

## **3.0 RELEVANT LEGISLATION, AND ADMINISTRATIVE FRAMEWORK**

### **3.1 Legal Framework**

There are various laws and policies at the national level, which will impact or are likely to influence the development of the Block 19 oil concession. These regulations will apply both during the project establishment phase (exploration and wildcat drilling) and the potential extraction phase when the area may become a regional center for oil production, overland transport and storage.

The government has enacted laws, and developed policies and guidelines to regulate the use of the country's natural resources. The government through its Department of the Environment (DoE) and the Petroleum and Geology Departments (PGD) will play central roles in both the exploration and extraction phases and will be primarily responsible for enforcing applicable legislations, guidelines and policy on the developer. They will be assisted in terms of monitoring and oversight by local conservation NGOs and local activist community groups. Several protected areas within the boundaries of Block 19 have co-management programs in which communities and local NGOs share management responsibilities with the government and therefore their future involvement as concerned stakeholders in the execution of this project is expected to be high. There are also private NGOs managing their own protected areas or managing other lands in the interest of biodiversity conservation.

The main regulations, which should guide any future development of this type is the *Environmental Protection Act* of 1992 and later revision to the act in 2003. The Environmental Impact Assessment Regulations, S.I. No 105 of 1995 is particularly important since it controls and regulates the EIA process. The EIA Regulations were introduced in 1995 to be supplemented by further major environmental protection legislation in 1996 and 1998. The practice of EIA in Belize closely parallels practices in

the region, the European Union and North America, however guidelines have still to be developed for appropriate assessment methodologies for the various types of projects.

The National Environmental Appraisal Committee (NEAC) is the agency appointed by the Government of Belize under the regulations and made responsible for the vetting of EIAs. Because of their responsibility in reviewing environmental statements (ES) and making recommendations to the head of the Department of Environment (DoE), Ministry of Natural Resources, Local Government and the Environment (MNREI) they play a pivotal role in finding balance between the project developmental goals and the need to care for the environment.

The following processes are central to the EIA process in Belize:

- Screening – to determine project eligibility for environmental assessment,
- Scoping – To determine the main areas of concern that the ES will need to address,
- ES Draft Preparation Stage – In this stage baseline studies are conducted for each of the areas identified in the scoping study, impacts are identified and mitigation measures forwarded to alleviate or eliminate potential impacts. The environmental statement (ES) should establish an environmental baseline, give a description of the proposed project, identify and predict potential impacts, identify mitigation measures, evaluate project alternatives, and select the preferred alternative. The ES should present an Environmental Management Plan (EMP) as a comprehensive package of activities to mitigate and monitor project impacts.
- Vetting Stage – At this stage the draft ES is submitted to the DoE and the NEAC for review. This body may accept the draft, reject it, or ask for additional work to be done to answer outstanding issues raised in the EIA. Additional public consultations may also be required at this stage.
- Project Approval – After the project has been reviewed and all the conditions of the NEAC met it may be allowed to proceed directly without further encumbrance, however in many cases, the developer must sign a legally binding Environmental Compliance Plan (ECP) in which he agrees to implement various mitigation measures before the project is given final approval. This is especially true for large and controversial projects.

The NEAC may require a public hearing of the findings of the ES at a venue easily accessible to the stakeholders near the proposed development site. The NEAC may also request a site visit as part of the verification process.

This report addresses the issues raised in the ToR (see Appendix A) for appropriate consideration during the preparation of this ES. It should be noted however that this ES only covers the exploratory phase and will need to be upgraded to cover drilling and extraction if that stage is reached especially in terms of the Environmental Management Plan (EMP) and Disaster Management Plan (DMP).

Other Acts and Regulations which will have direct bearing on this proposed development will include the following:

**Pollution Regulations SI 56/1996**

The Pollution Regulations of 1996 addresses issues of air, water and soil pollution, including noise pollution. *Part III – 6 (1)* deals generally with the emission of contaminants into the air where no person shall cause, allow or permit contaminants to be emitted or discharged either directly or indirectly into the air from any source.

*Part X, 31 (c & d)* generally deals with land based pollution that could be harmful, or potentially harmful to animals, birds, wildlife, plants or vegetation. The Department of Environment is responsible for the enforcement of the Regulations promulgated by the Act.

**The Mines and Minerals Act (Chap 226/ 2000)**

The extraction of all non-renewable resources except petroleum is regulated by the Mines and Minerals Act (1988). The government owns all minerals under public and private lands, and, minerals are reserved from all future grants of state lands. The Act provides for licenses and royalties for the taking of minerals, and prohibits the pollution of any river, stream or watercourse.

**Belize Public Health Act Revised Edition SI 40/2000**

Under *Part VIII of Offensive Trades 128 (1) b* the Minister can make regulations relating to nuisances for the prevention, control or reduction of pollution or contamination of air, soil or water caused by any activity or condition resulting in the emission of a pollutant or

contaminant into the environment. The Act also specifies restrictions and regulations for nuisances from factories or other industrial developments, and incidental provisions relating to offensive businesses.

### **National Lands Act (No. 6 of 1992) and SI 191 of 2000**

The Act is designed to establish a framework for the management of national lands. The Act applies to all lands (other than Reserved Forest) not already "located" or granted, including any lands acquired by or ceded to the Crown. They are classified as town, suburban, rural, mineral lands and beach lands.

In section 28 where the sea, or any sound, bay or creek is described as forming part of the boundary of any national land to be granted or disposed of, then the high water mark shall be considered to be the property boundary. Under the Act, the seabed defined as the land extending seawards from the high water mark of ordinary tides is National Land owned by the Government of Belize under the authority of the National Lands Act.

### **Petroleum Act (Chap 225 /2003)**

Describes all aspects of oil exploration and exploitation including licenses, fees etc. The government owns all oil and gas under public and private lands, and these are reserved from all future grants of state lands.

### **The Forest Act SI 213/2000**

The protection of all mangroves fall under this Act via the Forest (Protection of Mangrove) Regulations. Mangrove clearance may be permitted under this Act. In most cases a permit to clear mangroves is issued after a multi-agency assessment is conducted. This Act includes the establishment of Forest Reserves which may include mangroves, littoral forests and water bodies. However, no specific regulations exist under this Act that address littoral forests. The Forest Act is currently being revised.

The legislative basis for conservation of national lands within BCNP is defined by the Forest and Wildlife Conservation Acts. The Forest Act provides for the protection and conservation of all mangrove forests on both private and national lands, any alterations to which require evaluation and permit by the Forestry Department.

**The Land Utilization Act (Chapter 188 of revised edition 2000)7.**

The Land Utilization Act, under which the Land Utilization Authority of the Ministry of Natural Resources, Local Government and the Environment (MNREI) is established, provides for measures to govern the use and development of land, and introduces measures for the conservation of land and watersheds. This Act governs the subdivision of private lands and the construction of jetties on coastal areas.

**The Wildlife Protection Act (Chap 220/2000)**

The Wildlife Protection Act controls the conservation, and use of protected species. It also empowers the Forest Department to pass regulations that govern the management of endangered flora and fauna. Under this Act “Endangered Species” may not be kept in captivity unless so approved by the Forest Department. All species listed as endangered by CITES are protected in Belize.

**National Park System Act SI 215/2000**

This Act is particularly important since most of the work contemplated by US Capital Energy will take place within the STNP.

The National Parks Systems Act - establishes four types or categories of protected areas. These categories are Natural Monuments, National Parks, Nature Reserves and Wildlife Sanctuaries. Several reports have suggested the need to revise this Act to address the mandatory requirement of management plans for protected areas, protected areas management assessment, and the periodic review of existing Management Plans for Protected Areas.

Under Part II of the Act the Minister may declare any specified area of land to be designated a national park, a nature reserve, a wildlife sanctuary or a natural monument. Essential features include but are not limited to the following:

a) No person shall be entitled to enter any national park except for the purpose of observing the fauna and flora therein and for the purpose of education, recreation and scientific research;

(b) No person shall be entitled to enter any nature reserve or in any way disturb the fauna and flora therein;

(c) No animal shall be hunted, killed or taken and no plant shall be damaged, collected or destroyed in a national park or nature reserve;

(d) No person shall hunt, shoot, kill or take any wild animal, or take or destroy any egg of any bird or reptile or any nest of any bird, in any wildlife sanctuary and;

(e) No person shall disturb the natural features of a natural monument, but may use the unit for interpretation, education, appreciation and research.

A special permit can be obtained to carry out various activities in the protected area; however, specific rules are also enforced for various activities. Section III sets out the general rules and regulations pertaining to the Act.

### **National Institute of Culture and History (NICH) Act      SI No. 331 of 2000**

Under section (37.) of the NICH Act, All ancient monuments and antiquities wherever situate, whether upon any land or in any river, stream or watercourse, or under the territorial waters of Belize, shall absolutely vest in the State.

Section 38.-(1) state that: Subject to this Act, no person shall possess or have in his custody any ancient monument or antiquity except under a licence in writing granted by the Director in the prescribed form. (2) Any person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine not exceeding ten thousand dollars or to imprisonment for a term not exceeding five years, or to both such fine and term of imprisonment, and in addition, any such ancient monument or antiquity shall be forfeited to the State.

Under section 39.-(1) it state: Any person who at any time has or takes or comes into possession, custody or control of any ancient monument or antiquity shall within fifteen days of his first having or taking or coming into such possession, custody or control of the ancient monument or antiquity, register his possession, custody or control with IRMAC

### **Institute of Culture and History (Amendment) Act SI No. 20 of 2003**

This act empowers the Institute of Archaeology to carry out research, interpretation and the protection of the Archaeological Heritage of Belize. The ownership of all ancient monuments and antiquities shall rest in the Institute of Archaeology, Government of Belize.

### **Solid Waste Management Authority Act SI No. 224 of 2000**

Under the Act, the Authority shall devise ways and means for the efficient collection and disposal of solid waste employing modern methods and techniques and exploring the possibility of recycling waste materials. Under the Act “construction waste material” includes building materials from construction, alteration and remodeling building or structure of any kind, such as lumber, concrete, steel roofing, etc. SI 13/1991 established the Solid Waste Management Authority and gave it broad powers for the collection and disposal of solid waste.

### **Effluent Limitation Regulations SI 94/1995**

THE ENVIRONMENTAL PROTECTION EFFLUENT LIMITATION REGULATIONS came into force in 1996, at which time the Department of the Environment commenced enforcing the Regulations. The Regulations are intended to control and monitor discharges of effluent into any inland waters or the marine environment of Belize.

The list of national legislation considered relevant to this project is given in **Table 3.1** below and International Conventions to which Belize is a signatory to, and with relevance to this project is given in **Table 3.2**. **Table 3.3** lists the agencies directly responsible for their formulation and enforcement. **Table 3.4** lists the permits and licenses that will be required by the project either during the exploration or extraction phase *viz*:

### **Table 3.1: Legislation Relevant to the Petroleum Prospecting on the Block 19 Concession.**

<p style="text-align: center;"><b>LEGISLATION RELEVANT AND APPLICABLE TO PETROLEUM EXPLORATION AND POTENTIAL EXTRACTION ACTIVITY ON BLOCK 19</b></p>
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<b>Legal Instrument</b>	<b>Specific Area of Regulation</b>
<b>1. Environment</b>	
Environmental protection Act No 22 of 1992	Establishes and empowers the Department of the Environment in environmental regulations.
Statutory Instrument No 94 of 1995	Effluent Limitations
Statutory Instrument No 107 of 1995	Outlines Requirements for EIAs
<b>2. Lands</b>	
Lands Utilization Act (LUA)1981, Chapter 158 A	Permitting agency for land subdivision
National Lands Act No 6 of 1992	Prescribes 20m. strip of land along permanent water bodies be left in natural state.
Registered lands Act (Cap. 157)	Provides for easements to restrict land use to a particular extent
Aliens Landholding Act (Cap. 144)	Discourage land speculation and encourage development by alien holding companies
<b>3. Protected Areas</b>	
National Parks Systems Act of 1981	Provides for the preservation and protection of important natural and cultural heritage and regulates the use of the same.
<b>4. Forests</b>	
Forests Act 1927 Chapter 176 of the Laws of Belize	Makes provision for the protection and disposal of forest produce
Forest Ordinance of 1958	Regulates the extraction of forest products
Statutory Instrument No 52 of 1989	Outlines Provisions for Mangrove Protection
<b>5. Wildlife</b>	
Fisheries Act of 1983 and 1987	Governs the use and protection of the fisheries resources of Belize
Wildlife Protection Act 1981	Protects wildlife from overexploitation
<b>6. Geology and Petroleum</b>	
Mines and Minerals Act No 14 of 1988	Requires that extraction of construction materials such as sand stone or gravel be subject to a quarry permit or mining license
<b>7. Archaeology</b>	
Ancient Monuments and Antiquities Ordinance	Protection of Cultural Resources
<b>8. Development</b>	

Development Incentives Ordinance	Grants the Ministry of Economic Development the authority to grant tax free development concessions
<b>9. Transportation</b>	
Belize Port Authority Regulations of 1980	Prohibits the placing, depositing or discharge of polluting matters into the territorial waters of Belize
<b>10. Housing</b>	
Housing and Town Planning Act	Land use planning
<b>11. Public Health</b>	
Public Health Ordinance	Allows regulations to be issued in respect to contamination of the soil air and water
Dangerous Goods Ordinance	Prescribes measures for the storage and handling of materials defined as being hazardous to human health and well being
Pesticides Control Act	Monitors and controls pesticide use in Belize
Standards Act of 1992	Establishes standards for goods, services, processes and practices
<b>12. Water and Sewage</b>	
Water and Sewage Act 1971 Chapter 185 of the Laws of Belize	
Private Works Construction Act	
<b>13. Solid Waste</b>	
Solid Waste Management Authority Act	

**Table 3.2: Binding International and Regional Conventions**

Name of Agreement/Convention	Main Focus
Convention on International Trade in Endangered Species (CITES)	Controls international trade in species regarded as seriously threatened
Convention for the Conservation of Biodiversity and Protection of Priority Areas in Central America	Links the economic and biotic integration of Central America
Land Based Sources of pollution Protocol	
Protocol on Specially Protected Areas and Wildlife	
Central American Biodiversity Convention	Provides formal institutional recognition of the Mesoamerican Biological Corridors

Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar, Iran, 1971)	The Ramsar Convention, covers all aspects of wetland conservation and wise use.
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**Table 3.3: Institutional Framework and Permitting Agencies Responsible for Enforcement of Regulations.**

<b>Permitting Agency</b>	<b>Overall Responsibility</b>
<b>Environment</b>	
Department of the Environment (DOE)	Responsibility for the Implementation and enforcement of the provisions of the Environmental Protection Act of 1992. Specifically the ACT gives the DOE the authority to regulate and enforce the provisions for the prevention and control of environmental pollution, conservation and management of natural resources and environmental impact assessments (EIAs).
<b>Lands</b>	
Lands Utilization Authority (LUA)	Responsibility for land subdivisions.
<b>Forests</b>	
Forests Department (FD)	Responsibility for all regulations impacting the national forest estate including the issuance of permits for the clearing of mangroves. The FD is also responsible for enforcement of the provisions of the Wildlife Protection Act.
<b>Fisheries</b>	
Fisheries Department	Overall responsibility for the management of the marine and freshwater resources of Belize including all fisheries resources. Responsibility extends to the management of Marine Protected Areas in conjunction with its Coastal Zone Management Authority and Institute (CZMAI).
<b>Geology and Petroleum</b>	
Geology and Petroleum Unit	Regulates mining (including sand and gravel excavation), dredging and petroleum prospecting.
<b>Archaeology</b>	
Institute of Archaeology	Protection of Cultural Resources (ancient monuments and antiquities).

<b>Housing</b>	
Housing and Planning Department	Responsibility for issuance of permits relating to shelter, planning and development control functions.
<b>Water and Sewage</b>	
Water and Sewage Authority	Regulates water abstraction (including the drilling of wells), storage and distribution for public use.
<b>Solid Waste</b>	
Solid Waste Management Authority Act	
<b>Electricity</b>	
Office of Electricity Supply	
<b>Public Health</b>	
Public Health Bureau	Monitors water quality and investigates threats to the public health
<b>Pesticides</b>	
Pesticide Control Board	Responsibility for the implementation of the Pesticide Control Act and regulates the use of pesticides
<b>Surface Water Resources</b>	
National Hydrological Service	Surface water measurements and data collection

**Table 3.4:** Licenses and permits that will be required by development.

<b>ACTIVITY</b>	<b>PERMIT OR LICENSE REQUIRED</b>	<b>PERMITTING AGENCY</b>
Land Clearing	Permit to alter mangrove required. This will apply particularly along the Temash and Sarstoon Rivers	Forest Department