the Russian Federation arising out of work carried out earlier by the applicants.

Article 20

Rights and obligations of applicants in the erection of artificial islands, installations and structures

Applicants obtaining permits to erect artificial islands, installations and structures shall be entitled to occupy the artificial islands, installations and structures and to use them in accordance with the permit issued. The transfer of artificial islands, installations and structures to other persons in violation of the permit is prohibited.

Applicants receiving a permit to erect artificial islands, installations and structures shall be obliged to:

1. Comply with this Federal Law and the international treaties of the Russian Federation;
2. Ensure that the permanent devices for warning of the presence of the artificial islands, installations and structures are kept in good repair. In order to guarantee the safety of navigation, abandoned or disused artificial

islands, installations and structures must be removed by their constructors within the time limit stated in the permit for their erection, and such removal shall be notified to the specifically authorized federal defence agency;

3. Ensure the unimpeded access of officials of protection bodies to artificial islands, installations and structures erected under permits issued by the federal executive agencies referred to in the fourth part of article 18 of this Federal Law;
4. Maintain regular communication with the coastal services of the Russian Federation and transmit to the nearest radiometeorological centre of the Russian Federation, for the basic international synoptic periods, operational data of the meteorological and hydrological observations in accordance with the standard procedures of the World Meteorological Organization.

Foreign applicants shall be obliged, in addition, to provide for the presence on artificial islands, installations and structures of representatives of the Russian Federation specifically authorized by the federal executive agencies which issued the permits to erect the artificial islands, installations and structures, including their accommodation and full board at the same level as the applicants' own managerial staff, and to provide for access by such representatives to all areas and units of the artificial islands, installations and structures. Foreign applicants receiving a permit to erect artificial islands, installations and structures may begin work on their erection and operation only in the presence and under the control of the aforementioned representatives.

Article 21

Interruption or termination of activities on an artificial island, installation or structure

Activities on an artificial island, installation or structure carried out in violation of this Federal Law or the international treaties of the Russian Federation may be interrupted or terminated by decision of the federal executive agency which issued the permit, or by decision of officials of the protection bodies, and shall be restarted only if the violations are corrected within the established time limits.

Article 22

Laying of submarine cables and pipelines on the continental shelf

Russian and foreign applicants may lay submarine cables and pipelines on the continental shelf (hereinafter referred to as "laying of submarine cables and pipelines").

The laying of submarine cables and pipelines shall be carried out in accordance with the rules of international law, provided that such action does not create any impediments to the regional geological study of the continental shelf, the prospecting, exploration and exploitation of mineral resources or the harvesting of living resources, or the use and repair of cables and pipelines laid earlier, and provided that measures are taken to protect and conserve mineral and living resources.

The specifically authorized federal agency for geology and use of the subsoil shall consider incoming applications to lay submarine cables and pipelines and shall take decisions on the proposed course for the laying of the submarine cables and pipelines in consultation with the specifically authorized federal defence agency, federal agency for the protection of the environment and natural resources, federal communications agency, federal transport agency, federal fisheries agency, federal agency for science and technological policy, federal fuel and energy agency, and federal frontier service agency, and shall submit to the Government of the Russian Federation its conclusion about the proposed course of the submarine cables and pipelines.

If the submarine cables and pipelines are to be used for the exploration and exploitation of mineral resources or for the operation of artificial islands, installations and structures, or if they are to be extended into the territory of the Russian Federation, the specifically authorized federal agency for geology and use of the subsoil shall consider

incoming applications for the laying of the submarine cables and pipelines and shall take decisions on the conditions and the proposed course for their laying in conjunction with the federal executive agencies referred to in the third part of this article and the executive agencies of subjects of the Russian Federation, and shall submit to the Government of the Russian Federation its conclusion about the possibility and conditions of issue of a permit to lay such submarine cables and pipelines or a notification of its refusal to issue a permit.

Information about submarine cables and pipelines which have been laid shall be communicated to the specifically authorized federal defence agency for publication in the "Notices to Navigators". International protection in accordance with the rules of international law shall extend to such submarine cables and pipelines.

CHAPTER V MARINE SCIENTIFIC RESEARCH

Article 23

Submission and content of applications to carry out marine scientific research

Marine scientific research may be carried out by:

Federal executive agencies, executive agencies of subjects of the Russian Federation and physical and juridical persons of the Russian Federation (hereafter in this chapter referred to as "Russian applicants");

Foreign States, their physical and juridical persons, and competent international organizations (hereafter in this article referred to as "foreign applicants").

The procedure for submission and consideration of applications to carry out marine scientific research (hereafter in this chapter referred to as "applications"), the assessment of applications and the procedure for taking decisions on them shall be established in accordance with this Federal Law and the international treaties of the Russian Federation.

Russian applicants wishing to carry out marine scientific research shall submit an application to the specifically authorized agency for science and technological policy not later than six months before the proposed date of commencement of the marine scientific research.

Foreign applicants wishing to carry out marine scientific research shall submit an application for a permit to carry out the research in question to the specifically authorized federal agency for science and technological policy through the diplomatic channel not later than six months before the proposed date of commencement of the marine scientific research.

Applications (in the case of foreign applicants, drafted in the Russian language and the language of the applicant) must contain:

Information about the nature and purpose of the marine scientific research;

Information about the methods and means which will be used to carry out the marine scientific research, including the name, tonnage, type and class of vessels and a description of the scientific equipment;

The geographical coordinates of the areas in which the marine scientific research is to be carried out, and the routes to be followed to and from the areas in question;

The proposed dates of the first arrival and final departure of the research vessels or, where appropriate, the

installation and removal of the scientific equipment;

The name of the institution under whose supervision the marine scientific research will be carried out;

Information about the person responsible for conduct of the marine scientific research (the leader of the expedition);

Information about any possible impact of the planned research on the marine environment, mineral and living resources.

Russian applicants shall submit information about the planned participation of foreign physical and juridical persons in their marine scientific research.

Foreign applicants shall submit information about the planned participation of physical and juridical persons of the Russian Federation in the marine scientific research carried out by the foreign applicants.

Applicants may be requested to supply additional information about the marine scientific research in connection with which the permit application is made. In such cases the time limit for consideration of the application shall be counted from the date of submission of the additional information by the applicant.

Article 24

Procedure for consideration of applications

The specifically authorized federal agency for science and technological policy shall:

Notify the applicant of the receipt of the application within 10 days from the date of its receipt;

Within four months from the date of receipt of the application, send to the applicant a permit to carry out the marine scientific investigation or notification of:

- (a) Refusal to consent to the conduct of the marine scientific research;
- (b) The inconsistency of the information with the nature, purposes and methods of conducting the marine scientific research;
- (c) The need to submit additional information about the planned marine scientific research.

Permits to carry out marine scientific research or notifications of refusal shall be issued by the specifically authorized federal agency for science and technological policy with the agreement of the specifically authorized federal agency for geology and use of the subsoil, federal fisheries agency, federal agency for protection of the environment and natural resources, federal defence agency, federal frontier service agency, federal security service agency, federal agency for hydrometeorology and environmental monitoring and, when necessary, any other federal executive agencies concerned.

If the specifically authorized federal agency for science and technological policy does not send the relevant permit or notification within the time limits indicated above, foreign applicants may begin to conduct the marine scientific research from the date stated in the application, but not earlier than six months from the date of submission of the application or additional information.

Article 25

Grounds for refusal of permission to carry out marine scientific research

Permission to carry out marine scientific research may be refused if the marine scientific research:

1. Creates or may create a threat to the security of the Russian Federation;
2. Is directly linked to the regional geological study of the continental shelf, the prospecting, exploration or exploitation of mineral resources or the harvesting of living resources;
3. Is incompatible with the requirements of protection of the marine environment, mineral and living resources;
4. Includes drilling work on the continental shelf, the use of explosive materials or pneumatic equipment, or the introduction of harmful substances into the marine environment;
5. Includes the erection, operation or use of artificial islands, installations and structures which were not mentioned in the application;
6. Obstructs activities carried out by the Russian Federation in exercise of its sovereign rights and jurisdiction over the continental shelf.

Permission to carry out marine scientific research may also be refused if the information supplied by a Russian or foreign applicant is inaccurate or if the Russian or foreign applicant carrying out the marine scientific research has unfulfilled obligations to the Russian Federation arising out of marine scientific research conducted earlier.

Permission may not be refused in the case of marine scientific research to be conducted on the continental shelf at a distance of more than 200 nautical miles from the baselines from which the width of the territorial sea is measured in connection with resource research, with the exception of areas with respect to which the Government of the Russian Federation has announced that regional geological study of the continental shelf, prospecting, exploration or development of mineral resources, or harvesting of living resources is being or will be conducted. Information about such areas shall be published in the "Notices to Navigators".

Article 26

Special conditions for the issue of permits for the conduct of marine scientific research by competent international organizations

If the Russian Federation, as a member of a competent international organization or under a bilateral treaty with such an organization, approves a draft plan for the conduct of marine scientific research or expresses the wish to participate in such research, and if the specifically authorized federal agency for science and technological policy does not state any objections within four months from the date of its receipt of the organization's application, the competent international organization, on the expiry of the time limit indicated in the application, may begin to conduct the marine scientific research in accordance with this Federal Law and the international treaties of the Russian Federation.

Article 27

Obligations of Russian and foreign applicants conducting marine scientific research

Russian and foreign applicants receiving permission to conduct marine scientific research shall be obliged to:

Comply with this Federal Law and the international treaties of the Russian Federation;

Submit to the specifically authorized federal agency for science and technological policy preliminary reports and copies of the data of meteorological and hydrological observations, as soon as this becomes a practical possibility, and the final results and conclusions on the completion of the research;

Immediately inform the specifically authorized federal agency for science and technological policy of any change in the marine scientific research;

Avoid causing any unjustifiable interference with the activities carried out by the Russian Federation in exercise of its sovereign rights and jurisdiction over the continental shelf;

Remove the installations, structures and equipment on completion of the marine scientific research unless otherwise agreed.

In addition, foreign applicants shall be obliged to provide for the participation in the marine scientific research of representatives of the Russian Federation specifically authorized to do so by the federal agency for science and technological policy, and for their presence, accommodation and full board on the research vessels, aircraft, installations and structures at the same level as their own managerial staff, to ensure access by these representatives to all information and specimens obtained during the research, and to provide them with data of which copies can be made and specimens which can be divided up without detriment to their scientific value.

Research vessels, aircraft, installations and structures conducting marine scientific research must maintain regular communication with the coastal services of the Russian Federation and, provided that the appropriate equipment is available on the research vessels, aircraft, installations and structures, transmit to the nearest radiometeorological centre of the Russian Federation, for the basic international synoptic periods, operational data of meteorological, hydrological and aerological observations in accordance with the standard procedures of the World Meteorological Organization.

Article 28

Transmission and publication of the results of marine scientific research

Following processing and analysis all the data obtained as a result of marine scientific research, including the final results and conclusions after the completion of the research, must be transmitted to the specifically authorized federal agency for science and technological research for transfer to the State data banks.

Foreign applicants who have conducted marine scientific research and transmitted to the Russian Federation all the data obtained shall ensure the access of the international community to the results of the research through national or international channels, with the exception of information relating to the activities listed in paragraph 2 of the first part of article 25 of this Federal Law. Such information may be published only with the consent of the Government of the Russian Federation.

Article 29

Changes in programmes of marine scientific research

Programmes of marine scientific research may be changed only with the consent of the specifically authorized federal agency for science and technological policy. Changes shall be regarded as agreed if the specifically authorized agency for science and technological policy confirms receipt of notification of the proposed changes and does not communicate any objection within 45 days from the date of receipt of notification.

Article 30
Suspension or termination of marine scientific research

Marine scientific research conducted in violation of this Federal Law or the international treaties of the Russian Federation may be suspended or terminated by decision of the specifically authorized federal agency for science and technological policy or the protection bodies. Resumption of suspended marine scientific research shall be permitted only after correction of the violations within the established time limits and submission to the specifically authorized federal agency for science and technological policy or to the protection body which took the decision to suspend the marine scientific research or guarantees that similar violations will not occur in the future.

Marine scientific research shall be liable to immediate termination if it is conducted:

Without a permit from the specifically authorized federal agency for science and technological research;

If there is any deviation from the information contained in the application submitted in accordance with article 23 of this Federal Law which alters the plan for the marine scientific research.

CHAPTER VI
PROTECTION AND CONSERVATION OF MINERAL AND LIVING RESOURCES,
AND DUMPING OF WASTES AND OTHER MATERIALS

Article 31
State environmental assessments on the continental shelf

A State environmental assessment on the continental shelf (hereinafter referred to as "State environmental assessment"):

Constitutes a mandatory measure for protection of mineral and living resources and precedes the implementation of the federal strategy, programmes and plans referred to in article 6 of this Federal Law;

Is conducted by the specifically authorized federal agency for protection of the environment and natural resources in accordance with the procedures established in the legislation of the Russian Federation.

All forms of economic activity on the continental shelf are subject to a State environmental assessment, regardless of their estimated costs. All forms of economic activity on the continental shelf shall be subject to approval by a State environmental assessment.

State environmental assessments must be carried out in connection with the projects of federal programmes and plans, pre-planning, pre-design and design documents relating to the regional geological study of the continental shelf, the prospecting, exploration and exploitation of mineral resources and the harvesting of living resources, the erection and use of artificial islands, installations and structures, the laying of submarine cables and pipelines and the dumping of wastes.

Article 32
State environmental control on the continental shelf

State environmental control on the continental shelf (hereinafter referred to as "State environmental control") consists of a system of measures for the prevention, identification and correction of violations of the applicable international rules and standards or the laws and regulations of the Russian Federation for the protection of mineral

and living resources.

State environmental control is effected by the specifically authorized federal agency for protection of the environment and natural resources in accordance with the procedures established in the legislation of the Russian Federation.

Article 33
State monitoring of the continental shelf

State monitoring of the continental shelf (hereinafter referred to as "State monitoring") is an element of the unified State system of environmental monitoring of the Russian Federation and constitutes a system of regular observations of the condition of the marine environment and seabed deposits, including indicators of chemical and radioactive pollution, microbiological and hydrobiological parameters and any changes therein caused by natural or man-made factors.

State monitoring is effected by the specifically authorized federal agency for hydrometeorology and environmental monitoring, in accordance with the procedures established in the legislation of the Russian Federation, during implementation of the federal strategy, programmes and plans referred to in article 6 of this Federal Law.

Article 34
Dumping of wastes and other materials on the continental shelf

The list of wastes and other materials whose dumping on the continental shelf is prohibited is published in the "Notices to Navigators".

The dumping of wastes and other materials on the continental shelf shall be permitted only in accordance with this Federal Law and provided that reliable confinement of the dumped wastes and other materials is guaranteed.

The dumping of wastes and other materials shall be authorized in accordance with permits issued by the specifically authorized federal agency for protection of the environment and natural resources with the consent of the specifically authorized federal defence agency, federal fisheries agency, federal agency for geology and use of the subsoil and the agencies of the State inspectorate of mines, and notification shall be made to the specifically authorized federal frontier service agency, federal agency for hydrometeorology and environmental monitoring and the executive agencies of subjects of the Russian Federation whose territory is adjacent to the block of the continental shelf where the dumping is to take place.

A State environmental assessment must be made before the issue of a permit to dump wastes and other materials on the continental shelf.

Article 35
Submission and content of applications for permission to dump wastes and other materials on the continental shelf

Federal executive agencies, executive agencies of subjects of the Russian Federation and physical and juridical persons of the Russian Federation (hereafter in this chapter referred to as "Russian applicants") wishing to dump wastes and other materials on the continental shelf shall submit an application for a permit to dump wastes and other materials on the continental shelf (hereafter in this chapter referred to as "application") to the specifically authorized federal agency for protection of the environment and natural resources not later than three months before the beginning of the year in which the dumping of wastes and other materials is planned.

Foreign States and their physical and juridical persons (hereafter in this chapter referred to as "foreign

applicants") may dump wastes and other materials on the continental shelf only if an international treaty has been concluded between the Russian Federation and the foreign State concerned. Foreign applicants shall submit their applications through the diplomatic channel to the specifically authorized federal agency for protection of the environment and natural resources not later than six months before the beginning of the year in which the dumping of wastes and other materials is planned.

The specifically authorized agency for protection of the environment and natural resources shall send notification of the receipt of an application and its acceptance for consideration to Russian and foreign applicants within 10 days from the date of receipt of the application.

Applications must contain:

1. The name and official address of the applicant;
2. Information about the person responsible for the dumping of the wastes and other materials;
3. A designation of the wastes and other materials;
4. The nature and content of the wastes and other materials:

The total amount in tons (or other units of measurement) of the wastes and other materials to be dumped and an indication of the average amounts of wastes and other materials dumped (for example, in one year);

Their state (solid, liquid, gaseous or slurry);

Their properties (physical, chemical, biochemical and biological);

Their toxicity;

Their stability (physical, chemical and biological);

Their accumulation and biotransformation in biological materials and deposits;

Their liability to physical, chemical and biological change and to interaction in the marine environment with other organic and inorganic substances dissolved therein;

The likelihood of coloration or other changes impairing the marketability of products of the sea (crustaceans, fish, plants);

5. A description of the place and method of dumping:

The geographical coordinates of the dumping site; the depth and distance from the coast; and the position in relation to holiday areas, areas where fish and other living resources are cultivated and harvested, and areas of prospecting, exploration and exploitation of mineral resources;

The volume of wastes and other materials intended for dumping daily, every five days and every month;

The methods of packing and containerization;

The initial concentration produced by the proposed method of dumping;

Details of the dispersal (the effect of currents, tides and winds on horizontal movement and vertical mixing);

Details of the water (temperature, density and salinity; stratification and oxygenous indicators of pollution; organic and mineral nitrogen content, including ammonia, suspensions and other nutrients; productivity);

Details of the seabed (topography, geochemical and geological properties of deposits, biological productivity);

The presence and effects of other dumping operations carried out in the area of the new dumping operation (information about heavy metals and organic carbon content);

6. General conditions:

Possible impact on holiday areas (presence of floating materials or materials carried by the current, turbidity, unpleasant odour, discoloration and frothiness);

Possible impact on marine flora and fauna, fish stocks and fisheries, and the harvesting of water plants;

Possible impact on other forms of utilization of the sea (deterioration of the quality of water for industrial use, salt-water corrosion of installations, interference with navigation by floating materials or materials carried by the current, interference with navigation or fisheries as a result of the accumulation of wastes and other materials on the seabed, and the problem of protecting blocks of special importance for scientific or conservation purposes);

7. Proof of the impossibility or inadvisability of utilization or disposal of the wastes and other materials on dry land;

8. The period during which the applicant wishes to dump wastes and other materials;

9. The form (type) of means of transport to be used for delivery of the wastes and other materials to the dumping site, and the method of dumping the wastes and other materials.

Russian and foreign applicants may be required to supply additional information about the wastes or other materials for which they are seeking a dumping permit. In such cases the period for consideration of the application shall be counted from the date of submission of the additional information by the applicant.

Within six months from the date of receipt of the application the specifically authorized federal agency for protection of the environment and natural resources shall send to Russian and foreign applicants a permit to dump on the continental shelf the wastes and other materials indicated in the application or a notification of refusal of a dumping permit. Permits to dump wastes and other materials or notification of refusal of a dumping permit shall be sent to foreign applicants through the specifically authorized foreign affairs agency.

Article 36

Grounds for refusal to issue a permit to dump wastes and other materials on the continental shelf

A permit to dump wastes and other materials on the continental shelf may be refused if:

The dumping creates or may create a threat to the security of the Russian Federation;

The dumping is incompatible with the requirements of protection of the marine environment and mineral or living resources;

The application for a permit to dump wastes and other materials is not in compliance with the requirements established by this Federal Law or contains untrue information;

The Russian or foreign applicant has not submitted and cannot submit proof or guarantees that he possesses or

will possess qualified experts and the necessary financial means for the environmentally safe dumping of wastes and other materials;

The Russian or foreign applicant has committed earlier violations of this Federal Law or the international treaties of the Russian Federation;

The Russian or foreign applicant has unfulfilled obligations to the Russian Federation with respect to earlier dumping of wastes and other materials.

A permit to dump wastes and other materials may also be refused on other grounds specified in other federal laws applicable to the continental shelf.

Article 37

Rights and obligations of Russian and foreign applicants granted permission to dump wastes and other materials on the continental shelf

Russian and foreign applicants granted permission to dump wastes and other materials on the continental shelf shall have the right to carry out the dumping of wastes and other materials in strict compliance with the permit and only in the presence of an official authorized by the federal agency for protection of the environment and natural resources who will supervise the dumping of wastes and other materials.

Russian and foreign applicants must:

Comply with the terms of the permit to dump wastes and other materials on the continental shelf;

Receive on board their vessels, aircraft, artificial islands, installations and structures officials authorized by the federal agency for protection of the environment and natural resources who will supervise the dumping of wastes and other materials, and provide for the accommodation and full board of such officials at the same level as their own managerial staff for the duration of the dumping of wastes and other materials;

Ensure the access of officials of protection bodies to the vessels, aircraft, artificial islands, installations and structures, and make available to such persons for inspection documents, on-board areas and units and the wastes and other materials to be dumped;

Maintain regular communication with the coastal services of the Russian Federation and transmit to the nearest radiometeorological centre of the Russian Federation, for the basic international synoptic periods, operational data of meteorological and hydrological observations in accordance with the standard procedures of the World Meteorological Organization.

Article 38

Grounds for suspension or termination of the dumping of wastes and other materials on the continental shelf

The dumping of wastes and other materials on the continental shelf in violation of this Federal Law or the international treaties of the Russian Federation may be suspended or terminated by decision of the specifically authorized federal agency for protection of the environment and natural resources or the protection bodies.

Resumption of the suspended dumping of wastes and other materials may be permitted only after correction of the violations within the established time limits and the provision of guarantees that similar violations will not occur in the future. If it is impossible to correct the violations, the dumping of wastes and other materials must be immediately terminated.

The specifically authorized federal agency for protection of the environment and natural resources shall inform the Russian and foreign applicants of the suspension or termination of the dumping of wastes and other materials as quickly as possible (foreign applicants - through the specifically authorized foreign affairs agency), stating the reasons for such suspension or termination of the dumping of wastes and other materials.

Article 39
Accidents at sea

If a collision of vessels, the grounding of a vessel or an accident at sea during the exploration or exploitation of mineral or living resources or the transport of mineral or living resources obtained on the continental shelf, or any other accident occurring in the superjacent waters of the continental shelf, or activities connected with the elimination of the consequences of such accidents produce or may produce serious harmful effects, the Government of the Russian Federation shall be entitled, in accordance with the rules of international law, to take measures commensurate with the actual or potential damage necessary for protecting the coastline of the Russian Federation or related interests (including fisheries) against pollution or the threat of pollution.

CHAPTER VII
ECONOMIC RELATIONS IN THE USE OF THE CONTINENTAL SHELF

Article 40
System of payments for use of the continental shelf

The fundamental principles of economic relations in the use of the mineral and living resources are payment for use, liability for violations of the terms of economic activity, and funding of the study, reproduction and protection of mineral and living resources.

The payments for use of the continental shelf are established by this Federal Law and by the tax legislation of the Russian Federation.

Use of mineral and living resources is subject to payment.

Payments for the use of mineral resources and payments for the use of living resources of the continental shelf shall be made by physical and juridical persons of the Russian Federation and physical and juridical persons of foreign States regardless of the form of ownership.

The system of payments for the use of mineral and living resources and for the dumping of wastes and other materials on the continental shelf includes:

Fees for participation in competitive bidding (auctions) and for the issue of licences to use mineral resources;

Fees for the issue of licences to use living resources;

Payments for geological information about mineral resources;

Payments for the use of mineral resources;

Payments for the use of living resources;

Fines for exceeding the limits of use and the irrational use of living resources;

Deductions for reproduction of the mineral and raw materials base;

Excise duties;

Fees for the issue of permits to dump wastes and other materials.

In addition, users shall pay other taxes and fees provided for in the tax legislation of the Russian Federation.

Payments shall not be levied in respect of observations connected with State monitoring and marine scientific research.

The procedures, amounts and conditions of the levying of the payments, deductions, excise duties, fines and fees provided for in this article shall be established by the legislation of the Russian Federation.

Payments for the use of mineral resources, payments for the use of living resources, fines for exceeding the limits of use and the irrational use of living resources, deductions for reproduction of the mineral and raw materials base, and excise duties shall be paid into the federal budget.

Fees for participation in competitive bidding (auctions) and the issue of licences to use mineral resources and fees for the issue of licences to use living resources shall be paid to the federal agencies issuing the licences.

The question of the financial obligations of the Russian Federation in connection with the exploitation of mineral resources located beyond the limit of 200 nautical miles shall be regulated by the Government of the Russian Federation in accordance with the international treaties of the Russian Federation.

The cash proceeds from the sale by the Government of the Russian Federation of the part of the mineral resources extracted on the continental shelf under production-sharing agreements and belonging to the Russian Federation, or the equivalent in value of that part of the mineral resources, shall be paid into the federal budget.

Article 41

Fees for the issue of permits to dump wastes and other materials

The amount of the fees for the issue of permits to dump wastes and other materials shall be determined on the basis of the cost of the direct expenditure on the preparation and conduct of the State environmental assessment and of expenditure on the preparation, processing and registration of the permits issued.

Fees for the issue of permits to dump wastes and other materials shall be paid to the federal agency issuing the permit.

CHAPTER VIII

ENFORCEMENT OF THE PROVISIONS OF THIS FEDERAL LAW

Article 42

Protection bodies

The protection of the continental shelf and its mineral and living resources for the purposes of their conservation, preservation and optimal use and the protection of the economic and other legitimate interests of the Russian Federation shall be effected within the scope of their competence by:

The federal frontier service agency;

The federal agency for geology and use of the subsoil;

The federal agency for State inspection of mines;

The federal fisheries agency;

The federal agency for protection of the environment and natural resources.

The use of the powers of the protection bodies referred to in this article shall be coordinated by the federal frontier service agency.

Officials of the protection bodies shall be guided in the performance of their official duties by this Federal Law and the international treaties of the Russian Federation, and by other legislative and regulatory acts of the Russian Federation.

Officials of the protection bodies must carry formal identification during the performance of their official duties. The instructions of officials of the protection bodies issued within the limits of their powers shall be binding on the physical and juridical persons of the Russian Federation, physical and juridical persons of foreign States and representatives of foreign States and competent international organizations engaging in activities on the continental shelf.

The warships and military aircraft and other State vessels and aircraft of the Russian Federation shall carry out the protection of the continental shelf under their designated flags, pennants and distinguishing marks.

Article 43

Rights of officials of protection bodies

In the performance of their official duties officials of the protection bodies shall have the right:

1. To stop and inspect Russian and foreign vessels and other floating facilities (hereinafter referred to as "vessels"), artificial islands, installations and structures engaging in:

Regional geological study of the continental shelf, prospecting, exploration and exploitation of mineral resources;

Harvesting of living resources;

Resource and marine scientific research;

Dumping of wastes and other materials;

Other activities on the continental shelf;

2. To inspect on vessels and artificial islands, installations and structures the documents certifying the right to engage in an activity referred to in paragraph 1 of the first part of this article;

3. In the cases provided for by this Federal Law and the international treaties of the Russian Federation:

To suspend or terminate an activity referred to in paragraph 1 of the first part of this article which violates this Federal Law or the international treaties of the Russian Federation;

To arrest violators of this Federal Law or the international treaties of the Russian Federation and confiscate their fishing and other equipment, tools, instruments and other articles, as well as documents and any item obtained unlawfully;

To pursue and detain violator vessels engaging in an activity referred to in paragraph 1 of the first part of this article and escort them to the nearest port of the Russian Federation (foreign vessels - to one of the ports of the Russian Federation open to foreign vessels);

To impose fines on violators or submit materials concerning the violations committed to the courts of the

Russian Federation in accordance with the legislation of the Russian Federation;

4. To stop vessels if there are sufficient grounds for believing that they have unlawfully dumped wastes or other materials on the continental shelf. The captain of such a vessel may be required to provide the necessary information to establish whether a violation has been committed, and the vessel itself may be searched and a report on the search may be compiled, followed by arrest if there are sufficient grounds;

5. To compile reports on violations of this Federal Law and the international treaties of the Russian Federation in connection with the suspension or termination of an activity referred to in paragraph 1 of the first part of this article, the arrest of violators and violator vessels, the confiscation of fishing and other equipment, tools, instruments and other articles, as well as documents and any item obtained unlawfully. The procedures for the pursuit, stopping, search and arrest of vessels and the search of artificial islands, installations and structures, the procedure for the compilation of reports and the procedure for keeping arrested violator vessels in the ports of the Russian Federation shall be determined in accordance with the legislation of the Russian Federation and the rules of international law;

6. To use arms against violators of this Federal Law or the international treaties of the Russian Federation in order to repel their attack and terminate opposition if the lives of officials of the protection bodies are exposed to direct danger. The use of arms must be preceded by a clearly expressed warning of the intention to use arms and by the firing of a warning shot into the air.

The warships and military aircraft of the federal frontier service agency may use arms against vessels violating this Federal Law or the international treaties of the Russian Federation in response to the use of force by them, as well as in other exceptional circumstances during hot pursuit, when all other measures prompted by the existing circumstances and necessary for terminating the violation and arresting the violators have been exhausted. The use of arms must be preceded by a clearly expressed warning of the intention to use arms and by the firing of warning shots. The procedure for the use of arms shall be determined by the Government of the Russian Federation.

Officials of the protection bodies may also exercise the rights provided by this Federal Law with respect to vessels located in the territorial sea or internal waters of the Russian Federation, if there are sufficient grounds for believing that such vessels have violated this Federal Law or the international treaties of the Russian Federation on the continental shelf.

Article 44 Assistance to protection bodies

The specifically authorized federal defence agency, the federal transport agency and the federal agency for hydrometeorology and environmental monitoring, in addition to the performance of their basic duties, shall render assistance to the protection bodies in the performance of their functions by observing activities within the limits of the continental shelf, using warships and other vessels and floating facilities, coastal stations and other means, including aircraft.

The commanders of warships (and other vessels and floating facilities) and aircraft of the Russian Federation, and the persons responsible for activities conducted on artificial islands, installations and structures and in coastal stations and other facilities shall inform the protection bodies of the detection of warships and other vessels and floating facilities and of installations and structures not published in the "Notices to Navigators". Such information shall be transmitted free of charge through the appropriate central control services.

Physical and juridical persons of the Russian Federation engaging in activities on the continental shelf shall report free of charge to the protection bodies, at their request, the location of their vessels and other floating facilities and of their artificial islands, installations and structures.

Article 45
Economic incentives for employees of protection bodies

Economic incentives for employees of protection bodies include:

Tax and other benefits;

Loans on preferential terms;

Service and other increments for special conditions of service in the protection of the continental shelf and its mineral and living resources;

Rewards for detecting violations of this Federal Law or the international treaties of the Russian Federation.

Such economic incentives shall be established by the legislation of the Russian Federation.

Article 46
Liability for violation of this Federal Law

Officials of federal executive agencies, executive agencies of subjects of the Russian Federation and agencies of local self-government guilty of:

Exceeding their powers in the issue of licences (permits) for the prospecting, exploration and exploitation of mineral resources or the harvesting of living resources, the erection of artificial islands, installations and structures, the conduct of resource and marine scientific research, and the dumping of wastes and other materials on the continental shelf, or

Arbitrary alteration of the conditions of the licences (permits) issued shall be liable to administrative proceedings in accordance with the legislation of the Russian Federation, depending on the nature of the violation, the seriousness of its consequences and the scale of the damage caused.

Physical and juridical persons guilty of:

Conducting geological studies of the continental shelf or resource or marine scientific research without a permit or in violation of the established rules,

Conducting unlawful regional geological studies of the continental shelf, the prospecting, exploration or exploitation of mineral resources or the harvesting of living resources, or violating the rules for such activities established by this Federal Law or the international treaties of the Russian Federation,

Transferring mineral or living resources to foreign States or their physical or legal persons, unless such action is permitted by the licence (permit),

Violation of existing standards (rules and regulations) for the safe conduct of the prospecting, exploration and exploitation of mineral resources or the harvesting of living resources, or violation of the requirements of the protection of mineral and living resources,

Violations causing impairment of the conditions of reproduction of the living resources of the continental shelf,

Violations accompanied by obstruction of the lawful activities of officials of the protection bodies,

Unlawful dumping of wastes and other materials,

Causing pollution by drilling,

Unlawful erection of artificial islands, installations and structures on the continental shelf,

Unlawful laying of submarine cables and pipelines used for the exploration and exploitation of mineral resources, or violation of the rules and conditions for extension of submarine cables and pipelines into the territory of the Russian Federation,

Failure to equip artificial islands, installations and structures on the continental shelf with permanent devices for warning of their presence, or violation of the rules concerning the maintenance of such devices in good repair or the rules for removal of installations and structures whose exploitation is terminated, or violation of other provisions of this Federal Law or the international treaties of the Russian Federation, or

Obstruction of lawful forms of activity on the continental shelf shall be liable to administrative or criminal proceedings in accordance with the legislation of the Russian Federation, depending on the nature of the violation, the seriousness of its consequences and the scale of the damage caused.

Physical and juridical persons prosecuted for violation of this Federal Law or the international treaties of the Russian Federation shall not be released from the liability to make compensation for the damaged caused.

Article 47 **Settlement of disputes**

Disputes between physical persons, juridical persons or physical and juridical persons concerning the exercise of their rights and discharge of their obligations on the continental shelf shall be resolved by administrative means or in the courts of the Russian Federation.

Disputes between the Russian Federation and foreign States concerning the exercise of their rights and discharge of their obligations on the continental shelf shall be resolved by peaceful means in accordance with the international treaties of the Russian Federation and the rules of international law.

Article 48 **Monitoring and supervision of the application of this Federal Law**

The application of this Federal Law and the activities of the protection bodies and their officials shall be monitored by the corresponding officials of the federal executive agencies.

Supervision of faithful compliance with this Federal Law shall be effected by the Procurator General of the Russian Federation and his subordinate procurators.

Article 49 **Timing and procedures of the entry into force of this Federal Law**

This Federal Law shall enter into force on the date of its official publication.

The Government of the Russian Federation shall enact the legal regulations necessary for the implementation of this Federal Law.

The same decree provides that the waters of Peshinskaya Bay north of a line joining the southern islet off

Cape Povorotny and Cape Dal'ny are internal waters, as waters of a historic bay.