

PROCEDURES FOR  
APPLYING AND HANDLING  
APPLICATIONS FOR  
RECONNAISSANCE,  
PROSPECTING AND  
MINING LICENCE IN  
SWAZILAND.

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## **Guidelines for applying for a Mineral Right in Swaziland**

1. A person who seeks to acquire a mineral right must submit a letter of intent to the Commissioner of Mines stating the desire to acquire a mineral right.
2. The letter of intent to acquire to a mineral right must be in one standard A4 paper size written on one side including the name of the person, or company, type of mineral right sought (reconnaissance, prospecting or mining right) and the mineral(s) of interest.
3. On receipt of the letter of intent, the Commissioner of Mines shall issue an Application Form to the person for the mineral activity required, namely; reconnaissance, prospecting or mining.
4. The applicant shall supply the required information in the Application Form and return the completed Application Form to the Commissioner of Mines.
5. On submission of a completed Application Form, the Commissioner of Mines shall issue a Reference Number to the applicant for ease of reference and subsequent enquiry by the applicant.
6. The Commissioner of Mines shall present the application to the Minerals Management Board for consideration.
7. The Minerals Management Board appraises the application taking into consideration of the attachments.
8. On satisfactory assessment of the application, the Minerals Management Board invites the applicant to come and motivate the application.
9. The Minerals Management Board makes an opinion of the project proposed based on the information supplied in the application form, presentation, motivation and other references made regarding the proposed project.
10. The Minerals Management Board recommends the most comprehensive project proposal to *iNgwenyama* for consideration for a grant of a mining right
11. Each applicant shall be notified in writing of the outcome of the application within twenty (21) days after appearing before the Minerals Management Board.

## **PROCEDURES FOR HANDLING APPLICATIONS FOR RECONNAISSANCE, PROSPECTING AND MINING LICENCE.**

In terms of Section 214 of the Constitution of Swaziland 2005, the Minerals Management Board hereby adopts the following processes for execution of its task.

### **OBJECTIVE**

The objective of this arrangement is to ensure that the applicant submits all pertinent information at the initial stage to enable a speedy processing of application(s).

There shall be standard forms that shall be used for mineral rights applications. These forms state all specific attachments that are required with each application.

#### **1. Mineral rights applications requirements**

- (a) all applications for mineral rights must be made on the prescribed forms which are obtainable from the Commissioner of Mines;
- (b) each application for mineral right shall be accompanied by the prescribed fees for each type of mineral;
- (c) all applications for mineral rights that are submitted must include the attachments listed on the application forms; failure to provide the information requested on the forms shall result in rejection of the application;
- (d) all applications for mineral rights are addressed to the Commissioner of Mines for appraisal before consideration by the Minerals Management Board. In order to facilitate a speedy evaluation of applications and onward processing of grants there is a requirement for specific attachments with every application form. The attachments differ with the type of licence as itemised below: -

##### **1.1 Application for Reconnaissance**

An application for a reconnaissance licence shall be accompanied by the following attachments: -

- (a) a proposed work programme of reconnaissance operations;

- (b) a costed Project Brief;<sup>1</sup>
- (c) a statement of financial resources available to the applicant to carry out the proposed reconnaissance operations under the licence and to comply with conditions of the licence;
- (d) a statement of relevant experience and technical resources available to the applicant to carry out the proposed reconnaissance operations under the licence and to comply with conditions of the licence;
- (e) a statement that specifies the applicant's proposals with respect to employment and training of citizens of Swaziland;
- (f) applicants and directors of companies that have applied for a mineral right licence will be subjected to a vetting process through ITC or similar agents to ensure /establish their historical background;
- (g) any other information that the Commissioner of Mines may reasonably require for the consideration of the application by the Minerals Management Board.

## **1.2 Application for Prospecting Licence**

An application for a prospecting licence shall be accompanied by the following attachments: -

- (a) a proposed work programme of prospecting operations;
- (b) a costed Project Brief;
- (c) a statement of financial resources available to the applicant to carry out the proposed prospecting operations under the licence and to comply with conditions of the licence;
- (d) a statement of relevant experience and technical resources available to the applicant to carry out the proposed prospecting operations under the licence and to comply with conditions of the licence;
- (e) a letter of guarantee on the funding of the project or letter of comfort on the financing of the project from a credible financial institution/financier in addition to the financial statement;
- (f) a statement that specifies the applicant's proposals with respect to employment and training of citizens of Swaziland;
- (g) a declaration that applicant shall endeavour to procure local goods and services;

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<sup>1</sup> Project Brief as required by the Swaziland Environmental Authority for purposes of the Environmental Management Act 2000 in order to categorise a project for Environmental Impact Assessment (EIA), Comprehensive Mitigation Plan (CMP) and Environmental Compliance Certificate (ECC).

- (h) applicants and directors of companies that have applied for a mineral right licence will be subjected to a vetting process through ITC or similar agents to ensure /establish their historical background;
- (i) any other information that the Commissioner of Mines may reasonably require for the consideration of the application by the Minerals Management Board.

### **1.3 Application for Mining Licence**

An application for a mining licence shall be accompanied by the following attachments: -

- (a) a proposed programme of mining operations, that shall outline mine forecasts, operation plans
- (b) a proposed programme of options for minerals beneficiation or value addition;
- (c) a costed Project Brief;
- (c) a statement of financial resources available to the applicant to carry out the proposed mining operations under the licence and to comply with conditions of the licence;
- (d) a statement of relevant experience and technical resources available to the applicant to carry out the proposed mining operations under the licence and to comply with conditions of the licence;
- (e) a letter of guarantee on the funding of the project or letter of comfort on the financing of the project from a credible financial institution/financier in addition to the financial statement;
- (f) applicants and directors of companies that have applied for a mineral right licence will be subjected to a vetting process through ITC or similar agents to ensure /establish their historical background;
- (g) a statement regarding the mineral deposits in the area of land over which the licence is sought that includes details of all known minerals as well as possible mineral resources;
- (h) a statement that specifies the applicant's proposals with respect to employment and training of citizens of Swaziland;
- (i) a declaration that applicant shall endeavour to procure local goods and services;

- (j) a statement that specifies the applicant's proposals with respect to community development;
- (k) any other information that the Commissioner of Mines may reasonably require for the consideration of the application by the Minerals Management Board

## 2. Consideration of applications

The Minerals Management Board shall not recommend a reconnaissance licence or a prospecting licence, or a mining licence unless it is satisfied that –

- (a) the area of land over which the licence is sought is reasonable having regard to the applicant's proposed programme of operations;
- (b) the applicant has adequate -
  - (i) financial resources;
  - (ii) technical competence and
  - (iii) relevant industry experience to carry out the proposed programme of operations;
- (c) the applicant has submitted a costed project brief in the prescribed form;
- (d) the applicant's proposals with respect to the procurement of local goods and services are acceptable;
- (e) the applicant's proposals with respect to community development are acceptable;
- (f) the applicant's proposals with respect to employment and training of citizens of Swaziland are acceptable;
- (g) any other information that the Commissioner of Mines may reasonably require for the consideration of the application by the Minerals Management Board.
- (h) the proposal of the applicant with respect to the local beneficiation and value addition of minerals is acceptable

## 3. Consideration of applications for Mines dumps.

- (a) The Minerals Management Board shall not recommend a licence that would confer a right to **work a mine dump** on land that is the subject of another mineral right unless –
  - (i) the holder of that other mineral right has been given a reasonable opportunity to comment on the application; and,
  - (ii) the Board has satisfied itself that the holder of the other mineral right would not be substantially

disadvantaged if the licence were to be recommended for granting;

(iii) where sub-section (a) applies, the Minerals Management Board may –

1. impose special conditions in a licence to work a mine dump; and
2. amend the existing mineral right to impose new terms and conditions, for the purpose of ensuring that the operations permitted under the mineral rights concerned can proceed with the minimal disturbance to the operations of the other.

(b) any other information that the Commissioner of Mines may reasonably require for the consideration of the application by the Minerals Management Board.

#### **4. Application of environmental laws and regulations**

The grant of a mineral right shall require compliance with the environmental laws and regulations.

- (a) submission of the relevant Project Brief is a pre-requisite in order for the Commissioner of Mines and the Swaziland Environmental Authority (SEA) to assess and classify the project according to the Environmental Management Act;
- (b) an Environmental Impact Assessment (EIA) shall lead to a Comprehensive Mitigation Plan (CMP) which shall be used to regulate the management of the environment where the grant is made.

##### **4.1 Requirement for Environmental Compliance Certificate**

A mineral right shall not be granted unless and until –

- (a) the Commissioner of Mines has received from the Applicant an Environmental Compliance Certificate (ECC); and
- (b) the ECC has been endorsed by the Environmental Authority where required under the environmental laws and regulations.

##### **4.2 Environmental bond**

There shall be no prospecting licence, or mining licence granted unless and until the applicant for such a licence has provided a bond or other financial security to the Commissioner of Mines in accordance with this section.

The holder of a prospecting licence or a mining licence shall provide the Commissioner of Mines with –

- (a) a bond; or



- (b) some other form of financial security that is satisfactory to the Minerals Management Board that shall be sufficient to cover the costs associated with the implementation of the environmental and rehabilitation obligations set out in the site rehabilitation and mine-closure plans of the holder of the licence;
- (c) the form and amount of the bond or other security specified in (a) shall be determined by the Minerals Management Board having regard to the characteristics of the particular project;
- (d) there shall be progressive or concurrent site rehabilitation where feasible before the programme of work is completed;
- (e) the amount secured by the bond or other financial security may be reduced by an amount determined by the Minerals Management Board if part of the environmental and rehabilitation obligations set out in the site rehabilitation and mine-closure plans are completed during the term of the licence;
- (f) the bond or other financial security specified in (a) shall be released to the holder when all the environmental and rehabilitation obligations set out in the site rehabilitation and mine-closure plans have been completed to the satisfaction of the Commissioner of Mines;

## **5. The office of the Commissioner of Mines**

These procedures suggest that an office of the Commissioner of Mines is established, which shall consist of mine engineers, an inspectorate and other officers as well as operational budgets, as the Commissioner of Mines may consider necessary.

The Commissioner of Mines is also custodian of other ancillary Acts and Regulations namely Explosives Act and the Mines, Health and Safety Act. He is responsible for private sector mineral exploitation and civil works that relate to mining. The Commissioner of Mines gives executive direction to the Mining Department.

### **5.1 Functions of the Commissioner of Mines**

The Commissioner of Mines shall –

- (a) receive applications for appraisal, assess for completeness and present to the Minerals Management Board for assessment and consideration;
- (b) upon receipt of an application for a mineral right made in accordance with these procedures, the Commissioner of Mines shall, within 30 days, submit the application together with a written report of appraisal on it to the Minerals Management Board;

- (c) upon receipt of an application for the renewal of a mineral right made in accordance with these procedures, the Commissioner of Mines shall, within 14 days, submit the application together with a written report of appraisal on it to the Minerals Management Board;
- (d) the Commissioner of Mines shall, within sixty days of the receipt of an application for a reconnaissance or a prospecting or a mining licence, and thereafter at thirty-days intervals, notify the applicant of the measures being taken regarding consideration of the application;
- (e) issue mineral rights licences that have been granted by iNgwenyama under the auspices of the Minerals Management Board;
- (f) ascertain whether the provisions of these procedures and the terms and conditions of any mineral rights and minerals agreement are being complied with;
- (g) give directions and to take steps necessary to enforce the provisions of these procedures and the terms and conditions of mineral rights and minerals agreement to recommend to the Minerals Management Board suspension or cancellation of Mineral Rights Licences;
- (h) maintain a Register of Mineral Rights Licences granted by iNgwenyama under the auspices of the Minerals Management Board;
- (i) obtain information necessary for the administration of these procedures; and
- (j) perform such other functions and exercise as are specified in these procedures and directed that by the Minerals Management Board.

## **6. Conduct by Applicants**

- (a) applicants shall not lobby any Board Member for purposes of influencing or inducing the outcome or expediting the processing and consideration of their application;
- (b) applicants shall not make any bribe, offer, undertaking or promise to a Board Member this shall lead to disqualification of the Applicant.