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LEGAL REGULATION OF SUBSOIL USE IN THE FIELD NON-FERROUS METALS IN THE PEOPLE'S REPUBLIC OF CHINA AND THE REPUBLIC OF KAZAKHSTAN

The article is devoted to the issues of comparative legal research of the legislation of the Republic of Kazakhstan (RK) and the People's Republic of China (PRC) on subsoil use in the field of non-ferrous metals. The subsoil of the People's Republic of China and the Republic of Kazakhstan contains a large number of different minerals, including non-ferrous metals. Mineral resources are the property of the state and the people. Non-ferrous metals are used in various industries in the production of parts, alloys, structural materials and finished products. It is necessary to bear in mind the depletion and non-renewable nature of minerals and therefore adopt a more rational attitude towards the Earth's resources. Therefore, it is very important to study the practices, legislation and strategies of other countries in the field of underground resource management. Studying the issues of improving the legislation of Kazakhstan for the rational management of natural resources and the development of new industries of finished products from non-ferrous metals is very relevant.

This work examines the main provisions of the legislation of the RK and PRC on the right of ownership of subsoil, regimes of subsoil use rights, principles of legislation on subsoil use, the goals of state management of subsoil and their connection with the development of the national economies of the two countries.

Based on the study of public management issues in the field of mineral resources exploitation, the author puts forward some suggestions that will help to improve the legislation and management in the field of underground resources utilization, strengthen the protection of national interests, and introduce public management issues in the field of mineral resources exploitation. Take a more rational approach that takes into account the priorities of the country's economic needs. Kazakhstan should not only focus on mineral extraction and export, but also develop a long-term strategy. Legal regulation should include additional obligations for users of underground resources in the areas of industrial production development, environmental protection, natural resources and land restoration.

Key words: subsoil ownership, subsoil use right, subsoil study, subsoil exploration, extraction of non-ferrous metals.

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Қытай Халық Республикасында және Қазақстан Республикасында түсті металдар саласында жер қойнауын пайдалануды құқықтық реттеу

Мақала Қазақстан Республикасы мен Қытай Халық Республикасының түсті металдар саласындағы жер қойнауын пайдалану туралы заңнамасын салыстырмалы-құқықтық зерттеу мәселелеріне арналған. ҚХР мен ҚР жер қойнауында түрлі пайдалы қазбалардың, соның ішінде түсті металдардың көп мөлшері бар. Пайдалы қазбалар мемлекет пен халықтың меншігі болып табылады. Түсті металдар бөлшектерді, қорытпаларды, құрылымдық материалдарды және дайын өнімдерді өндіруде әртүрлі салаларда қолданылады. Пайдалы қазбалардың таусылуы, олардың ешқашан қалпына келмеуі, табиғи байлықты басқаруға жаңа көзқарас қажет етеді. Сондықтан басқа мемлекеттердің тәсілдерін, олардың жер қойнауын басқару саласындағы заңнамалары мен стратегияларын зерделеу мәселелері өзекті болып отыр. Жер қойнауын ұтымды басқару және пайдалы қазбалардан жасалған дайын өнімнің жаңа өндірістерін дамыту үшін Қазақстан заңнамасын жетілдіру мәселелерін зерделеу өте өзекті болып табылады.

Бұл жұмыста ҚР және ҚХР жер қойнауына меншік құқығы туралы заңнамасының негізгі ережелері, жер қойнауын пайдалану құқығының режимдері, жер қойнауын пайдалану туралы заңнаманың қағидаттары, жер қойнауын басқару мақсаттары зерттеледі. Минералды

өндіру саласындағы мемлекеттік басқару мәселелерін зерттеу нәтижесінде авторлар бірқатар ұсыныстар жасады. Бұл ұсыныстар жер қойнауын пайдалану саласындағы заңнаманы және басқаруды жетілдіруге, ұлттық мүдделерді қорғауды күшейтуге, ел экономикасы қажеттіліктерінің басымдығын ескере отырып, неғұрлым ұтымды тәсілді енгізуге ықпал етуі мүмкін. Қазақстанға түсті металдарды өндіруге және экспорттауға ғана емес, сонымен қатар жер қойнауын пайдаланушыларға өнеркәсіптік өндірісті дамыту жөніндегі қосымша міндеттемелерді заңнамалық тұрғыдан бекітуге, сондай-ақ жер қойнауын пайдалану саласындағы бақылауды күшейтуге көңіл бөлу өте маңызды.

Түйін сөздер: жер қойнауына меншік, жер қойнауын пайдалану құқығы, жер қойнауын зерттеу, жер қойнауын барлау, түсті металдарды өндіру.

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Правовое регулирование недропользования в сфере цветных металлов в Китайской Народной Республике и Республике Казахстан

Статья посвящена вопросам сравнительно-правового исследования законодательства Республики Казахстан и Китайской Народной Республики о недропользовании в области цветных металлов. Недра КНР и РК содержат большое количество разных полезных ископаемых, включая цветные металлы. Полезные ископаемые являются собственностью государства и народа. Цветные металлы используются в различных отраслях промышленности при производстве деталей, сплавов, конструкционных материалов и готовой продукции. Необходимо помнить об исчерпаемости и невозобновляемости полезных ископаемых, а, следовательно, и о более рациональном отношении к ресурсам нашей земли. Поэтому становятся актуальными вопросы изучения подходов других государств, их законодательства и стратегии в области управления недрами. Для рационального управления природными богатствами и развития новых производств готовой продукции из цветных металлов изучение вопросов совершенствования казахстанского законодательства является весьма актуальным.

В данной работе исследуются основные положения законодательства РК и КНР о праве собственности на недра, режимы права недропользования, принципы законодательства о недропользовании, цели государственного управления недрами и их связь с развитием национальных экономик двух стран. В результате исследования вопросов государственного управления в области добычи минеральных ресурсов авторами были сделаны ряд предложений, которые могут способствовать совершенствованию законодательства и управления в области недропользования, усилению защиты национальных интересов, внедрению более рационального подхода с учетом приоритета потребностей экономики страны. Казахстану важно обращать внимание не только на объемы добычи и экспорта полезных ископаемых, но и иметь долгосрочную стратегию. Правовое регулирование должно включать дополнительные обязательства недропользователей в области развития промышленного производства, охраны окружающей среды, восстановления природных ресурсов и земли.

Ключевые слова: собственность на недра, право недропользования, изучение недр, разведка недр, добыча цветных металлов.

Introduction

Humankind uses mineral resources for various purposes: as a source of energy, and raw materials for the production of any products, items, and materials.

The Republic of Kazakhstan and the People's Republic of China are among the largest countries in the world. Both countries are active in the use of underground resources. If Kazakhstan is mining on its territory, then China is developing deposits both on its territory and on the territory of other countries. In the subsoil of Kazakhstan and the People's Republic

of China, there are many types of minerals, including non-ferrous metals. Non-ferrous metals include aluminum, copper, tin, zinc, nickel, lead and others. Non-ferrous metals are divided into heavy, light, noble, refractory, radioactive, disseminated and others. Non-ferrous metals are used in many areas: in industry, construction, etc.

Kazakhstan has thousands of mineral deposits of various kinds. Kazakhstan has a large number of non-ferrous metal reserves, including gold, silver, copper, zinc and other non-ferrous metals (https://www.akorda.kz/ru/republic_of_kazakhstan/kazakhstan). According to the Committee of Geology of

the Ministry of Industry and Construction of the Republic of Kazakhstan the state balance sheet accounts for solid minerals – 958 deposits. There are more than 130 minerals on the state balance sheet. On the average, their reserves are 40-50 years, in particular, copper, zinc, lead. If we talk about gold, its reserves amount to 2.3 thousand tons with annual production of 90 tons (Mamyshev 2024). The depths of the Republic of Kazakhstan hold trillions of dollars worth of minerals. It is important for the Republic of Kazakhstan to develop these natural resources, develop its industry and economy and improve the living standards of its people.

The People's Republic of China occupies the fourth largest area in the world and has very rich mineral reserves. China has a variety of mineral resources, including almost all known non-ferrous metals, in particular, the volume of deposits of rare earth metals is about 80% of the world total (http://ru.china-embassy.gov.cn/rus/zggk/201312/t20131220_2961531.htm). China exploits mineral resources for the production of goods, so the country has great needs in the development of mineral deposits, including non-ferrous metals. In addition, it is important for China in the long term to provide itself with the necessary volumes of minerals from deposits in the country and abroad. In planning the development of the country and its economy, China takes into account all geopolitical and economic risks and the requirements of international agreements on the transition to a green economy. All these affect the formation of legislation and the implementation of management in the field of mineral resources utilization.

Kazakhstan and China carry out study survey and commercial production of minerals. A number of PRC companies also explore, explore and produce minerals in foreign countries where they operate under the laws of those countries.

Features of national legislation, principles, goals, objectives and national interestsThe cooperation between the two countries in the field of underground resource utilization demonstrates the relevance of the topics studied. The diversity of the nature of the relationships related to the use of underground resources, the realization of a certain balance of interests among the participants in these relationships, and the combination of public and private interests in the field of underground resource use influence the expression of scientific interest in regulating the use of underground resources in our countries. Legislation and public management practices in the field of underground resource utilization are con-

stantly evolving. Therefore, taking into account the long-term strategic interests of Kazakhstan, there is a growing interest in the scientific community on issues such as improving state management procedures for underground resources and improving rational attitudes towards natural resources.

Economic cooperation between China and Kazakhstan, including in the field of utilization of underground resources, is of great significance to enhancing the friendship between the two peoples. The economic and trade ties between the two peoples have a long history. For decades, our two countries have maintained relations in the field of underground development. In USSR Soviet scientists and specialists provided assistance to the PRC in the field of industry, development of fields.

Subsoil use issues have always been the subject of scientific interest of many scientists. In 2017, a new Code “On Subsoil and Subsoil Use” was adopted in the RK. In this regard, it is relevant to study its goals and objectives, peculiarities and practice of application. Kazakhstan, occupying a vast territory, is a country rich in natural resources. It is important for the state and society to rationally dispose of its subsoil resources. The legislation on subsoil use should be improved taking into account the experience of subsoil use and long-term goals of sustainable economic development. G.T. Kazieva writes that in the past the adoption of amendments to legislative acts on subsoil, often was due to private cases or departmental interests, resulting in various problems in the interpretation and application of the provisions of legislative acts. In her opinion, the current Subsoil Code has retained a number of such problematic provisions. In this regard, the author believes that the conceptualization of the issues of state participation in relations on subsoil use is one of the urgent tasks of legal science (Kazieva 2021: 64). Indeed, the adoption of legislative acts should be built in accordance with the national interests of the state. A number of contracts with foreign investors, concluded by the Republic in the 90s did not bring us the desired benefit. It is thought that the legislation of the RK on subsoil use should fully take into account the national interests, goals and objectives of sustainable long-term socio-economic development of the country. S. Idrysheva writes about the realization of the constitutional novelty about the right of ownership of the people of Kazakhstan to natural resources (Idrysheva 2023: 59-72). K.M. Ilyasova investigates topical issues of dispute resolution under contracts and licenses for subsoil use in the Republic of Kazakhstan and peculiarities of the regime

of subsoil use (Ilyasova 2022: 72-82). J. Tivey and D. Li examine China's drive to shift from mining and metallurgy to low-carbon production and implement green reforms (Tivey 2021). G. Wu and Y. Li examine the specifics of the PRC Mineral Resources Law and other PRC regulations on subsoil use (Wu 2024). V.K. Filatov analyzes the main legal regimes of subsoil use existing in China (Filatov 2011: 99-104). D. Liu et al. analyze the key positions held by the PRC in the sphere of subsoil use in the world (Liu 2024). Comparative legal study of the objectives and features of the legislation of the RK and PRC on subsoil use and the procedure for exercising subsoil use rights allow us to formulate proposals to improve the national legislation.

Materials and methods

The materials of this study are the regulations of Kazakhstan and China in the field of underground resource utilization, and the scientific works of scientists from both countries. Scientists of Kazakhstan and China have always attached great importance to the research of various problems and problems in the field of underground resources utilization. The research on the experience and the formation and application of the legal framework in the field of national management of underground resources in China can provide new guidance for the improvement of the legislation in this field.

The subject of the undergraduate studies is the legislation of Kazakhstan and China in the field of underground resources. By studying the legal regulation procedures of underground resources utilization and the aims and objectives of the two countries in the field of underground resources exploitation, we can clarify the trend, characteristics and problems of the legal support of public administration in this field. The major countries involved in the process of mining and trading the world's mineral resources have long been developing their own strategies and setting new goals and priorities.

The subject of the study is various issues of legal support for the State management of underground resources. Nowadays, there are many pressing problems in the national management of underground resources. The changes experienced by the international community, our countries and peoples have determined the nature and parameters necessary to improve legislation in this field.

The purpose of this study is to study the current situation, problems and prospects of public manage-

ment of underground resources in Kazakhstan and China.

In the process of conducting the study By means such as: analysis, generalization, comparative-legal method, historical method, formal-legal method and others.

Results and discussion

It is important for any state to have sovereignty over its subsoil. In many countries, the constitutions emphasize the right of the state to its subsoil. The Constitution of the Republic of Kazakhstan also stipulates that underground resources belong to the people (https://adilet.zan.kz/rus/docs/K950001000_). This is thanks to the amendment to the Basic Law passed in 2022. (<https://adilet.zan.kz/rus/docs/Z220000001K>). According to S. Idrysheva, the right of ownership of natural resources by the people is a special type of property right. According to the author, the constitutional novelty on the right of ownership of the people to natural resources has not yet been realized in practice, as there are no clear mechanisms for its implementation, observance and protection of this right of the people (Idrysheva 2023: 67-68). It is believed that this amendment to the Constitution is a legal basis for the payment of natural rent to the people, for example, under the project "National Fund for Children".

The state's ownership of underground resources is embodied in Article 9 of the Constitution of the People's Republic of China. Ensure that rational attitudes towards China's underground and other natural resources are guaranteed by the state (https://chinalaw.center/constitutional_law/china_constitution_revised_2018_russian/). In China, the state plays a leading role in many issues related to the exploitation of underground resources.

In Kazakhstan, relations in the field of utilization of underground resources are regulated by the Code of the Republic of Kazakhstan "On underground resources and Utilization of underground Resources" of December 27, 2017. The Law regulates the system of public administration in the field of underground resources and the procedures for their use. The State determines the status of users of underground resources, the procedures for obtaining permits in the field of underground resource use, the implementation of operations in the field of underground resource use, the State control system and the responsibility of users of underground resources. The Code also regulates other social relations in the field of underground development. (<https://adilet.zan.kz/rus/docs/K170000001K>).

zan.kz/rus/docs/K1700000125). The social relations in the field of underground resources utilization are characterized by diversity. Therefore, this aspect of the relationship can be regulated by other national regulations. The Law on Mineral Resources of the People's Republic of China of 1986 includes the following chapters: "General Provisions", "Registration for Mineral Exploration and Expertise and Approval of Mineral Extraction", "Mineral Exploration", "Extraction of Mineral Resources", "Collectively Owned Mining Enterprises and Mining Private Persons", "Legal Liability", "Additional Provisions" (<https://leap.unep.org/en/countries/cn/national-legislation/mineral-resources-law>).

China is characterized by regulating social relations mainly through laws rather than codes. The scope of utilization of underground resources is governed by the 1986 Law of the People's Republic of China on Mineral Resources. It was revised several times in 1996 and 2009. G. Wu and Y. Li pointed out that the Mineral Resources Law regulates the major issues in the exploration and production of mineral resources in China. The law also regulates the procedure for registering the right to use underground resources. In addition to this law, the use of underground resources in China can also be regulated through the actions of The State Council, central and local authorities, and various administrative regulations. (Wu 2024). In China, local government authorities are given quite broad powers to regulate all kinds of public relations in the field of underground resource utilization. China also has the "Rules for the Implementation of the Mineral Resources Law" adopted by The State Council in 1994. (Chen 2020: 336). Each of the countries has many laws and other regulations governing various aspects of subsoil use, including environmental, safety, license and other issues. The legislation in the sphere of subsoil use is characterized by the connection with the branches of public and private law, international law. The legislation on subsoil use is connected with the norms of constitutional, administrative, civil, land, environmental, water and maritime law.

The Mineral Resources Law of the People's Republic of China specifically emphasizes the purpose for which the law was formulated. The main purpose of the law is to develop China's mineral resource mining industry. The purpose of the law is to ensure the legal conditions for the exploitation of underground resources, the utilization and protection of mineral resources. In view of the socialist characteristics of the country, the Mineral Resources Law of

the People's Republic of China emphasizes the realization of the goal of socialist modernization (<http://www.asianlii.org/cn/legis/cen/laws/mrl212/>). As can be seen from the objectives of the PRC law "On Mineral Resources", the basis of legislative regulation of subsoil use is based on two groups of needs of the country's development: current and long-term needs. In Kazakhstan, the focus is mainly on the current state of mineral production. Kazakhstan's main focus is on mineral exploitation and mineral trade abroad. And after all, minerals are a strategic and non-renewable resource of any state. This also applies to non-ferrous metals, as the proven reserves of non-ferrous metals at current levels of extraction may run out in a few decades. In China, mined mineral resources are used mainly for the production of commodities in Chinese industry. Kazakhstan can also make extensive use of domestically mined natural resources as raw materials for Kazakh enterprises and provide new favorable conditions for manufacturing for users of underground resources.

The Code on Underground Resources and Utilization of Underground Resources of the Republic of Kazakhstan defines the aims, objectives and basic principles in the field of utilization of underground resources. National economic development and people's well-being are the goals of developing the country's subsoil. In China, the underground resources development and follow the principles of unified planning, rational layout, reasonable production (<http://www.asianlii.org/cn/legis/cen/laws/mrl212/>). In China, sustainable mining is highly valued. The rationality of multiple mineral extraction is driving the mining of minerals in the major countries of the world (mainly abroad). Large-scale mining in our country is often postponed to a future time. The multiple purposes of mineral utilization presupposes, first and foremost, the development of domestic industry and the production of finished products. Given the level of industrial development of the PRC, it can be said that minerals are used for manufacturing finished products, not only for export. Kazakh legislation may provide for appropriate legal norms as a measure to ensure the growth of its own production. Obtaining licenses in the field of mining and exporting minerals may be related to the obligation to open production facilities in Kazakhstan.

Of the republic of kazakhstan on the subsoil and subsoil use "the code of the goals and principles of legislation of subsoil" (<https://adilet.zan.kz/rus/docs/K1700000125>). Here I want to discuss in detail the relationship between the purpose of the code

and some of its principles. It seems that the wording of the principle of rational subsoil management needs to be changed and supplemented. More than three decades of experience in the development of Kazakhstan's mining industry raises some pressing questions. Underground development should bring different and multi-faceted effects. Large mineral reserves should lead to economic growth, structural reform and production development. Perhaps legislation should already provide for the direct obligation of subsoil users to produce finished products on the territory of Kazakhstan from partially extracted minerals.

The purposes, objectives, principles and implementation practices of the Mineral Resources Law of the PRC also deserve separate study. The extraction of minerals should go together with the unified planning of the national economy. State programs on resettlement of population from one area to another, creation of new jobs in such areas, development of technical education, industrial-innovative development should be linked to the granting of the right to subsoil use.

The rights and incentives provided by Kazakhstan to users of underground resources must be linked to additional obligations of users of underground resources. Without this, the country can only be a raw material base and cannot have many industrial branches of its own. The state must reasonably exercise property rights on behalf of the people. The subsoil of the state must be fully used for the development of Kazakhstan's industry, infrastructure, posterity funds and natural rents.

Subjects of the subsoil use right in the RK may be individuals and legal entities. In China, people who wish to carry out activities in the field of underground development have the right to apply to authorized agencies. If the requirements are met, the person may be granted the right to use the subsoil. This could be exploration rights or production rights. These rights are granted subject to appropriate fees as provided by law. In general, the procedure is simple, but personnel must meet certain qualification requirements (<http://www.asianlii.org/cn/legis/cen/laws/mrl212/>).

The legislation of the Republic of Kazakhstan defines the types of operations that can be carried out by entities with the right to use subsoil. Sub-surface resource utilization entities can carry out a variety of operations, including geological research, exploration and production. The modern legislation of RK establishes two regimes of subsoil use: license regime of subsoil use and contract regime

of subsoil use. G.T. Kazieva noted that nearly 19 years later, the Underground Code has restored the licensing system. Underground resource use license is the basis for the emergence of underground resource use right (Kazieva 202:63). The law specifies the procedure for obtaining a license, the type of license, and the business to be carried out under the license. Anyone who meets the legal requirements can get a license. K.M. Ilyasova noted that the Underground Resources Law of the Republic of Kazakhstan established the principle of "first come, first served" in the relationship of granting the right to use underground resources on the basis of a permit. (Ильясова 2022: 75). The licensing process for access to underground resources appears to be the most convenient and transparent.

V.K. Filatov writes that there are two main legal regimes of subsoil use in China: licensing of subsoil use, which applies to Chinese mining enterprises; contractual forms of subsoil use corresponding to production sharing agreements; they are applied when carrying out joint activities with foreign investors. The PRC Subsoil Law provides for two types of subsoil use – prospecting and exploration and mining. The right of prospecting, exploration and the right of extraction are summarized as "the right to use subsoil" (Filatov 2011: 102).

In China, the acquisition of mineral rights is mainly through public auction or tender. Chinese law stipulates that mineral rights can only be held by legal entities. A foreign company may hold mining rights in the country. Under the Special Administrative Measures on Foreign Investment Access dated 2021, foreign investors are prohibited from investing in the exploration or mining of certain important and rare earth minerals. Foreign legal entities and individuals may not enter rare earth mining areas, acquire geological information, ore samples or rare earth production technology without authorization (Wu 2024). This circumstance seems to be very important, as geological study, exploration and extraction of the most important types of minerals is a matter of national economic interests.

Kazakh legislation provides for the right to use underground resources under civil law transactions; Transfer of the right to use underground resources by inheritance during the reorganization of the legal entity, except for transformation or succession. In the People's Republic of China, the owner of the prospecting right may transfer the prospecting right to another person after achieving the prescribed minimum cost of prospecting and obtaining a license according to law. A mining enterprise that has

obtained the right to mine may, with permission according to law, transfer the right to mine to another person. At the same time, it is prohibited to obtain profits from the sale of mineral exploration and exploitation rights.

Legislation in both countries provides for civil transactions in the use of underground resources. In Kazakhstan, the right to use underground resources can be transferred to a new entity during the reorganization of a legal entity. Chinese legislation also allows for the transfer of subsoil use rights. A mining enterprise may transfer the mining right to another enterprise. Chinese law prohibits profiting from such transactions. (<http://www.asianlii.org/cn/legis/cen/laws/mrl212/>). This norm is very relevant, as some companies in Kazakhstan obtained subsoil use rights without the intention to actually carry out such operations, transferred their rights to other persons and made money on such operations. In such cases, the state may suffer serious damage. The States represented by the authorizing bodies should pay attention to the trading of underground land and underground use rights. In some cases, they may be acquired without any real intention of developing the subsurface soil.

In the Republic of Kazakhstan, in addition to the licensing system in the field of the use of underground resources, there is a contract system. The system is based on agreements between the state and users of underground resources. The necessary conditions, conclusion procedures and other terms of the contract shall be determined in accordance with the law. The contract applies to the field of uranium or hydrocarbon extraction.

Kazakhstan is interested in open and transparent relations in the field of underground resource utilization. Kazakhstan strives to attract investment, develop new oil fields and generate revenue through underground development. In 2023, 74 plots were sold at auction. In the first half of 2024, about 100 plots of land were put up for auction. Such auctions will be held on the basis of the determination of the reciprocal obligation of the investor to start production of the product on the territory of the Republic of Kazakhstan at a level not less than average. Subsoil users are responsible for the social development of the area (Mamyshev 2024). Under such circumstances, there are certain prospects for developing production and solving social problems. Kazakhstan should make greater use of opportunities to exercise the right to use underground resources.

Kazakhstan has always attached great importance to mining. The legislation on subsoil use is

constantly being improved. In his message to the people of Kazakhstan on September 1, 2023, the President of Kazakhstan said that Kazakhstan has a well-developed extractive industry. This sector acts as a reliable source of growth of the national economy. The head of state stressed the need to open new large deposits, modernize the management system of the mining sector, attract large private investments, create flexible regulatory and fiscal conditions. The priority right to subsoil use should be provided to investors who carry out geological exploration at their own expense (Kasym-Jomart Tokayev 2023). At present about the underground resource utilization legislation introduced the best international practice, aimed at ensuring transparency in the field of underground resource utilization. We will improve the measures for comprehensive management of mineral resources. Clear and exhaustive requirements for obtaining licenses, terms of validity, procedure for subsoil use operations, reporting and obligations of the subsoil user have been established. (<https://www.gov.kz/memleket/entities/comprom/activities/2163?lang=ru>).

In China, Mining industry, sufficient supply of minerals and strategic materials are directly related to the national interest and geopolitical role of the country. Chinese scholars suggest that China is facing a serious problem of severe mineral shortage. 39 of the 45 major minerals produced domestically may not be sufficient to meet China's domestic demand. To meet the country's growing demand for copper, cobalt, gold, and rare earth elements, which are vital in the production of high-tech products, China Minmetals Corporation, the largest state-owned company, has also engaged in research and development in deep-sea mining (Chen 2020: 339). Mr. Xu and others point to China's growing interest in extracting minerals from the ocean floor. China is one of the most interested states in this endeavor. China has even passed corresponding laws (Xu, 2015, 183-201). At present, a number of countries in the world with the necessary technology have declared rights to certain underwater areas in international waters and want to mine minerals there. Perhaps, in a few decades, the world will have a shortage of certain minerals. Ill-considered development of existing deposits can lead to their rapid depletion. Those who can retain the most important mineral deposits on their territory or obtain production rights in other countries will play a leading role.

China meets its own mineral needs from deposits located in China and abroad. China's mining industry is expanding to other countries. China ac-

tively participated in the mineral trade with many countries in the world. D. Liu et al. China produces and consumes a lot of minerals at the same time. PRC occupies a key position in the global economic and environmental situation. China's mining, a vital component of the country's economic growth, is accompanied by serious environmental problems, especially in terms of pollution (Liu 2024). Zhang et al. note that the judicious utilization of minerals in mineral-intensive industries has made the PRC a powerful economic power. Its rich deposits of minerals, metals and energy have been a major factor in its amazing growth. The country now combines green reform policies with mineral policies (Zhang 2024).

China is one of the leading powers in the world, the largest geopolitical player, building a long-term policy in the field of extraction, utilization and supply of all minerals necessary for the country's economy. Yu Wang et al. write that mineral resources, in particular strategic minerals, play a crucial role in national economic development and have a direct impact on the development of new strategic industries in China. Economic security serves as the foundation of national security, mineral resources form an important material basis for social and economic development. The most important policy documents adopted by top state organs and the leadership of the Communist Party in recent years have pointed out the need to implement the energy and mineral security strategy, strengthen the guaranteed reserve, build up mineral production capacity, and ensure a steady and sufficient supply of all kinds of natural resources and resource-based products. In China, the issue of strategic minerals has become a national strategic priority. This has profound implications for China's national economy, civilization and national security. In this array of critical resources, strategic minerals play a key role in strengthening the national economy and defense. They are vital to protect China's national economic security and national interests (Wang 2024).

Законодательство Китая предусматривает меры по стимулированию исследований, внедрению новых технологий в области освоения недр. (<http://www.asianlii.org/cn/legis/cen/laws/mrl212/>). China invests tens of billions of dollars in exploration. China's foreign trade in minerals is highly profitable (<https://nangs.org/news/upstream/kitaj-vlozhil-v-geologorazvedku-pochti-90-mlrd-dollarov-za-pyat-let>). In Kazakhstan, the head of the Geology Committee of the Ministry of Industry and Construction, E. Akbarov, notes that the amount of

funding for state geological exploration of subsurface resources is about 10 billion tenge per year – for five years the amount of funding amounted to about 52 billion tenge, or \$8 per square kilometer. At the same time, investments in geological exploration from subsoil users amounted to KZT357bn, or \$67 per square kilometer, over the same period (Mamyshev 2024). It is important for Kazakhstan to increase funding for underground geological exploration. This index plays a decisive role in the development of underground resources utilization. The discovery of new mineral deposits is conducive to meeting the needs of our economy, increasing the national fiscal revenue, and injecting new impetus into the development of single-industry towns. However, there are a number of problems in the industry. According to E. Akbarov, Chairman of the Geology Committee of the Ministry of Industry and Construction, the main problems of the industry are the use of outdated exploration technologies, strong dependence on foreign suppliers for equipment and software, underdeveloped infrastructure, and insufficient funding for subsoil exploration. Kazakhstan invests \$8 per 1 square kilometer in exploration. For example, Canada and Australia have invested more in the field of underground research and geological exploration (Minikhanov 2023). Kazakhstan needs to increase investment in geological exploration. However, there are certain circumstances. Investment in geological research and underground exploration should be mainly private investment. If the state invests in deposit research, it should make a bigger profit from selling access to underground resources to private companies.

Taiwi and D. Li write about the active measures taken by China's mining sector to implement a low-carbon plan. China aims to achieve carbon neutrality by 2060. In April 2021, the China Nonferrous Metals Industry Association (CNMIA) proposed a plan to peak carbon emissions in the non-ferrous metals industry. The plan aims to peak the industry's carbon emissions by 2025. "Green metals" including copper, nickel, lithium, cobalt and rare earth metals will be in high demand in China's quest to achieve rapid development in new economic sectors. According to the authors, China's demand for rare earth metals and other critical metals will remain high and will be met mainly by production in countries where Chinese mining companies are investing as part of the One Belt and One Road strategy (Tivey 2021).

As can be seen from the legislation, publications of PRC scientists and specialists, China pays special attention to the creation of a global system for ex-

ploration and production of minerals, reliable supply of the Chinese economy with all necessary types of minerals. The PRC practice shows a multi-vector approach in the development of the mining industry. The PRC utilizes a variety of mineral resources both within the PRC and in other countries and on the seabed. China's experience in terms of a reasonable and rational approach to the extractive industry deserves closer scrutiny.

Conclusion

By studying the legislation of China and Kazakhstan in the field of underground resource utilization, the following points can be found. Our legislation also has some similar characteristics and features. Both China and Kazakhstan have national laws governing relations in the field of underground resource utilization. In China, social relations are mainly regulated by laws rather than regulations. In Kazakhstan, relations in the field of utilization of underground resources are regulated by the Code. As noted by Zh.U. Tlembaeva "codified normative acts are more effective than a separate set of laws and bylaws" (Tlembaeva 2015). In addition to regulations and laws, by-laws can also be used to regulate relations in the field of underground resource utilization. Kazakhstan and China have adopted the same system in the field of underground resource use: permits and contracts are applied in the transfer of underground resource plots; Kazakhstan pays more attention to mineral exploitation and mineral trade. In the case of China, the first priority is to ensure domestic mineral production. China is trying to maximize the supply of strategic materials, non-ferrous metals and rare metals to its economy and industry through legal regulation.

The stated goals about the level and speed of economic development have forced China to address mining problems abroad. China is taking steps to enact legislation and conclude international agreements aimed at mining in different parts of the globe. It is very important for China to provide all

the necessary materials for its economy. The main goal of all this is to provide Chinese companies with mineral resources and ensure stable economic growth. As a major country on the path of socialist modernization, China has a long-term development plan. These plans attach great importance to the field of underground resource utilization as the basis for achieving national economic goals. In addition, the issue of providing mineral resources for the Chinese economy is considered an important factor in ensuring national security.

It is beneficial for Kazakhstan to learn from the experience of major countries in mineral resource base management. In the long run, perhaps more attention should be paid to preserving the existing natural resource base. Attention should be paid to the relationship between the production of mineral resources and the level of industrial utilization in Kazakhstan. A significant portion of the minerals mined in a country must be used in the country's commodity production. It cannot continue to be a major source of raw materials for advanced industrial countries. Kazakhstan needs to take a more thorough approach to the production and export of mineral resources.

After all, they are exhaustible. China, the USA and some other countries try to create significant reserves of natural resources on their territory. This is done to ensure sustainable development of the country and to prevent the country's future dependence on minerals.

It is thought that the legislation of the RK on subsoil use, exploration and production of various types of minerals should provide for norms on increasing the share of Kazakhstani goods, works and services purchased by subsoil users on a mandatory basis. Exploration and extraction of minerals should be legally linked with increased obligations of subsoil users to invest in new production of high-end manufacturing industry. Exploration and extraction of non-ferrous metals as widely used in various industries could become the basis for new clusters. Tax and investment preferences could be applied to such investors.

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