



The Falkland Islands Government

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Consultation on regulating Prospecting, Exploring and Mining for stone, sand, gravel, chalk, flint or calcified seaweed (“Common Minerals”

Introduction

The Falkland Islands Government (FIG) is proposing to introduce regulations and supporting guidance to allow prospecting, exploring and extracting for stone, sand, gravel, chalk, flint or calcified seaweed (“Common Minerals”) to take place in the Falkland Islands.

The new regulations are required because whilst the Falkland Islands has legislation that covers searching for and extracting Common Minerals in the Falkland Islands (the Mining Ordinance 2005), the legislation states that anyone wanting to do so (except in certain specified circumstances) must have a licence issued by FIG. No regulations were produced in 2005, and currently there are no regulations that would enable such a licence to be applied for or granted.

The proposed policy, if approved, would lead to regulations and supporting documents that would allow an application to be made for a licence to search for Common Minerals, and for such activity to be appropriately and proportionately regulated. This will allow interested commercial parties to explore and extract Common Minerals. Any commercial parties wishing to explore or extract Common minerals must still seek the consent of landowners to access privately owned land and a licence does not confer a right of access.

Scope of Policy

Please note: the proposed framework does not cover gold and similar minerals; only Common Minerals. The overall policy approach to common minerals is to ensure that the level of regulation is commensurate with the level of activity and associated risk.

The proposed framework does not affect the provisions in the Mining Ordinance 2005 which permit owners or lessees of land prospecting, exploring or mining stone, sand, gravel, chalk, flint or calcified seaweed for use on that same land.

Neither does the proposed framework affect the government’s ability to prospect, explore or mine stone, sand, gravel, chalk, flint or calcified seaweed without the need for a licence under the Mining Ordinance.

Policy Intent

The intention is to introduce a regulatory framework which enables applications to be made for licences to extract Common Minerals at a regulatory cost that is appropriate and

proportionate to the scope and scale of the proposed extraction. For example; under the proposed policy the requirements that would be applied to large scale extraction of Common Minerals (such as a large commercial quarry) would be more comprehensive and more closely monitored than those applied to a small-scale, time-limited operation. All mineral extraction must be carried out in a way that is safe for people and prevents harm to the environment.

Regulatory Cost

The cost of applying for a licence (for prospecting, exploration or extraction) and the annual licence fee should also reflect the scope and scale of the proposed operation and the degree of regulatory oversight it would require.

It is proposed that the application fee for a licence (non-refundable) should be based on the volume of material it is proposed to extract over the licence period. An application for a large development may require scrutiny by technical geologists and is more likely to require an environmental impact assessment and other documentation associated with the proposed activity. Larger applications are expected to require proportionately more regulatory resource to process. Proposed rates for all types of licence applications are as follows:

- 0-100 m³ - £100
- 101-1000m³ - £500
- 1001- 10,000m³ - £1000
- 10,001 – 50,000m³ - £5000
- 50,001m³ + - £10,000

It is proposed that this application fee will also cover the 1st year of activity.

Thereafter It is proposed that there will be an annual licence fee (payable each year in advance) based on the total volume of material to be extracted [each year should be set at:

- 0-100 m³ - £100 pa
- 101-1000m³ - £500 pa
- 1001 – 10,000m³ - £1000 pa
- 10,001 – 50,000m³ - £5000 pa
- 50,000 m³ + - £10,000pa

Consultation

The Department of Mineral Resources is responsible for regulating all activity under the Mining Ordinance 2005. The Department is consulting on the proposed policy which, if approved, will lead to new regulations and supporting documentation including application forms, guidance to applicants and guidance on proposed licence conditions.

The proposed policy document (which can be downloaded from: www.falklands-oil.com) is the “Policy for a Mining Licensing Framework & Model Conditions for Prospecting, Exploring and Mining for Stone, Flint, Chalk, Gravel, Sand and Calcified Seaweed”.

Copies of current legislation in force in the Falkland Islands can be obtained from the Statute Law Database which can be found at: www.legislation.gov.fk

Comments are welcome on all the documents referred to above and must be submitted by **10th June 2022**. All comments received by the close of consultation will be taken into account.

It is intended that the final version of the proposed policy will be considered by Executive Council following consideration of the comments returned.

Comments must be made in writing, and can be emailed, posted or hand delivered to:

Director of Mineral Resources, P O Box 893, Ross Road, Stanley, Falkland Islands

or by email to: info@mineralresources.gov.fk