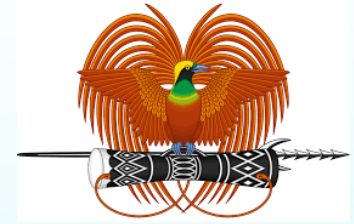




**IGF**

INTERGOVERNMENTAL FORUM  
on Mining, Minerals, Metals and  
Sustainable Development

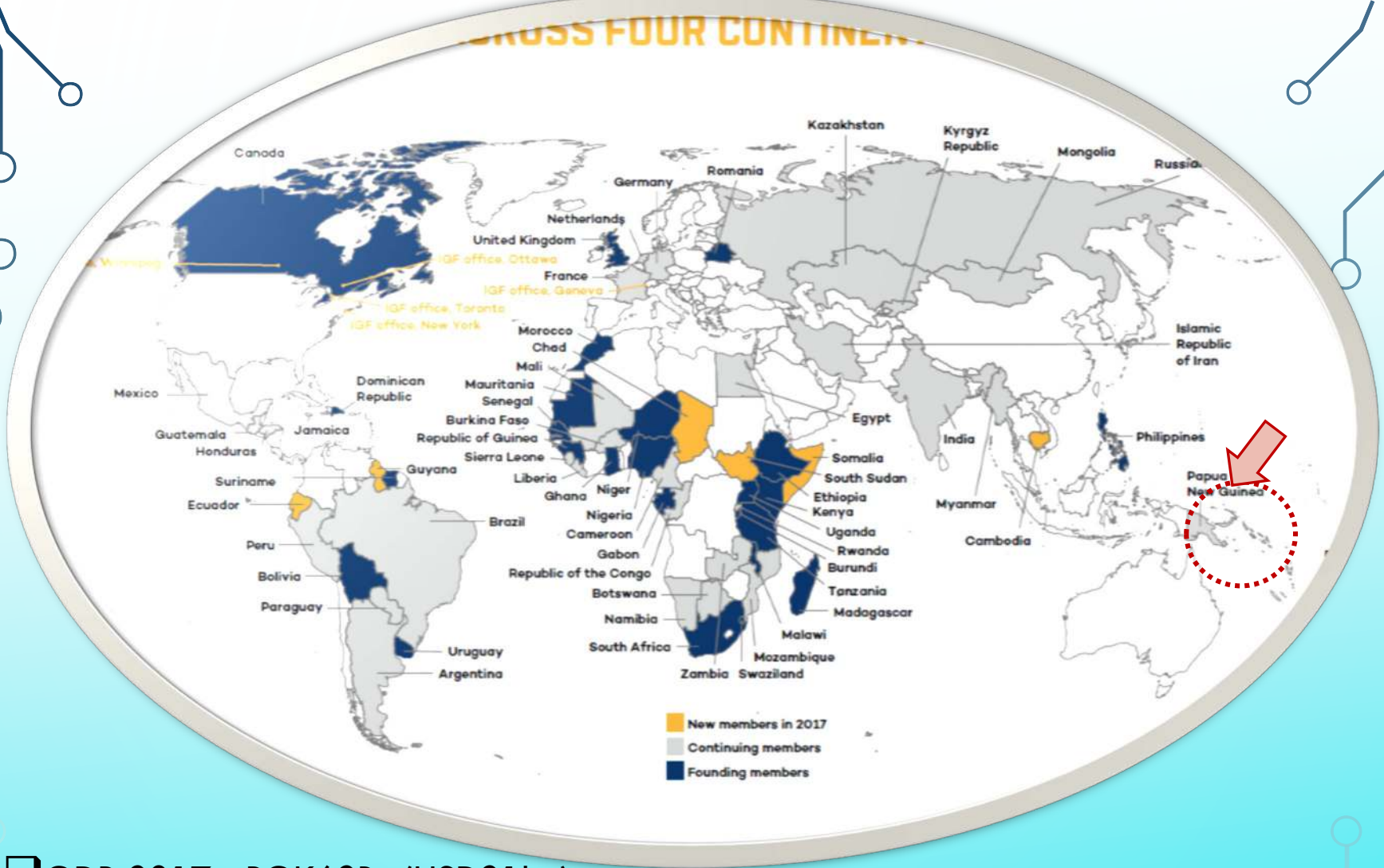


**Session 10 – Modern Mine Closure  
Tools for Companies and Governments**

**INTRODUCTION OF THE PAPUA NEW  
GUINEA MINE CLOSURE AND  
REHABILITATION GUIDELINES**

**APEC-IGF-PNG-PILOT PROJECT**

WEDNESDAY, 17 OCTOBER 2018



❑ GDP 2017 - PGK62Bn (USD21bn)

❑ MINING REVENUE-PGK11.535Bn(USD4bn) => 18.63% OF GDP

❑ 10 MINING OPERATIONS/ARTISANAL 50,000 +

❑ LAND AREA -462,840 km<sup>2</sup>/POPUL -8 mill +

# OVERVIEW: PNG REGULATORY CHALLENGES

- ❑ PNG's Mining Act 1992 has no provisions for mine closure.

*Exception is the Ok Tedi mine under the 2001 decommissioning code for closure. Financial assurance (~USD270m, reduced ~USD196m).*

- ❑ PNG's Environment Act 2000 (limited provision)

*Environment permit provides the holder must activate a closure plan within 5 years of anticipated closure*

- ❑ Different companies apply different guidelines based on their views of international best practice.

- ❑ PNG history: one mine closed – Misima (2004-2010); one abandoned mine – Sinivit (2014); Mine in liquidation - Tolukuma (2017)

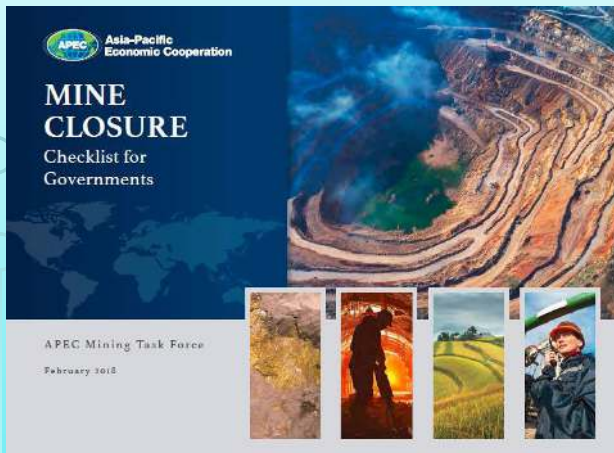


# BACKGROUND



APEC-IGF Joint Statement of Intent of 7th May 2017, in Ha Noi, Viet Nam. The APEC Mining Task Force (MTF) and IGF agree that IGF will:

*Undertake a complete pilot implementation of the Checklist through a mine closure in at least one APEC developing economy.*



PNG selected for the pilot project of the Canadian economy Mine Closure Checklist.



PNG undertook pilot implementation:

- ✓ Assessed the host government policy framework pertaining to mine closure at a stakeholder workshop in Port Moresby.
- ✓ Identified key issues to be addressed using the Checklist.
- ✓ Developed a strategy to address identified issues based on international best practice & PNG experience.
- ✓ Presented draft outcomes at the APEC MTF Mining Workshop in August 2018.



# PNG Mine Closure Guidelines - Workshop Break-out Session

## Priority Mine Closure governance gaps and issues

No	Issue/Gap	Groups/Tables			
		A	B	C	Total
1	Financial Assurance throughout life cycle	1	1	1	3
2	Post-mining economy, what's possible and what does it look like?	1	1	1	3
3	Social impact	1	1	1	3
4	Closure plan in place during operations	1	1		2
5	Access to remaining resources by smaller actors (ASM, etc.)	1		1	2
6	More on the closure team - multidisciplinary, management support		1	1	2

	<i>Mines closed?</i>	<i>mines closing in 2-3 years?</i>	<i>mines closing in 3-5 years?</i>	<i>mine closing in +10 years?</i>	<i>Relinquishment criteria, or similar?</i>
7 Financial Assu					
8 Physical + Chem					
9 Socio-econom					
10 Biodiversity m					
11 Premature per					
12 Gender mainst					
13 Mine closure C					
14 Task Force - wh					
15 Task Force - ot	Australia	x	x		x
16 Social license t	Canada	x	x		x
	Chile		x		x
	Chinese Taipei				x
	PNG	x	x		x
	US	x	x		x

# CASE STUDY – MISIMA MINE

- ❑ 1989 - Commence Production;
- ❑ 2004 –Production ceased/ Mine closed
- ❑ 2012 – Relinquishment
- ❑ Post Mine Closure
- ❑ Mined area rehabilitated.
- ❑ Services & Infrastructure provided by Mine Operator & Government decommissioned except where retained by community.
- ❑ Mine pit used for mini-hydro scheme.



# ✓ DEVELOP A STRATEGY TO ADDRESS IDENTIFIED ISSUES BASED ON INTERNATIONAL BEST PRACTICES



- ❑ CONDUCTED WORKSHOPS, SESSIONS AND TELECONFERENCES LED BY IGF AND CIRDI TEAM. RESPONSIBLE PNG AGENCIES PARTICIPATED



- ❑ MODIFIED TO MEET THE NEEDS AND REQUIREMENTS FOR PNG.



- ❑ CONSIDERS CONCEPTUAL CLOSURE PLANS & FINANCIAL ASSURANCE THROUGH TO DETAILED FINAL CLOSURE PLANS



# Key Issues addressed in the Guidelines

- Plain Language Summary
- Authorizations/Corporate approval
- Purpose and Scope
- Mine Closure Management Team
- Post-Mining Land Use
- Environmental/Social Setting
- Stakeholder Engagement
- Temporary Closure
- Progressive Reclamation
- Integrated Schedule of Activities
- Post Closure Monitoring and Maintenance
- Relinquishment Plan
- Mine Closure Cost Estimates
- Mine Closure Financial Assurance

# Outcome

- ❑ Provide guidance to industry proponents and government regulators on what needs to be included in mine closure plans submitted for approval.
- ❑ Assist in addressing mine closure challenges; and
- ❑ Ensuring successful closure of operations.

## Papua New Guinea Mine Closure & Rehabilitation Guidelines

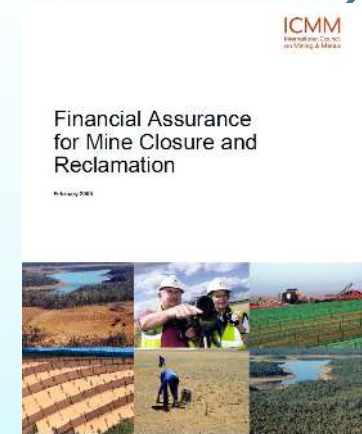
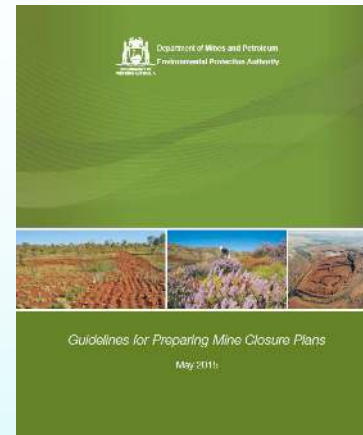
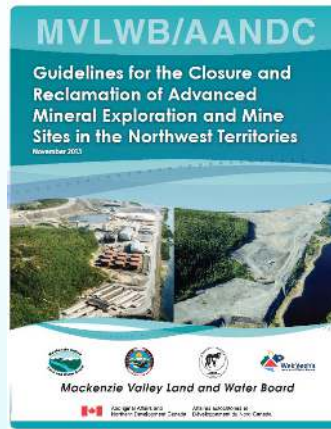
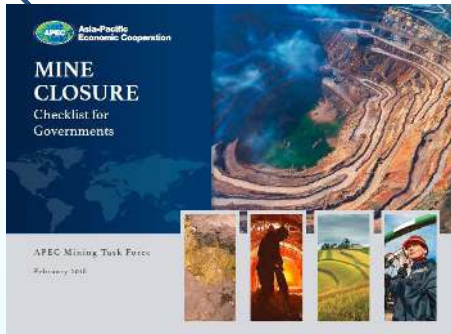
WORKING DRAFT\_v004 APEC-IGF-PNG PILOT PROJECT

20 August, 2018

APEC-IGF-PNG MCRG\_v004\_20AUG2018

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