

ANNEXURE A**“Schedule 2: Cross-country analysis of royalty regimes – rest of the world”¹³⁷**

COUNTRY	GROSS SALES VALUE	PROFIT-BASED	NET SMELTER RETURN /NARROW VERSION OF PROFIT - BASED	NEGOTIATED CONTRACT	NONE
Canada		X			
Greenland				X	
Sweden					X
USA	In lieu of royalties, severance taxes				
Australia	X				
China	X				
Mexico	X				
Poland	X				
Argentina	X		X	X	
Bolivia	X				
Brazil	X				
Peru					X
Chile ¹³⁸					X
Indonesia	X				
Kazakhstan				X	
Uzbekistan	X				
Ireland	X				
Russia	X				
Papua New Guinea	X		X		
Philippines	X				

Cross-country analysis of royalty regimes – Africa

COUNTRY	GROSS SALES VALUE	PROFIT-BASED	NET SMELTER RETURN /NARROW VERSION OF PROFIT - BASED	NEGOTIATED CONTRACT	NONE
Angola	X				
Botswana			X		
Burkina Faso	X				
Ghana	X				
Ivory Coast			X		
Lesotho	X				
Malawi	X				
Mauritius					X
Mozambique	X				
Namibia	X				
Swaziland			X		
Tanzania	X				
Zambia			X		
Zimbabwe	X				

¹³⁷ The article by Arbelaez, op. cit at 9 of the Series, shows that Colombia has not been included herein

¹³⁸ The essay has shown that Chile is in a process of formulating its own national royalty scheme, see Pizarro, op. cit at 7 of the Series

Cross country analysis of royalty regimes – World summary table

COUNTRY	GROSS SALES VALUE	PROFIT-BASED	NET SMELTER RETURN /NARROW VERSION OF PROFIT - BASED	NEGOTIATED CONTRACT	NONE
World total	22 (=65%)	1 (=3%)	7 (=21%)	3 (=9%)	5 (=15%)
African countries	9 (=64%)	0 (=0%)	5 (=36%)	0 (=0%)	1 (=7%)
Total number of countries analysed	34 countries, 14 are African		NOTE: a country can adopt more than one System		

COUNTRY	GOLD	PLATINUM	DIAMONDS	COAL	INDUSTRIAL MINERALS	IRON ORE	COPPER
Argentina	0-3	0-3	0-3	0-3	0-3	0-3	0-3
Canada – Quebec	20%/ taxable income	20%/ taxable income	20%/ taxable income	20% /taxable income	20%/taxable income	20%/taxable income	20%/ taxable income
Canada – British Columbia	15% of taxable income	15% of taxable income	15% of taxable income	15% of taxable income	15% of taxable income	15% of taxable income	15% of taxable income
Canada - Ontario	18% of taxable income	18% of taxable income	18% of taxable income	18% of taxable income	18% of taxable income	18% of taxable income	18% of taxable income
China	4	--	4	1	2	2	2
Greenland	negotiated	negotiated	Negotiated	negotiated	negotiated	negotiated	negotiated
Russia	6	8	8	4	3.8-7.5	4.8	8
Indonesia	2	--	10	13.5	1	2.5	2.5
Mexico	1.5	--	--	1.53	1.5	--	1.5
Kazakhstan	negotiated	negotiated	Negotiated	negotiated	negotiated	negotiated	negotiated
Papua New Guinea	2	--	--	--	2	--	2
Philippines	23	--	--	--	2	2	2
Poland	10	--	--	2	6	--	3
Uzbekistan	4	--	24	5.4	1.5-3	3	7.9
Australia	2.5	--	7.5	7.5	--	2-7.5	5-7.6
Ireland	1.5- 4.5	1.5 – 4.5	1.5 – 4.5	1.5– 4.5	1.5 – 4.5	1.5– 4.5	1.5 – 4.5
Bolivia	1 - 7	--	3	--	1	1	1
Botswana	3 - 10	3 - 10	3 – 10	3 - 10	3 – 10	3 - 10	3 - 10
Lesotho	5 - 10	5 - 10	10	5 - 10	5 – 10	5 - 10	5 - 10

Namibia	?	--	10	4	--	--	--
Malawi	5 - 10	5 - 10	5 - 10	5 - 10	5 - 10	5 - 10	5 - 10
Mozambique	3 - 10	3 - 10	3 - 10	3 - 10	3 - 10	3 - 10	3 - 10
Swaziland	1 - 2.5	1 - 2.5	--	1 - 2.5	1 - 2.5	1 - 2.5	1 - 2.5
Tanzania	3	--	5	3	3	3	3
Zambia	2 - 5	2 - 5	5	2 - 5	2 - 5	2 - 5	2 - 5
Zimbabwe	2 - 10	2 - 10	2 - 10	2 - 10	2 - 10	2 - 10	2 - 10
Burkina Faso	3	--	7	4	4	4	--
Ghana	3 - 12	--	3 - 12	3 - 12	3 - 12	3 - 12	3 - 12
Ivory Coast	3	--	3	2.5	--	2.5	2.5
Angola	2 - 5	2 - 5	7 - 5	2 - 5	2 - 5	2 - 5	2 - 5
South Africa - proposed	3	4	8	2	1	2	2

ANNEXURE B: “MINING AND SUSTAINABLE DEVELOPMENT SERIES¹³⁹**GENERAL APPLICATION OF ROYALTY SYSTEMS TO MINING IN DIFFERENT COUNTRIES**

Countries	Rate	Basis
Argentina	3%	mine mouth value
Australia	varies by state	variable rate
Bolivia	1 a 7%	gross sales
Brazil	0.2 a 3 %	net sales
Canada	varies by province	varies by province
Chile	n/a	n/a
China P. R.	2%	gross sales
Colombia	1 a 12%	mine mouth value
United States (all states)	n/a	n/a
Indonesia	(45 o 55)	US\$ per ton production
Kazakhstan	2%	gross sales
Mexico	n/a	n/a
Papua New Guniea	2%	gross sales
Peru	1 a 3%	gross sales
Poland	3%	gross sales
South Africa	n/a	n/a
Zambia	2%	nsr

n/a: non-applicable

nsr: net smelter return

Sources: Global Mining Taxation Comparative Study C.S.M, March 2000. James Otto; Chocilco Database; and a Primer on Mineral Taxation –Thomas Baungaard. Adapted from Minería Chilena magazine № 264, June 2003.

<http://www.editec.cl/mchilena/junio2003/Articulo/debemos.htm> Updated and complemented for this publication with data from the MMSD Brazil project, Law 28258 Peru.”

¹³⁹ See Pizarro, op. cit at 8 of the Series