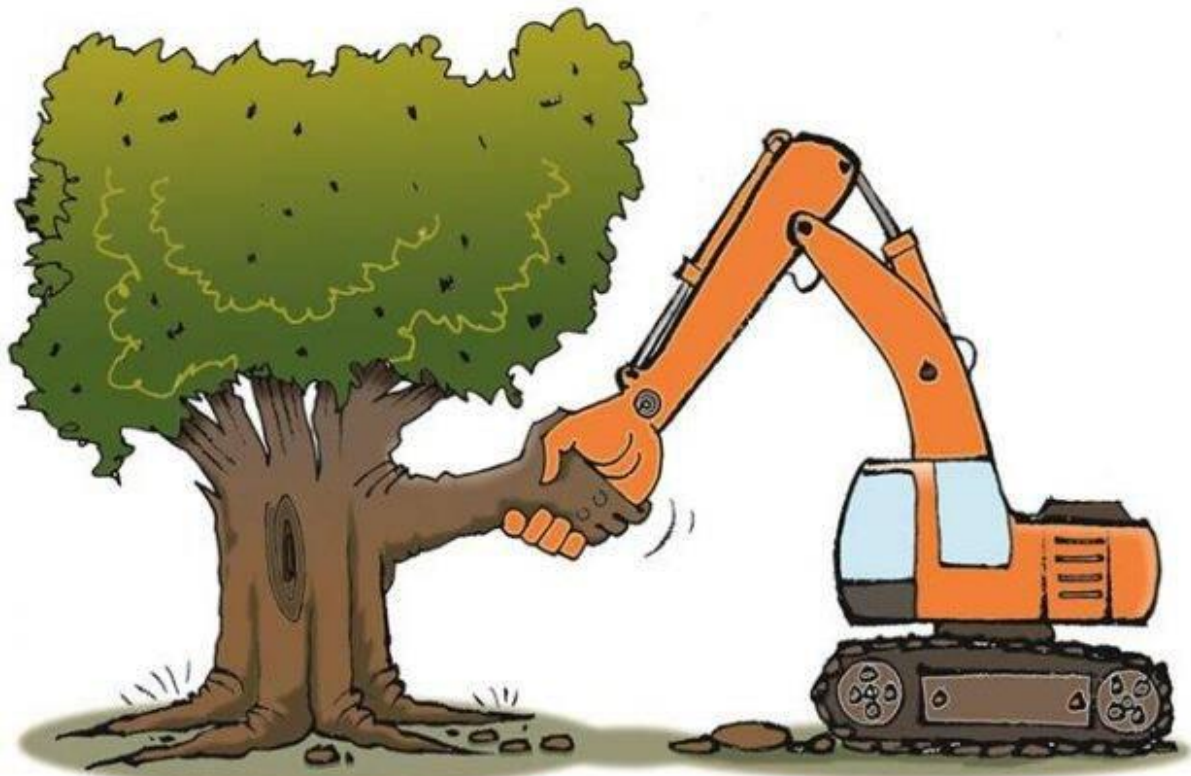


Sync environment laws with mining goals

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Inherent delays in processing and grant of environment clearance (EC) and forest clearance (FC) are one of the major reasons for the delay in mining approvals.

The coronavirus pandemic is not only testing the resilience of our economy, but also our ability to innovate and transform within the current constraints of time and resources. Long before the coronavirus surfaced, the Indian economy was already fighting a serious downturn, and as we started to see some revival, we were hit by the pandemic.

Proactive steps taken by the government, the call for Atmanirbhar Bharat by the Prime Minister, fiscal packages by the Reserve Bank of India (RBI), and various legislative reforms announced by the finance minister capture our intrinsic values. These decisions are rare and hard to imitate. It shall enable us to leverage all our strengths to overcome this uncanny scenario and gain global advantage.

At the launch of commercial coal mining, the message from the Prime Minister was very clear—India as a nation has to be self-reliant. Every sector wherein the country currently imports has to be analysed and we need to take a 360-degree turn from being net importers to becoming net exporters.

India is blessed with abundant natural resources. Despite this, we have an import bill of \$106 billion (21% of total imports) on account of the mining and metals sector. The mining industry is core to India's growth ambition of becoming a \$5-trillion economy. The multiplier effect of minerals processed into metals required for downstream industries is quite significant and should not be ignored. According to a recent CII study, every 1% increase in growth rate of the mining industry leads to an increase of 1.2-1.4% in the growth rate of industrial production.

A sustainable and viable mining sector is paramount to meeting India's domestic demand and making the country competitive in global markets. In addition to being a primary raw material provider to the Indian manufacturing industry, mining is a major source of employment generation in the country. Mining & manufacturing employ a total of 58 million (12.5% of the nation's workforce) and contribute about 19% to the nation's GDP (\$532 billion).

Understanding the significance of the mining sector towards making India self-reliant, the government has taken various commendable steps. These include a host of reforms starting from single stage seamless auction of exploration cum mining cum production to promote private participation in exploration and seamless transfer to mining, commercial coal mining to attract FDI, introduction of a National Mineral Index to rationalise the average sales price, revenue sharing and royalty structure, amendment in the stamp duty rules to allow working capital flexibility for miners and auction of mineral blocks with pre-embedded clearances to ensure rapid movement from auction to mine operations.

For these reforms to reap the desired benefits, synchronisation of the environment and forest laws with mining rules is a must. The Ministry of Environment, Forest and Climate Change (MoEFCC) has, over the years, taken multiple steps for the protection of environment and development of flora & fauna while granting clearance to projects.

As always, we can further innovate with changing times, deploy best practices for protection of environment, and introduce strict provisions for violations without holding back economic growth.

Inherent delays in processing and grant of environment clearance (EC) and forest clearance (FC) are one of the major reasons for the delay in mining approvals and subsequent employment generation in the mining sector, where the success rate for deep-seated minerals such as nickel, gold, copper, lead-zinc, diamond, etc, is 1:100.

The Parivesh online portal by the MoEFCC for e-filing of applications can be made more effective to expedite the process. This can be done by introducing the concept of unified statute for all forest- and environment-related approvals wherein a single form is processed and cleared in an expedited manner through a single-window system. This is important as the success of pre-embedded clearances before the auction regime will greatly depend on how quickly we can streamline the approval process.

Current timelines mentioned for EC and FC should be strictly adhered to with the introduction of digital platforms for deemed clearance after the specified time limits. Forest clearance for the purpose of exploration can be directly given by the district forest officer and the district collector, as there is no change in the status of the land.

Existing timelines for forest clearances can also be substantially reduced if we have a joint inspection report by all the state officials within 15 days of filing of application, instead of multiple visits by state officials.

There is an urgent need for implementation of land banks for compensatory afforestation by the state governments. To this end, alternate options of payment in lieu of land that the state may acquire in the future should be introduced to expedite the grant of forest stage-2 clearances.

Most of the minerals are in the three major states of Jharkhand, Chhattisgarh and Odisha with identified mining zones. Standard macro environment impact assessment for respective mining zones can be developed by the state pollution control boards. This shall make the environment clearance process substantially sustainable, along with reduction in time frame of the applicants by reducing duplication of work.

During the current Covid-19 scenario where public gatherings are prohibited, public hearing can be conducted through digital platforms and videoconferencing. Comments from respective stakeholders on the environment reports can be invited via email, and environment management plans can be suitably prepared by including the comments of the stakeholders with a certificate of confirmation from the district collector.

Ambiguity in the resettlement/reclamation and rehabilitation (R&R) process can be removed by fixing a standard compensation rate with a time-bound completion of R&R activities within 60 days of submission of application to the concerned authorities.

The objective of each and every reform should be a gradual move to a self-certification system for all approvals with a robust governance schedule and with a sustainable environment development plan. Various mining reforms introduced by the government can yield desired results only when they are complemented with ease of approvals. Mining as a sector is suitable for creating multiple livelihood opportunities in various remotely-located aspirational districts, generating much-needed revenue for the state governments, and also providing new streams of employment to migrant workers in their home states. In this new pandemic-ridden world where all the major economies are eagerly looking for an alternative to China, India has an opportunity to become a global powerhouse of the metal and mining sector.

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