



**SOUTH
AUSTRALIA**

2016

Regulating mineral exploration and mining in South Australia

Setting the framework for best practice regulation

South Australia possesses a wealth of minerals which are vested in the Crown.

The Department of State Development, through the Mineral Resources Division is the state's economic development agency responsible for the administration and management of mineral resources and regulation of South Australia's mineral exploration and mining sectors. The Department of State Development is committed to the principles of effective and efficient regulation outlined in the following Policy Statement.

The Government of South Australia is encouraging the development of our mineral resources under *South Australia's Economic Priority No. 1: Unlocking the full potential of South Australia's resources, energy and renewable assets* which sets targets for mineral resource exploration and development. This Priority recognises the importance of our resources sector in growing the state's future economic prosperity through increased business investment, regional development and opportunities for employment and skilling, balanced against key environmental and social objectives.

The broad-scale benefits achieved through the development of our mineral resources will also substantially contribute to the other Economic Priorities.

Best practice management of South Australia's mineral assets, including streamlined regulation of exploration and mining activities, attracts investment that delivers outcomes of sustainable benefit and prosperity.

The Department of State Development recognises that the exploration and mining sectors require predictable procedures for access to land, security of exploration and/or mining tenure and predictable regulatory processes, in order to commit to higher risks for investment in mineral resource exploration, new mine development and life-of-mine operations.

Exploration and mining companies may need to achieve a social licence to operate from the community as part of establishing effective long term working relationships with all stakeholders. In this case, community confidence in the industry's overall performance and a demonstrated commitment by companies to best practice environmental management is paramount. The Department of State Development recognises that community confidence will only be gained where industry and the community work together cooperatively and openly in good faith to develop and achieve mutually acceptable outcomes.

South Australia's mining legislation administered by the Department of State Development

The following South Australian legislation is administered by the Department of State Development on behalf of the Minister for Mineral Resources and Energy:

- *Mining Act 1971*
- *Mines and Works Inspection Act 1920*
- *Roxby Downs (Indenture Ratification) Act 1982*
- *Broken Hill Proprietary Company's Indenture Act 1937*
- *Opal Mining Act 1995*
- *Whyalla Steel Works Act 1958*
- *Offshore Minerals Act 2000*

Policy statement

The Department of State Development has adopted a contemporary framework for regulating mineral exploration and mining activities which is consistent with:

- the mining legislation administered by the Department of State Development on behalf of the Minister for Mineral Resources and Energy
- South Australia's Economic Priorities
- publications of the former Ministerial Council for Minerals and Petroleum Resources, including *Principles for Engagement with Communities and Stakeholders*
- our State's commitment to the regulatory solutions, forms and principles set out in *Principles and guidelines for national standard setting and regulatory action by ministerial councils and standard setting bodies*, Council of Australian Governments (2004)
- the *Leading Practice Sustainable Development Program for the Mining Industry* published by the Australian Government

- the principles of *Enduring Value* (2004) endorsed by all members of the Minerals Council of Australia, which are based on the *Sustainable Development Framework* of the International Council on Mining and Metals (2003)
- relevant national standards including AS/NZS 4360: Risk Management.

Principles for effective and efficient regulation

The Department of State Development is committed to these fundamental regulatory principles:

- **Effectiveness and efficiency.** A streamlined, fit for purpose, regulatory approach, appropriate for the circumstances, to achieve clearly identifiable outcomes.
- **Accountability.** Ensuring responsibility and accountability are clearly assigned and understood by explorers, miners and the community.
- **Enforcement.** Ensuring explorers and miners achieve approved outcomes.
- **Engagement.** Valuing the informed involvement of communities and other stakeholders in processes leading to decision-making and achievement of a social licence to operate.

Key features

Key features of our regulatory processes that will deliver effective and efficient regulation are:

- **Fair and equitable.** The interests of all stakeholders will be considered.
- **Timely.** Decisions will be made in the minimum possible time.
- **Transparent.** Public release of information on the regulatory processes and decisions will be timely and appropriate.
- **Predictable.** Processes will be consistent leading to clearly identifiable, social and economic outcomes.

- **Practical.** Outcomes will be achievable in a practical sense.
 - **Flexible.** Alternative and innovative approaches that take account of changing circumstances (e.g. in technology and community expectations over the long life of a mine) will be enabled.
 - **Efficient.** Red tape will be minimised and regulatory processes simplified and made 'fit for purpose' to achieve timely decision-making.
 - **Objective.** Decisions will be based on sound scientific and technical information.
 - **Inclusive.** Stakeholders will be engaged and informed and their views will be taken into account.
- *demonstration of ability to achieve agreed outcomes*
 - *demonstration of achievement of agreed outcomes.*
 - *Collaboration* with other government agencies to achieve government priorities, engaging their expertise and authority where required.
 - *Ensuring compliance* through best practice strategies, which may include enforcement actions, that ensure explorers and miners consistently achieve agreed outcomes.

Regulatory approach

The Department of State Development's approach to effective regulation, including decision-making will be achieved by:

- *Application of recognised industry and national standards.*
- *A whole-of-mine-life approach* through exploration, pre-production phases, production phase and the post-production phases including mine closure and completion.
- *Balanced assessment* of the economic, social and environmental impacts.
- *Risk-based approach* to determine what impacts must be managed.
- *Performance-based criteria* focusing on outcomes rather than inputs.
- *Minimisation of liability* for both government and the community.
- *Clear accountability for the explorer or miner* to achieve community and government expectations including:
 - *stakeholder engagement to establish best practice environmental and site management processes and outcomes which are appropriate for the exploration program or for a mining development through life-of-mine and beyond mine closure*

Further information

If you have any questions regarding the amendments to the *Mining Act 1971* or the *Mining Regulations 2011* please contact the Mining Registrar, Department of State Development, Mineral Resources Division
Telephone: +61 8 8463 3103 or
Email: DSD.tenements@sa.gov.au

Other fact sheets, information sheets and regulatory guidelines are available from the Department of State Development Minerals website
<www.minerals.statedevelopment.sa.gov.au>.

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