

Bill Seeks to Provide Greater Certainty to the Mining Concession Protection and Mining Patent System

On May 18, 2026, the Executive Branch submitted for legislative discussion a bill amending the Mining Code, Law No. 21,420, and Law No. 21,649 regarding mining concession protection (amparo minero), mining patents, and other matters related to mining concessions (the “Bill”).

The Bill seeks to address certain practical effects arising from the regime introduced by these laws, particularly the uncertainty associated with evidencing mining activities and the application of progressive mining patent fees to exploitation concessions that do not qualify for the reduced patent regime.

1. General Background

The presidential message accompanying the Bill (the “Message”) states that the current reform increased mining patent fees and established a progressive patent fee regime for exploitation concessions that fail to evidence mining works under the circumstances set forth in Article 142 bis of the Mining Code.

According to the Bill’s rationale, such regime has generated legal uncertainty and disincentives for the development of new projects, considering that mining activities are carried out in stages, require significant upfront investment, and are subject to permits and technical, economic, environmental, and regulatory factors.

The Message also notes that during 2024 and 2025 there was an increase in the number of concessions listed for judicial auction due to non-payment of mining patents, together with a significant reduction in the number of hectares benefiting from reduced patent fees. On this basis, the Executive proposes simplifying the regime, broadening the grounds for reduced patent fees, and eliminating the progressive scale.

2. Main Proposed Amendments

The main amendments introduced by the Bill are summarized below:

Subject Matter	Current Regime / Current Situation	Bill
Exploration Concessions	Subject to payment of a mining patent fee amounting to 3/50 UTM per full hectare for each year of validity.	This rule is not modified by the proposed Bill.
Exploitation Concessions	<p>Base mining patent fee of 4/10 UTM per hectare.</p> <p>The possibility is established of qualifying for payment of a reduced patent fee amounting to 1/10 UTM per hectare.</p> <p>If the reduced fee does not apply, a progressive scale based on the age of the concession applies, reaching up to 12 UTM per hectare.</p>	<p>The fixed annual patent fee of 4/10 UTM per hectare is maintained.</p> <p>The possibility is established of qualifying for payment of a reduced patent fee amounting to 1/10 UTM per hectare, modifying the conditions for accessing the reduced amount.</p> <p>The progressive scale is eliminated.</p>
Grounds for Applying for a Reduced Patent Fee	<p>Concessions where mining works have commenced and continue.</p> <p>Concessions with an Environmental Qualification Resolution (RCA) for a mining development project or undergoing environmental assessment (admitted for processing).</p> <p>Mining properties included within the same mining production unit and their possible expansions.</p> <p>Concessions related to mining projects not required to enter the environmental assessment system, provided that at least one of the permits established in Title XV of the Mining Safety Regulations is under processing.</p>	<p>Projects with filings before SERNAGEOMIN. Mining properties linked to projects in the exploration, prospecting, construction, exploitation, mineral processing, or mine closure stages would be included, where the holder has permits, forms, declarations, or other filings submitted to or admitted for processing by SERNAGEOMIN.</p> <p>Projects with a favorable RCA or admitted into the SEIA. Mining properties comprised within projects holding a favorable Environmental Qualification Resolution or admitted for processing within the Environmental Impact Assessment System (SEIA) would also qualify for the reduction, while the RCA remains in force or the environmental assessment is ongoing.</p> <p>Submission of geological information. Mining properties for which geological information has been submitted pursuant to Article 21 of the Mining Code could also qualify for the benefit, in this case for two consecutive mining patent payment periods.</p>

Subject Matter	Current Regime / Current Situation	Bill
Special Regime for Holdings up to 500 ha	Certain holders of up to 500 hectares are allowed to qualify for a patent fee of 1/10 UTM per hectare and to benefit from a presumption regime for five years.	The provision is repealed; however, a transitional rule is established to preserve the benefit for the applicable period for those already qualifying under such regime.
First Proportional Patent Fee	Reference is made to the applicable amount set forth in Article 142 bis.	It is clarified that, until completion of the first year of validity of the mining property, the applicable amount shall be 1/10 UTM per full hectare.

3. Reinstatement of the Obligation to Preserve and Restore Survey Markers

Finally, it is worth noting that the Bill repeals the provisions of Law No. 21,420 that had eliminated Articles 118 and 119 of the Mining Code.

Accordingly, the obligation to preserve boundary survey markers (hitos) and the procedure for their restoration in the event they are removed or destroyed would remain expressly in force.

4. Preliminary Comments

If enacted as proposed, the Bill would significantly reduce the economic impact of the progressive patent fee applicable to exploitation concessions that do not qualify for the reduced patent fee, by replacing the progressive scale with a fixed rate of 4/10 UTM per hectare.

In addition, the Bill would establish a broader and simpler system for accessing the reduced patent fee, incorporating circumstances that had been excluded under the original wording. Sin perjuicio de ello, el otorgamiento de la patente rebajada continuará dependiendo de la acreditación ante Sernageomin y de la dictación de normas reglamentarias.

Notwithstanding the foregoing, entitlement to the reduced patent fee would continue to depend on evidencing compliance before SERNAGEOMIN and on the issuance of implementing regulations.

Accordingly, monitoring both the legislative process and the content of the future regulations governing application requirements and supporting documentation will be particularly relevant.

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