



MINING BILL 2025



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DISCUSSION

- Key changes – Mining Bill 2025
- Landowner perspective on the Bill
- Ways in which the State can take up its increased equity in the projects



KEY CHANGES – MINING BILL 2025

- Ownership of minerals by State
- No right conferred on holder to sell the mineral
- 5% royalty (Equity) & 10% royalty (without equity) on gross sales
- State to acquire up to 30% Equity with cost of acquisition to be deferred & recovered from future earnings



KEY CHANGES CONTINUE

- Mine waste management fee – US\$1 per cubic tonne
- 2% Social Levy
- Mining Development Contracts to apply to all Mining projects
- MDC- review and renegotiations after 5 years



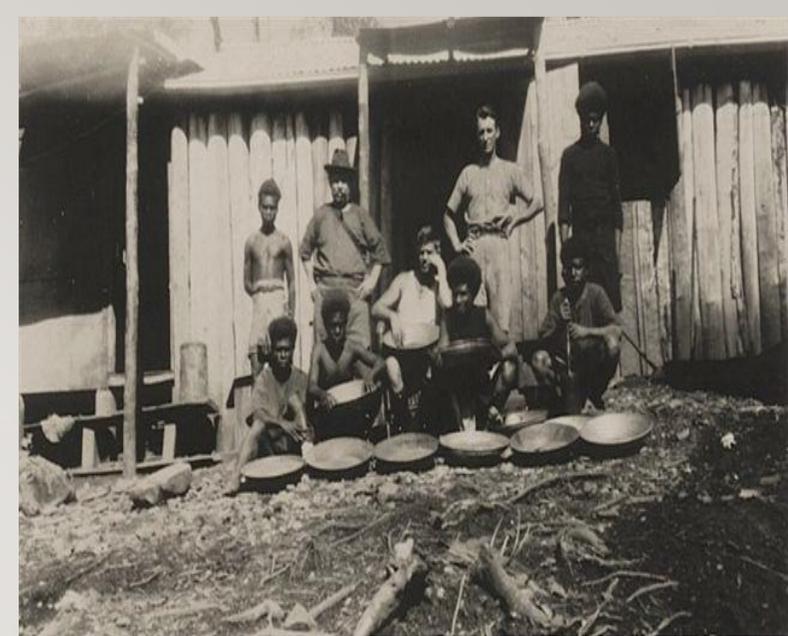
KEY CHANGES CONTINUE

- State may refuse renewal of Mining Leases & exercise its options to acquire
- 50% proof of financial capacity
- Minister to grant or refuse Mining Leases
- MD, MRA to decide on variations



KEY CHANGES TO ACT

- Special Mining Leases (SML) replaced with Mining Leases (ML)
- Grandfather current mining projects
- 50% evidence of funds as financial capacity
- Exploration Licence Term – 2 to 5 years



KEY CHANGES TO ACT

- Disputes to be arbitrated in PNG or International Center of investment Dispute(ICSID)



LANDOWNER PERSPECTIVE

- All landowners strongly support the increased fiscal regime.
- Applaud the relocation provisions



LANDOWNER PERSPECTIVE

- Transparency and accountability in distribution of benefits
- Concerned with environmental impacts, land rights and livelihoods
- Better infrastructure and sustainability
- Equal participation in business opportunities



WAYS IN WHICH STATE CAN TAKE ITS INCREASED EQUITY

- Paid Equity – current equity regime
- Free carried Equity- eg Tanzania (16%), Ghana 10% & Guinea 15%
- Carried Equity (proposed)



CARRIED EQUITY

Benefits

- No upfront payment by State
- Project proponent funds the development



CONTINUE

Disadvantages

- Less power in decision making & project development
- Delay in revenue generation by State



WAY FORWARD

- Further consultations and review required
- Landowner wise – improve infrastructure on the ground & practice accountability and sustainability
- Benefits wise – increase royalty and do away with equity or go for free carry equity participation.



THANK YOU

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