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**HON. JOHNSON TUKE, MP
MINISTER FOR MINING**

MINING (AMENDMENT) BILL 2020

JUNE 2020

MR SPEAKER,

I THANK YOU FOR GIVING ME THE OPPORTUNITY TO PRESENT THIS BILL BEFORE PARLIAMENT.

THE PURPOSE OF THE ***MINING (AMENDMENT) BILL 2020*** (THE BILL) IS TO PROVIDE A LEGAL BASIS FOR THE STATE TO APPLY FOR A TENEMENT AND DEVELOP A MINE. THE CURRENT *MINING ACT 1992* (THE ACT) IS NOT VERY CLEAR ON STATE PARTICIPATION. IT WAS DRAFTED IN A WAY THAT WAS INTENDED TO ALLOW ONLY FOREIGN INVESTORS TO DO MINERAL EXPLORATION AND MINING IN PNG. IT DOES NOT NECESSARILY ENABLE THE STATE TO DEAL WITH ITS MINERAL RESOURCE POTENTIAL.

MR SPEAKER,

THE VISION OF THE MARAPE STEVEN GOVERNMENT IS TO ***TAKE BACK PNG***. THEREFORE IN THE MINERAL SECTOR, IT IS ABSOLUTELY VITAL THAT WE MAKE THESE NECESSARY CHANGES TO EMPOWER THE STATE TO PARTICIPATE IN THE DEVELOPMENT OF OUR MINERAL POTENTIAL.

MR SPEAKER,

THE BILL PROPOSES TO ESTABLISH A MECHANISM IN LAW WHEREBY THE STATE MAY RESERVE LAND THE SUBJECT OF AN EXPIRED, SURRENDERED, CANCELLED OR RELINQUISHED TENEMENT OVER WHICH A NEW APPLICATION MAY BE MADE BY THE STATE. IT IS INTENDED THAT THIS BILL, UPON ITS ENACTMENT BY PARLIAMENT, WILL COME INTO OPERATION IMMEDIATELY UPON CERTIFICATION BY THE SPEAKER OF THE NATIONAL PARLIAMENT.

MR SPEAKER,

I WILL NOW GIVE AN OVERVIEW OF THE TEN (10) CHANGES THAT ARE PROPOSED IN THIS BILL.

IN PART I (PRELIMINARY) OF THE *MINING ACT 1992* A NEW DEFINITION IS INSERTED IN SECTION 2 (*INTERPRETATION*) WITH REFERENCE TO THE TERM "*STATE APPLICANT*".

A STATE APPLICANT IS DEFINED TO MEAN THE KUMUL MINERALS HOLDING LIMITED, OR A WHOLLY OWNED, OR A MAJORITY STATE OWNED ENTERPRISE.

MR SPEAKER,

SECTION 3 (*CONSULTATION*) IS AMENDED BY INSERTING A NEW SUBSECTION THAT ALLOWS THE MINISTER TO DECIDE ON THE MERITS OF EACH PROJECT, WHETHER THE STATE APPLICANT IS REQUIRED TO GO THROUGH THE

CONSULTATION PROCESS AGAIN IF THE STAKEHOLDERS ARE ALREADY IDENTIFIED OR OTHERWISE.

THIS WILL BE DETERMINED FOR EACH MINING PROJECTS BASED ON THE CIRCUMSTANCES OF THE PROJECT BEING ACQUIRED BY THE STATE APPLICANT.

MR SPEAKER,

A NEW SECTION 5A (REPOSITORY FOR ALL MINERAL AND GEOLOGICAL DATA) PROVIDES FOR THE ESTABLISHMENT OF A REPOSITORY BY THE MINERAL RESOURCES AUTHORITY (MRA). IT COMPELS ALL TENEMENT HOLDERS DOING EXPLORATION AND MINING IN PNG TO SUBMIT ALL MINERAL AND GEOLOGICAL DATA, INCLUDING AMONGST OTHER THINGS, RESEARCH DATA TO THE MRA. THIS SECTION ALSO PROVIDES FOR THE ESTABLISHMENT OF A CENTRAL MONITORING HUB WITHIN THE MRA FOR RECEIVING, RECORDING AND MONITORING LIVE DATA ON MINERAL PRODUCTION, EXTRACTION, AND SALE, THROUGHOUT THE COUNTRY.

MR SPEAKER,

UNDER PART II (APPLICATION) OF THE *MINING ACT 1992*, SECTION 7 EMPOWERS THE MINISTER TO RESERVE CERTAIN LAND WITHIN PNG FROM MINERAL EXPLORATION AND MINING ACTIVITIES.

THE INCLUSION OF A NEW SUBSECTION UNDER SECTION 7 IS INTENDED TO GIVE PRIORITY TO AN APPLICATION BY A STATE APPLICANT FOLLOWING THE REVOCATION OF, OR THE EXPIRY OF A RESERVATION BY THE MINISTER.

MR SPEAKER,

A NEW INCLUSION IS PART VA (APPLICATION FOR A TENEMENT BY A STATE APPLICANT) WHICH IS INTENDED TO PROVIDE A LEGAL BASIS FOR LAND OVER WHICH A TENEMENT HAD EXPIRED, SURRENDERED, CANCELLED OR RELINQUISHED TO BE RESERVED BY THE STATE. IT ALLOWS THE STATE APPLICANT TO MAKE A AN APPLICATION OVER THE RESERVED LAND AND SETS OUT THE PROCESS FOR THE APPLICATION.

MR SPEAKER,

THE NEW SECTION 95A (APPLICATION OF THIS PART) PROVIDES THAT THE PROPOSED PART VA APPLIES TO A STATE APPLICANT IRRESPECTIVE OF ANY OTHER PROVISIONS OF THE *MINING ACT 1992* OR ANY OTHER LAWS. THIS MEANS THAT THE PROVISIONS OF THIS NEW PART VA OVERRIDES ANY OTHER RELATED PROVISIONS OF THE *MINING ACT 1992* OR ANY OTHER LAW THAT MAY SEEK TO COMPROMISE THE STATE APPLICANT.

MR SPEAKER,

SECTION 95B (INTERPRETATION) OF THIS PART DEFINES “RESERVED LAND” TO MEAN LAND THAT IS SUBJECT OF AN EXPIRED, CANCELLED, SURRENDERED OR RELINQUISHED TENEMENT.

MR SPEAKER,

SECTION 95C (RESERVATION OF LAND THE SUBJECT OF AN EXPIRED, CANCELLED, SURRENDERED OR RELINQUISHED TENEMENT) PROVIDES THAT A RESERVED LAND SHALL BE RESERVED BY THE MINISTER IN ACCORDANCE WITH SECTION 7.

THIS NEW SECTION UNDER THIS PART PROVIDES THAT AN APPLICATION BY THE STATE APPLICANT WILL TAKE PRIORITY OVER ANY OTHER APPLICATION RECEIVED OVER A RESERVED LAND.

MR SPEAKER,

SECTION 95D (APPLICATION BY A STATE APPLICANT) REQUIRES THAT AN APPLICATION BE IN THE PRESCRIBED FORM, WHICH IS THE SAME AS CONTAINED IN THE *MINING ACT 1992* AND ITS REGULATIONS. HOWEVER APPLICATION FEES DO NOT APPLY TO THE STATE APPLICANT.

MR SPEAKER,

SECTION 95E (GRANT OF TENEMENT TO A STATE APPLICANT) EMPOWERS THE HEAD OF STATE TO GRANT A TENEMENT OVER THE RESERVED LAND. A DECISION TO GRANT A TENEMENT UNDER THIS SECTION SHOULD BE MADE ON THE ADVICE OF THE MINISTER AND THE RECOMMENDATIONS OF THE MINING ADVISORY COUNCIL, AND SHALL CONTAIN SUCH CONDITIONS AS DEEMED NECESSARY BY THE MINISTER.

THE STATE APPLICANT, UNDER THIS SECTION, MAY ENTER INTO A MINING DEVELOPMENT CONTRACT OR ANY AGREEMENT IT CONSIDERS NECESSARY FOR THE EFFICIENT OPERATION OF THE MINE.

MR SPEAKER,

SECTION 95F (CONSULTATION) REQUIRES A STATE APPLICANT TO CONSULT LANDOWNERS, THE RELEVANT PROVINCIAL GOVERNMENT AND THE NATIONAL GOVERNMENT WITH A VIEW TO PROVIDE AN AVENUE TO DISCUSS MATTERS PERTINENT TO THE MINING OPERATIONS UNDER THE TENEMENT.

IT IS IMPORTANT TO NOTE THAT THESE CONSULTATIONS ARE NOT FOR THE PURPOSES OF SECTION 3, WHICH REQUIRES A DEVELOPER TO CONVENE A MINING DEVELOPMENT FORUM BEFORE THE GRANTING OF A SPECIAL MINING LEASE. THIS IS CONSULTATION BETWEEN THE STATE, THE PROVINCIAL GOVERNMENT AND THE LANDOWNERS.

AND LASTLY **MR SPEAKER,**

SECTION 95G (ARBITRATION) STATES THAT ANY ARBITRATION RELATING TO A MINING PROJECT IS SUBJECTED TO THE LAWS OF PNG, AND REQUIRES THAT THE ARBITRATION MUST BE HELD IN PNG.

MR SPEAKER,

THESE ARE THE FEW AMENDMENTS TO THE *MINING ACT 1992*. I CALL UPON THE SUPPORT OF THIS HOUSE TO REALISE THE WISHES OF OUR FOUNDING FATHERS AS ENSHRINED IN THE CONSTITUTION OF THIS COUNTRY.

THANK YOU MR SPEAKER

**HON. JOHNSON TUKE, MP
MINISTER FOR MINING**