Structure of presentation

- Purpose
- Regulatory Framework
- Applications managed by the Agency
- Role of the Mineral Regulation Branch
PURPOSE OF PRESENTATION

• To brief the PPC on the role of the Mineral Regulation Branch in the Petroleum Sector in respect of The Petroleum Agency Of South Africa (PASA)
Regulatory Framework

• Chapter 6 of the MPRDA provides for the establishment of the Petroleum Agency of SA(PASA)

• Section 71 empowers PASA to:
  - receive, adjudicate and make recommendations to the Minister for granting or refusal of applications for onshore and offshore exploration and production of petroleum licenses
Regulatory Framework continued

- Monitor and enforce compliance
- Notify the Minister of any information relating to exploration and production which is likely to be of benefit to the State
Applications managed by the Agency

- As at 31\textsuperscript{st} March 2010, the agency has the following number of granted and active applications:
  1. Exploration Rights (same as prospecting rights): 34
  2. Production Rights (same as mining rights): 2
  3. Old Order Right (same as conversion applications: OP 26): 13

10 of these conversions are for exploration and 3 are for production
Role of the Mineral Regulation Branch

- Upon adjudication of the applications by the Agency, they are forwarded to the Minister for decision making but such applications are subjected to scrutiny prior to approval by the Minister.
- The regulatory framework/strategic objectives of the branch are cascaded down to the agency for implementation.
Role of the Mineral Regulation Branch cont

- The agency ensures implementation of the transformation agenda of government through implementation of the Mining Charter.
- The Branch renders a support service role to the agency on mining charter compliance.
- The agency through its promotion branch invites companies to invest in exploration and production activities which is elevated to applications being lodged and thus contributing to the broader agenda of licensing.