

MINERALS POLICY & BILL

National Minerals Policy

- » The National Minerals Policy 2017-2021 sets out the Government's vision and agenda for the mining sector. The vision of the policy is:

The mineral resources of Solomon Islands will be developed, for the benefit of all the people of our country, in a way that respects the different cultures, interests, and relationships that make up this diverse community.

Mining Bill

- » The Mining Bill is the next step to implement the changes in the National Minerals Policy.
- » Currently in draft form, the Bill will become the law of the country as the 'Mining Act' if it is approved by Cabinet and passed by Parliament.
- » Once the Mining Act is passed, Mining Regulations will need to be made under the Act before the new law can be implemented.

Why a new Policy and Act?

- » Recent experiences in Rennell, Isabel and Guadalcanal highlight the need for improvements in how the minerals sector is regulated.
- » These improvements will require replacement of the existing Act.

Developing the Policy and the Act

- » Both the Policy and the Bill are overseen by an Inter-Ministry Taskforce.
- » Consultation for the Policy took place in Choiseul, Isabel, Guadalcanal, Malaita, Rennell, and Honiara. Consultation for the Bill took place in Honiara in September 2018 and is planned for Guadalcanal, Isabel, Rennell and Choiseul in May 2019.

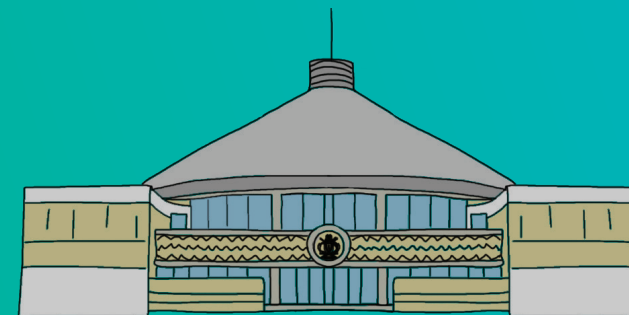
LANDOWNERS & COMMUNITIES



What could the changes mean for landowners and communities?

- » The right to occupy or gain access to a tenement area on customary land for prospecting or mining can only come from an access agreement entered into by the mining company with landowners.
- » The identification of landowners is a preliminary step that is to be led by the Ministry and not controlled by the company.
- » Access and compensation payments are to be worked out on a standardised basis set out in regulations.
- » At the mining stage of a significant mining project, a community development agreement must be entered into by the mining company with affected communities.
- » The agreements and the way they are negotiated have to conform to requirements set out in the law. This includes requirements for inclusivity of women, regardless of customary practice.
- » The agreements are to be living documents that have to be kept under review to ensure that they remain appropriate and fair.
- » All payments are to be made by the mining company to a Special Fund and only paid out to landowners and communities through properly established and recognised bodies.

GOVERNMENT



What could the changes mean for Government?

- » It is emphasised that there is to be no political interference in mining and exploration and that other Ministries are to support the work of the Ministry responsible for mining.
- » There is a new role for a Registrar of Mines who is to work alongside the Director of Mines and the Minerals Board and is the keeper of records.
- » The Permanent Secretary is ultimately responsible for the administration of the Act and is to act as a buffer between these bodies and the Minister.
- » The membership and role of the Minerals Board is set out in the Bill.
- » A mining licence must not be issued until everything is in place ready for the commencement of mining. The conditions of mining tenements take the place of the mining agreement.
- » The relevant provincial government is to be given an opportunity to participate in negotiations for an access agreement and community development agreement.
- » All royalties, access and compensation payments and any community development payments must be paid into a Special Fund. How money gets paid out of the Special Fund is tightly controlled.

SECTOR ACTIVITIES & OTHER



MINING, OIL & GAS PROJECTS



SOLOMON ISLANDS MINERALS ADVISORY CENTRE



What are some other initiatives under the Minerals Policy and Bill?

- » There is to be no mining in national parks, protected areas or areas declared to be prohibited areas under the Bill. It will be an offence to use mining as a front for logging or to remove more vegetation than is reasonably necessary.
- » It will be an offence to provide, or offer to provide, another person a monetary or non-monetary benefit to give a consent or enter into an agreement required for the grant or renewal of a mining tenement.
- » Artisanal mining will be supported through a limited mining permit for mining on customary land by landowners. A community reserved area may also be established by regulations where community mining rules will apply (this is for areas that will not support commercial mining but can support community mining).
- » Quarrying – reduced from 10 years to 1 year for first time applicants and 5 years for renewals if good track record established.
- » Bauxite mining – controls introduced on the size of the area that can be mined under a mining licence for bauxite mining.
- » Some different rules apply for offshore mining.

What could the changes mean for mining, oil and gas companies?

- » Increase in number, size and duration of prospecting licences during the exploration period, raising the upper limit of the licence area from 600 km² to 5000 km² for deep-sea tenements, increasing the prospecting licence period to 5+4+3 years.
- » Introduction of a holding licence if necessary between the prospecting licence and mining licence stage to enable all requirements to be met.
- » Greater scrutiny of applications with prescribed due diligence checks to encourage reputable operators and exclude disreputable operators.
- » Companies will no longer be responsible for, or involved in, landowner identification – this will be a government led activity, with participation from custom bodies.
- » An even playing field for all companies with clarified responsibilities.
- » Expectation of genuine and honest ongoing engagement with landowners and communities within framework allowed for by law.

How can more support be provided to landowners and communities?

- » One key governance initiative in the Solomon Islands National Minerals Policy is the establishment of an independent centre that will support landowners and communities impacted by mining projects. This support could be in the form of legal advice, awareness training, financial management support and other services to enable effective participation by landowners, communities and other project impacted persons
- » At a workshop held with government, extractive companies and civil society organisations in Honiara in April 2019, it was proposed that the centre be called the Solomon Islands Minerals Advisory Centre.

Where can you get more information?

- » Please contact the Ministry of Mines, Energy and Rural Electrification:

Phone: +677 21521

Email: Ishmael.Khegrasopa@mmere.gov.sb

Mail: Ministry of Mines, Energy & Rural Electrification, P O Box G37, Honiara

In person: MMERE, Geology Area, Lengakiki.

Website: www.mmere.gov.sb

