

EXPLORATION AND MINING DIVISION IRELAND

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EXPLORATION AND MINING FACILITIES



Department of Communications, Marine and Natural Resources

The Regulatory Framework

The Minerals Development Acts, 1940 to 1999, under the aegis of the Minister for Communications, Marine and Natural Resources, govern exploration for and development of all minerals other than ordinary clay, stone, sand and gravel. Petroleum and gas are covered by separate legislation. The agency responsible for the administration of regulatory aspects is the **Exploration and Mining Division (EMD)**.

Exploration

Exploration is undertaken under a simple, user-friendly licensing system, that provides for flexibility of exploration activity while maximizing “on the ground” expenditure and stimulating grass-roots exploration for a diversity of minerals. This is done through a **Prospecting Licence**, which is typically issued within 4 months of application.

The Prospecting Licence (PL) gives the holder the right to explore for certain specific minerals. Only holders of current licences are considered for Mining Facilities to develop such minerals within the licence area, whether the minerals are State-owned or privately-owned. A Prospecting Licence typically covers some 35 sq. km and is normally issued for six years, with the option of renewal if the holder has met the agreed requirements. As a result of exploration over the past 40 years some three-quarters of the country is covered by delineated licence areas, the boundaries of which are located by clearly defined townland boundaries identified on Ordnance Survey maps.

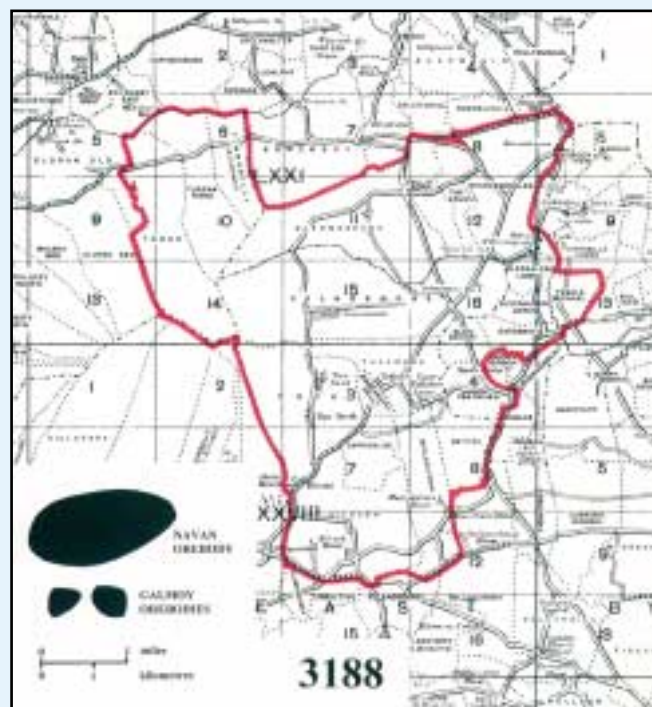
- **Choice of Ground**

Ground availability and the status of ground holdings are provided by a map and list published by EMD on the 1st May and 1st November of each year. No permit is necessary for work of a regional or reconnaissance nature. As a safeguard, a **Statement of Interest** over available ground can be made prior to any Prospecting Licence application. The company that has done so will then be notified by EMD if a prospecting licence application is subsequently made in the area, but no other details will be given. The holder of the Statement of Interest then has two weeks to make their own application. If made, the original applicant may make a revised application. The two applications will then be considered on their respective merits.

The applicant for a Prospecting Licence has a choice of three options: Open Areas, ‘Incentive’ Ground and Competition Ground. (See map).

Open areas. These are already defined licence areas which are available for application at any time for minerals of choice. Applications are normally considered on a ‘first-come, first-served’ basis. **‘Incentive’ ground** relates to areas for which substantially reduced fees and expenditure commitments are available, that are designed to stimulate interest in underexplored ground by encouraging relatively cheap “grass-roots” exploration and low cost evaluation of

new exploration ideas. There are three categories of ground; open areas that have been available for application for over 4 years, ground which has never been licensed (open ground), and areas that are currently licensed for certain minerals, but available for exploration for other minerals. Licences in the last category will however only be issued if the Minister is satisfied that there will be no clash of mineral interests.



A typical Prospecting Licence area.

Competition ground. In order that interested parties have an equal chance of applying for newly available ground, four times yearly (on 1st February, 1st May, 1st August and 1st November) a Competition list is published of licence areas that have been recently surrendered or have been offered but not accepted. Applications made in the following two months will then be considered on their merits, without any regard to time priority. Factors involved in assessment include the aggressiveness and quality of exploration programmes, the track record of applicants, the availability of funds and the proximity of ground held by the applicant.

KEY FEATURES

- Exploration and mining are regulated by the State and undertaken by private industry
- Exploration is undertaken under **Prospecting Licences**, valid for 6 years and renewable
- Joint Ventures are welcomed
- Only holders of a Prospecting Licence can apply for a mining facility in the same area
- Prospecting Licences are typically issued within 4 months.
- Authority to mine is vested in the Minister, who grants **State Mining Facilities**
- Mining also requires permits from the local Planning Authority and the Environmental Protection Agency
- Royalties are individually agreed in negotiation between the State and the applicant
- There is no State shareholding in mines
- Environmental guidelines apply to exploration, and an Environmental Impact Statement is required for development
- A State Mining Facility should issue within 18 months of application

• Application and Issue Procedures

Applications for prospecting licences are made on a prescribed form and applicants are required to provide:

- Evidence of technical capability and financial viability
- Reasons why particular minerals are being sought, and an appropriate exploration programme for all such minerals
- Commitment to a minimum expenditure requirement (see table)
- Evidence of suitable insurance against third party claims or environmental damage, with the Minister indemnified

Following evaluation of an application, if it is deemed acceptable, an offer is then made to the company, setting out the required terms and the area to be licensed. On acceptance, notification of the Minister's intention to grant a licence is then advertised. There is a statutory 21 day waiting period before the prospecting licence is issued, to allow for any objections.

• Licence Terms

Prospecting Licences are issued for a period of six years for specified minerals and can be renewed. A minimum expenditure is required (see table). A minimum work programme is also required, details of which are agreed with the licensee. Aggregation of expenditure on contiguous areas is allowed as long as 25% of the basic minimum requirement for each area has been achieved, and the total expenditure for the block is met. Progressively increased work and expenditure commitments are required on renewal. Work reports are required every two years, and are held confidential for six years or until surrender of the licence (if earlier). However, an exception is regional airborne surveys, the data from which is made public after four years except over ground still held by the company that commissioned the survey. Third party insurance, indemnifying the Minister, is required for the period of the licence, but need not be licence specific in that the same insurance policy can cover all ground held by the licensee.

Joint Ventures with current licence holders are welcomed, but cannot be undertaken until the licence holder has

satisfied EMD that the agreed work programme and expenditure requirements for the first two-year term of the Prospecting Licence have been fulfilled.

Licensees should respect the wishes of the landowners regarding access, and be **environmentally responsible**. Although exploration is exempted from controls under the Local Government (Planning and Development) Acts, 1963 to 1993, licensees are provided by EMD with 'Guidelines for good environmental practice'. Typically, two weeks advance notice of drilling is required, while trenching needs prior approval from EMD with immediate rehabilitation thereafter. Stricter controls are applied in environmentally sensitive areas for which details are provided.

EMD staff maintain close field-based contact in order to keep up to date on exploration programmes and ensure that environmental aspects are satisfactory, as well as providing advice as required.

• Fees

In addition to an **application fee** of €190, **consideration fees** are also payable for each two year period of the licence. These increase progressively, but there are substantial

FEES (Euro)	Standard	Incentive Ground	
		Open Ground	Open/Licensed Areas
First 2 years	750	375	375
Second 2 years	875	375	375
Third 2 years	1,500	500	500
TOTAL	3,125	1,250	1,250
EXPENDITURE (Euro)			
First 2 years	10,000	2,500	2,500
Second 2 years	15,000	3,750	5,000
Third 2 years	20,000	5,000	10,000
TOTAL	45,000	11,250	17,500

Fees and minimum expenditure requirements in Euro for the various licence categories for the first six years.

reductions for 'incentive ground' (see table). On renewal of a six-year licence, a fee of €2,500 is payable for each subsequent two-year term.

Development

The development permitting process is straightforward and designed to achieve **environmentally responsible mining with long term economic viability**. It is undertaken through a **State Mining Facility** which is granted when permits have been obtained from two other agencies. These permits are a **Planning Permission**, from the Local Authority, and an **Integrated Pollution Control Licence (IPCL)** from the Environmental Protection Agency (EPA). Close contact is maintained between the three agencies. **The time taken from application to issue for large deposits should be within 18 months, with a shorter period for smaller deposits.**

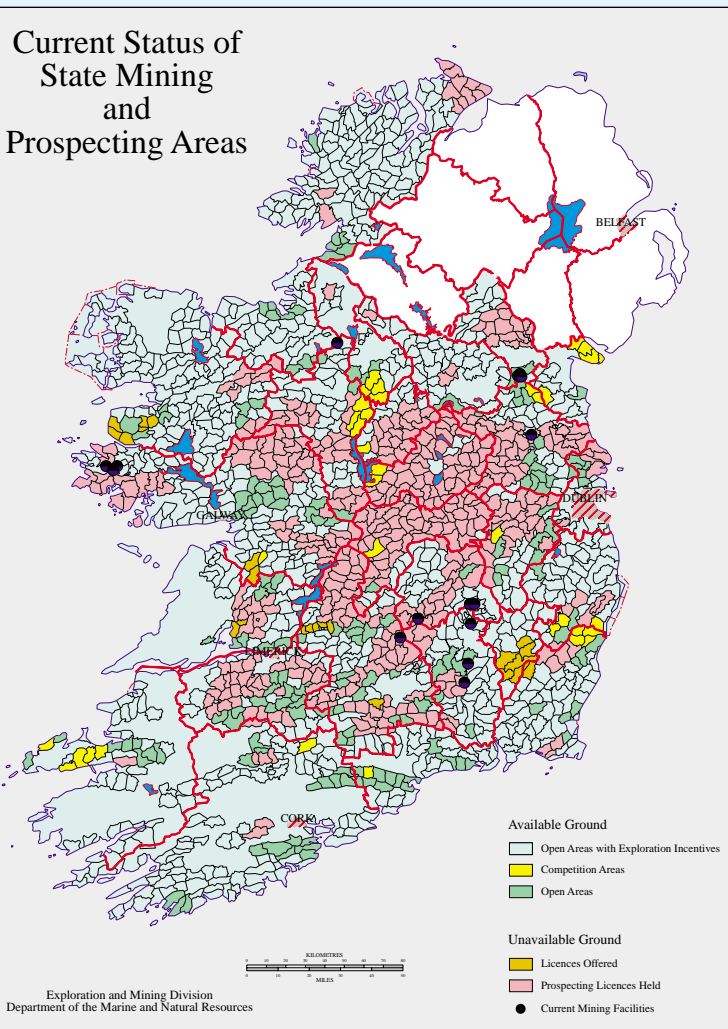
for State-owned minerals. A lease is issued to facilitate complete exploitation of a well-defined deposit of minerals. A **State Mining Licence** is issued where working a deposit will involve private minerals for which the sole right of working is vested in the Minister. Anyone owning such minerals or substantially affected by the proposal may make representations to the **Mining Board**. Relevant minerals owners are entitled to compensation. The Board can also adjudicate on claims for compensation for damage to water supplies or surface lands, or nuisance caused by working minerals. Such compensation is payable by the holder of the facility. A **State Mining Permission** is granted for State-owned minerals but is of more limited and specific scope than a lease. A Permission only permits the removal of a restricted quantity of the mineral during a limited period, is mainly utilized where working of industrial minerals is concerned, and can be replaced by a State Mining Lease under appropriate conditions.

Whilst the Minerals Development Acts provide for individual agreement of the terms for each State Mining Facility, the general conditions are usually relatively similar. These include:

- A fixed term related to the predicted length of the operation;
- Financial payments, normally consisting of a fixed annual fee, plus a royalty payment related to tonnage produced or revenue; royalties are individually agreed;
- Efficient and continuous working to ensure optimum development;
- Provisions to protect the rights and safety of third parties;
- Sureties to ensure that the site can be fully rehabilitated on closure;
- In cases involving private minerals, indemnification of the Minister against successful compensation claims.

Applicants for State Mining Facilities are required to demonstrate that they have the necessary financial and technical capability to work the minerals effectively, and provide for orderly rehabilitation of the mine area when mining has ceased. They are also required to show that an adequate reserve of minerals has been defined, such as can be reasonably expected to support a viable mining operation, and that they have made arrangements to obtain any necessary ancillary rights, such as access and surface rights.

Current Status of State Mining and Prospecting Areas



Simplified map showing status of State Mining and Prospecting Areas. Detailed maps are published twice a year.

• State Mining Facilities

Any mineral deposit will be in State or private ownership, or a combination of both. State ownership is approximately 60% of all minerals. All gold and silver are State-owned.

State Mining Facilities take the form of **State Mining Leases, State Mining Licences and State Mining Permissions**. The appropriate facility will depend mainly on the mineral ownership position, but also on the nature of the proposed development. A **State Mining Lease** is granted

• Planning Permission

Planning Permission is required under the Local Government (Planning and Development) Acts, 1963 to 1993, for any industrial development, which in the case of a new mine includes both mine development and any associated processing, waste storage facilities and infrastructure. Permission is obtained from the local Planning Authority. A key requirement is an Environmental Impact Assessment. An **Environmental Impact Statement (EIS)** must be prepared by the developer, containing an

analysis of the likely effects of the project, including effects on people, flora, fauna, soil, water, landscape, cultural heritage, etc. Only those aspects of the EIS which relate to land use planning are considered within the planning process. Pollution issues are dealt with by the EPA.

Following application, the Planning Authority has two months to (i) grant with or without conditions; (ii) refuse, with reasons; (iii) ask for further information. For complex applications such as most mining projects, a request for further information is common. Once the developer replies, the Planning Authority has a further two months to make its decision. Common planning conditions for mine development would concern replacement of water supplies, upgrading roads, landscaping, control and monitoring of subsidence and provisions (with surety) for closing the operation once the deposit has been mined out.

There is a right of appeal against the initial decision to **An Bord Pleanála (the Planning Appeals Board)**. The Board will normally make its decision within four months of the date of the appeal.

- **Integrated Pollution Control Licence (IPCL)**

All aspects of air and water pollution, noise and waste are covered by this required permit from the Environmental Protection Agency, the main objective of which is to

prevent or solve pollution problems rather than transferring them from one part of the environment to another. In granting an IPC Licence, the EPA must be satisfied that best available technology not entailing excessive costs (BATNEEC) will be used to prevent or limit emissions, with the emphasis placed on pollution prevention rather than “end of pipe” solutions. The application procedure for an IPCL is analogous to that for Planning Permission, and the same EIS is used.

- **Other Requirements**

Under the **Mines and Quarries Act, 1965**, there are statutory obligations with regard to safety, health and welfare, provision of adequate plans, etc. Other permits may also be needed, e.g. for the use of explosives from the Department of Justice and for fire safety from the Local Authority.

- **Fees (Euro)**

A fee is payable for any mining facility application. For metalliferous minerals these are currently: €19,046 plus 13c per tonne of annual output of ore for a new mine or for an areal extension of any existing facility where the output is to be increased; €31,743 if no new process plant is required. For other minerals: €6,348 if the output will be less than 100,000tpa; otherwise €12,697.

Relevant Publications

- **Minerals Development Acts**

Minerals Development Act, 1940 (No. 31 of 1940)

Petroleum and Other Minerals Development Act, 1960
(No. 7 of 1960)

Minerals Development Act, 1979 (No. 12 of 1979) Minerals Development Act, 1995 (No. 15 of 1995)

Minerals Development Act, 1999 (No. 21 of 1999)

Under which were made:

Minerals Development Regulations, 1979
(S.I. No. 340 of 1979)

Minerals Development (Amendment) Regulations, 1994
(S.I. No. 319 of 1994)

Minerals Development (Application fees for certain State mining facilities) Regulations 1996 (S.I. No. 259 of 1996)

- **Local Government (Planning and Development) Acts, 1963 to 1993**

Local Government (Planning & Development) Act, 1963
(No. 28 of 1963)

Local Government (Planning & Development) Act, 1976
(No. 20 of 1976)

Local Government (Planning & Development) Act, 1982
(No. 21 of 1982)

Local Government (Planning & Development) Act, 1983
(No. 28 of 1983)

Local Government (Planning & Development) Act, 1990
(No. 11 of 1990)

Local Government (Planning & Development) Act, 1992
(No. 14 of 1992)

Local Government (Planning & Development) Act, 1993
(No. 12 of 1993)

The following regulations are relevant:

European Communities (Environmental Impact Assessment) Regulations, 1989 (S.I. No. 349 of 1989) and 1994 (S.I. No. 84 of 1994)

Local Government (Planning and Development) Regulations 1994 (S.I. No. 86 of 1994) and 1995 (S.I. No. 69 of 1995)

- **Other applicable legislation**

Local Government (Water Pollution) Acts, 1977
(No.1 of 1977) and 1990 (No. 21 of 1990)

Air Pollution Act, 1987 (No. 6 of 1987)

Environmental Protection Agency Act, 1992
(No. 7 of 1992)

Waste Management Act, 1996 (No. 10 of 1996)

- **Publications from EMD**

Report by the Minister for Communications, Marine and Natural Resources. Issued for the six months ending 30th June and 31st December of each year

Current State Mining and Prospecting Facilities and Areas Open for Application under Competition. Published twice a year, on 1st May and 1st November

Prospecting Licence Areas Open for Application under Competition. Published on 1st February and 1st August

Fiscal Framework

Environmental Safeguards – the Irish Way

Guidelines for Good Environmental Practice in Mineral Exploration

Guidelines for Regional Airborne Geophysical Surveying for Minerals

Exploration and Mining Division

Within the Department of Communications, Marine and Natural Resources the Exploration and Mining Division (EMD) deals with minerals policy, the administration of the State mining and prospecting system, and the promotion of mineral exploration and development. The Division comprises both administrative and technical staff.

EMD is the key reference point for the exploration and mining industry, providing a full support service on all regulatory matters, including:

- Legislative provisions
- Reference information on the geographical areas of all prospecting licences
- A quarterly publication on current ground holdings, or directly on an informal basis
- Technical advice and field-based contact during exploration programmes
- A contact for companies new to Ireland, or those interested in joint venture arrangements
- General reviews on various aspects of exploration and mining in Ireland

- Advice on the initial aspects of Environmental Impact Statements
- Advice on applications for State Mining Facilities
- Information on consultants and contractors based in Ireland
- Information on environmentally sensitive areas
- Exploration company reports released since 1 January 2000, in digital format
- Release of airborne geophysical surveys submitted by exploration companies

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