

Minerals policy in Britain: a metallic minerals perspective

Paul Lusty, British Geological Survey

Exploration and mining companies have a greater incentive to invest in countries with an efficient regulatory environment that expedites the exploration and development process. Britain has a varied geological environment with significant prospectivity for a range of metals. It has systematic geological data coverage, a history of mineral exploration and discovery and low financial and sovereign risk, all of which resource companies find attractive. A survey conducted by Resource Stocks (2009) ranked the UK twelfth in a global assessment of countries' risk profiles for resource sector investment. Despite this generally positive outlook and an unprecedented surge in metal prices in recent years, mineral exploration activity in Britain has not kept pace with other European countries. This review appraises the underlying reasons for this including the relatively complex regulatory environment in Britain, necessitated by demographic pressures and competition for land use, and mineral ownership rights. These issues are likely to become more prominent given security of supply concerns and growing interest in indigenous mineral resources, particularly those required for environmental technologies. The study compares and contrasts Britain with Northern Ireland and other jurisdictions, which have been successful in attracting significant mineral exploration expenditure. The analysis also considers the views of companies actively exploring, or who have recently considered exploring, for metals in Britain.