



Seabed Minerals (Exploration Fees) Regulations 2020

Sir Tom J. Marstei-s, KBE

Queen's Representative

Order in Executive Council

At Avarua, Rarotonga this 21st day of October 2020

Present:

His Excellency the Queen's Representative in Executive Council

Pursuant to section 178 of the Seabed Minerals Act 2019, His Excellency the Queen's Representative, acting on the advice and with the consent of the Executive Council, makes the following regulations-

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Schedule
Prescribed fees

Regulations

- 1 Title**
These regulations are the Seabed Minerals (Exploration Fees) Regulations 2020.
- 2 Commencement**
These regulations come into force on 22 October 2020.
- 3 Interpretation**
- (1) In these regulations, -
Act means the Seabed Minerals Act 2019
exploration regulations means the Seabed Minerals (Exploration) Regulations 2020
year means a period beginning on 1 July in any year and ending with the close of 30 June in the following year
- (2) Any term that is defined in the Act or the exploration regulations and used, but not defined, in these regulations has the same meaning as in the Act or the exploration regulations.

Part 1
Principles and methods for determining fees

- 4 Application of this Part to determining fees**
This Part applies when the Authority determines fees under the Act or the exploration regulations.
- 5 Principles of determining fees**
- (1) The Authority must, when determining fees, take all reasonable steps to recover so much of the direct and indirect costs incurred in performing its functions under the Act and the exploration regulations, including costs directly related to the functions performed by the licensing panel.
- (2) Nothing in this regulation requires a strict apportionment of the costs to be recovered for a particular function based on usage.
- (3) Without limiting the way in which fees may be determined, a fee may be set at a level or in a way that-
- (a) involves an averaging of costs or potential costs; or
- (b) takes into account costs or potential costs of functions that do not directly benefit the person who pays the charge, but which are an indirect or potential cost arising from the performance of the function in question to a class of persons.
- 6 Methods of determining fees**
The Authority may determine fees by one (1) or more of the following methods:
- (a) a method that results in fixed fees:

- (b) a method based on a scale or formula or at a rate determined on an hourly or other unit basis;
- (c) a method based on the actual and reasonable costs spent in or associated with the performance of a function;
- (d) a method that results in estimated fees, or fees based on estimated costs, paid before the performance of the function, followed by reconciliation and an appropriate further payment or refund after performance of the function.

Part 2 Prescribed fees

7 Prescription of application, annual and other fees

The application, annual and other fees in the Schedule are prescribed for the purposes of the Act and the exploration regulations.

Part 3 Special rules for annual fees

8 When annual fee is payable

Annual fees are payable annually in advance within thirty (30) days after 1 July or on a date determined by the Authority.

9 Annual fees payable in respect of licences granted or renewed during year

(1) If a licence for which an annual fee is payable is granted or approved during the year,-

- (a) the first payment of the annual fee must be made within thirty (30) days after the date on which the licence is granted; and
- (b) the amount of the payment is the proportion of the annual fee that corresponds to the proportion of the year left to run on the date on which the licence is granted.

(2) If a licence for which an annual fee is payable is renewed during the year, -

- (a) the first payment of the annual fee must be made within thirty (30) days after the date on which the licence renewal is granted; and
- (b) the amount of the payment is the proportion of the annual fee that corresponds to the proportion of the year left to run on the date on which the licence renewal is granted.

Part 4 Miscellaneous

10 Refund of fees

Application fees paid under the Act or the exploration regulations are not refundable in whole or part on the withdrawal, rejection or refusal of the application.

- 11 Fees exclusive of VAT
Fees determined by the Authority or prescribed under these regulations are exclusive of value added tax.
- 12 Increase in fees or new fees
Where there is a proposed increase or new fee under these regulations, the Authority must undertake appropriate consultation with persons substantially affected by the increase or the new fee.
- 13 **Prescribed fees do not include fees payable under other enactments**
Fees determined by the Authority or prescribed under these regulations do not include any fees or charges that may be payable under other enactments, including the Environment Act 2003.

**Schedule
Prescribed fees**

Section or re2nlation	Matter	Fee (NZ\$)
Sec 64(f)	Application fee for exploration licence (non-refundable)	\$50,000
Reg. 33(3)	Grant fee for exploration licence under Act (per block) (i) Licence area of up to 30,000 km ² ; and (ii) Licence area of between 30,001 and 80,000 km ² (iii) Licence area of 80,001 km ² and above	\$450 per block \$300 per block \$200 per block
Reg. 44(4)	Annual licence fee under exploration licence	\$80,000
Reg. 63(1)(b)	Application fee for each renewal of exploration licence (non-refundable)	\$50,000
Reg. 64(3)	Grant licence fee under renewed exploration licence (per block) (i) Fee for each block covered by any first renewal; and (ii) Fee for each block covered by any second renewal; and (iii) Fee for each block covered by any third renewal.	\$200 per block \$400 per block \$600 per block
Reg. 44(4)	Annual licence fee under renewed exploration licence	\$80,000
Sec 102(3)	Application fee for approval of transfer of title.	\$25 000
Sec 169(2)	Recording change of ownership, constitution or control of title holder in the register of titles.	\$1 000
Sec 50(2)	Fee for issue of certified copy of title or other document held on register of titles.	\$200
	Fee per hour for provision of information not covered above.	\$150

JJ Browne

Clerk of the Executive Council

These regulations are administered by the Seabed Minerals Authority.
These regulations were made on the _____ day of _____ 2020.