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Goa Mineral Policy, 2013

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Department of Mines

Directorate of Mines and Geology

Notification

Pr. Secy (Mines) 01/2012-Mines

Goa Mineral Policy, 2013 has been finalized by the Government of Goa after considering the suggestions/recommendations/comments/objections from various Stakeholders is hereby published for general information of the public.

Pawan Kumar Sain, IAS, Secretary (Mines).

Porvorim, 28th September, 2013.

Goa Mineral Policy, 2013

Preamble.— Mining in Goa is synonymous with iron ore mining. Exploration for iron ore started at the beginning of the 20th Century and commercial mining resumed in 1947 during the erstwhile Portuguese regime which marks the beginning of modern day mining and export of iron ore. The Goan economy is heavily dependent on the iron ore industry in so far as the major share of the regional income from the mineral industry

and its allied activities like transport and trade is concerned.

However, during the period from 2006-07 to 2011-12, due to huge spurt in demand of low grade ore in international market followed by illegalities and irregularities in the previous regulatory regime, the State has witnessed the peak of chaotic and unregulated mining without any concern for fragile ecology and environment of the State or for the general well being of an average Goan. It has resulted in massive export of unaccounted ore from unidentified sources like dumps and tailings. The reckless exploitation without any concern for sustainability that the State has witnessed in last five years has serious implications. Minerals are a finite and non-renewable natural resource and must be exploited wisely in the larger interest of the State.

It is high time that the new Government that has received an unprecedented mandate from the people of Goa should take note that dependence on mining presents extreme externalities and the State has to tread cautiously promoting a sustainable extraction regime to facilitate systematic, scientific and planned utilization of mineral resources and to streamline mineral based development of

the State, keeping in view, protection of environment, health and safety of the people in and around the mining areas rather than race to bottom. The draft Policy was published in Official Gazette Series I No. 2 dated 21-08-2012 for public suggestions etc. Pursuant to same several suggestions/objections etc. from NGOs, citizens, residents from the mining areas, mining lease holders and association of exporters were received which were duly noted and considered. This policy, hereunto called The Goa Mineral Policy, 2013.

1. Mining Policy: Objectives and Parameters

1.1. The basic objectives of the Mining Policy for major minerals are as under:

1.1.1. To develop and exploit mineral resources in a scientific and sustainable manner, taking into account the interest of the State, People and Environment.

1.1.2. To facilitate exploration work for accurate reserve estimation of the mineral deposits.

1.1.3. To review the existing practice of random exploitation of mineral resources and to regulate the same.

1.1.4. To carry out geological mapping of mineral resources.

1.1.5. To promote necessary linkages between mining and mineral industry.

1.1.6. To regulate investment in mining and generate employment for local population.

1.1.7. To promote research and development activities in major mineral sector.

1.1.8. To ensure establishment of appropriate training facility for human resource development to meet the man power requirement of the major mineral industry.

1.1.9. To minimize adverse effect of major mineral development on the environment and ecology through appropriate preventive and control measures.

1.1.10. To ensure conduct of mining operation with due regards to safety and health of all concerned.

1.1.11. To create a database on major mineral resources in the State.

1.1.12. To take steps to promote geo-tourism.

1.1.13. To promote private sector participation in various aspects of mineral development, which includes exploration, infrastructure building, mining and other mining related activities and mineral based industries.

1.1.14. To safeguard the rights of all stakeholders including rights of affected population.

1.2. Current Policies, Royalties and Taxes on Iron Ore and their Effects:

1.2.1. Mining leases are presently regulated by the MMRD Act, 1957 and the accompanying rules.

1.2.2. Quantum of mining and rules governing environment are regulated through the Environment Protection Act, 1986, Rules and EIA Notification 2006.

1.2.3. If mining leases fall in forest areas, the Forest Conservation Act, 1986, is applicable in addition to the MMRD Act and the EP Act.

1.2.4. Royalties are leviable under the rates prescribed by the Union of India.

1.2.5. Export duty which has now become a cost head, is regulated by the Ministry of Finance, Government of India on ad hoc basis. During the 15 months period commencing from January 1, 2011 till March 31, 2013, the export duty on iron ore has been increased 6 times i.e. from 5% of FOB value to 30% of FOB value.

1.2.6. The State Governments have ample room to regulate mining of iron ore and environment matters despite the above Acts being Central legislation although within the limits thereof and in cases wherever there is void. So however, matters of Pollution and LRC are all under the State Government.

1.2.7. At the State level, the Pollution Control Boards have an important role to play so far as air and water pollution is concerned.

1.2.8. The National Mineral Policy, 2009 laid out the road map for the mineral policy of India in times to come. The MMRD Act is due to be amended by Act of Parliament, and a standing committee is in place to guide the bill through the Houses of Parliament.

1.2.9. Assuming an export duty of 30% on FOB value and iron ore exports of 40 Million Tons at an average FOB price of US\$ 60, the annual export duty collection alone is US\$ 720 million (Rs. 4,000 crores), which is not shared by the Union with the State of Goa. Export duty is approximately US\$ 18 per Metric Ton, or Rs. 1000/- per Metric Ton.

1.2.10. The royalty receipts for the State of Goa from the Union, assuming mine head price of Rs. 2,000/- per MT, is Rs. 200/- per MT approximately.

1.2.11. Due to the changes in markets and technology, demand for low-grade dumps stored in non-lease areas had assumed a significant share of the total quantity exported during 2010-11 & 2011-2013.

1.2.12. The earlier Government was unable to check the very quick entry of Hundreds of traders who stepped in to take advantage of the emerging dumps business. In a tacit admission of this inability the earlier Government banned export of dumps in 2011 resulting in a significant slowdown in the sector.

1.2.13. Mormugao Port Trust (MPT) has experienced a decline of 30% in iron ore exports in FY 2011-12 in comparison to FY 2010-11. The total volume of iron ore exports from MPT has declined from 40.6 Million Tons to 29.4 Million Tons.

1.2.14. Transportation of iron ore can be regulated by notifying rules under sections 23 & 24 of MMRD Act, 1957. Current rules are not adequate and needs appropriate

amendment to be effective in regulating the ore transportation.

1.3. Goa Mining-History and current scenario:

1.3.1. Goa has a long history of mining which dates prior to the date of its Liberation in 1961.

1.3.2. Portuguese laws were different from the laws prevailing in India in 1961, and there are various court cases pending in the Hon. Supreme Court with regard to Goan mining leases/concessions.

1.3.3. In the meantime, the policy decisions governing Goan mining have largely been influenced by the Union of India, as is seen from the recent steps as follows:

1.3.3.1. Ban imposed on new mining areas by the Union Ministry of Environment and Forests in 2010-11;

1.3.3.2. Export duty of 5% till February, 2011, then 20% and thereafter 30% for discouraging exports; impacting the Goan ore by clubbing it uniformly with High grade ore of Odisha & Karnataka.

1.3.4. Earlier Governments delayed States Mineral Policy for several years and its decision making has been very tentative which resulted in haphazard mining in the State and as pointed out in the Public Accounts Committee Report, turned out to be a scam involving Rs. 3,500 crores.

1.3.5. The National Mineral Policy, 2009 has made export a third priority after import substitution and value-addition "in that order" Low grade Goan ore is not suitable for production of steel in the local industry due to economic parameter but is much in demand for exports to China due to its composition and low cost.

1.4. Distinction between Goa and other States:

The following distinctions make Goa different from other States so far as

importance and relevance of mining and its associated laws are concerned.

1.4.1. Reliance on Mining in State Revenues:— In financial year ended March 31, 2011 mining revenues contributed to 980 crores to the revenues of the State which is around 18% of the Tax and Non Tax revenues together.

1.4.2. Non Reliance on National Assets for Inland Transportation:— Goan Mineral exports move through a network of barges, jetties and rivers. The reliance on the railways is almost nil and the movement on national highways is minimal due to the short distances from mines to jetties. However, there are areas of massive truck movement causing traffic jams. The State Government proposes to eliminate this with dedicated corridor and by boosting inland water transportation.

1.4.3. Port capacity utilization: The minor port of Panaji is playing an increasingly important role in Goan mineral exports, after having been opened in the late nineties. The larger the quantum of the export through Panaji Port, the more the revenue for the State Government.

1.4.4. No Domestic Value Addition: The nature of Goan iron ore is such that value addition opportunities in the domestic market are minimal. The Chinese and Japanese use Goan iron ore for blending purposes to bring down the average cost of iron ore, whereas Indian steel producers have a wide range of high grade fines to choose from. Despite the closure of mining operations in the neighbouring State of Karnataka, Goan iron ore is not used in Indian Steel Industry due to its low Fe content.

1.4.5. Low Grade v/s High Grade: Goan iron ore has always been of low grade Fe content in comparison with that of Odisha, Jharkhand and Karnataka. The low grade of ore has been competitive in global markets, because of the non reliance on railways and close distances of mines to ports thereby reducing the overall cost. The high

silica presence in Goan ore also is a favourable factor for preference for Goan ore over Australian and Brazilian low grade ore.

2. Towards Sustainable Mining and Mineral Conservation.

Based on the broad objectives of the major mining policy the State shall go for a paradigm shift to ensure effective regulation and sustainable growth and development of mining in the State. Directorate of Mines and Geology shall undertake the following measures for promoting sustainable mining in the State and ensure fair and transparent regulatory regime.

2.1. To exploit geological potentials of the State on a scientific basis after due exploration and prospecting.

2.2. Development of a proper inventory of resources and reserves, a mining tenement registry, preparation of mineral atlas on priority.

2.3. State Directorate of Mining and Geology will be strengthened with man power, equipment and skills.

2.4. Mining is closely related to the forest and environment. A suitable framework will be designed to ensure mining along with suitable measures for restoration of the ecological balance that had been disturbed so far.

2.5. Value addition will be actively encouraged. Value addition will go hand in hand with the growth of the mineral sector as a stand-alone industrial activity.

2.6. The minerals have to be conserved for the future generations.

2.7. Suitable infra-structure facilities to be created financed by user fee concept.

2.8. Wastage of natural resources will be prevented by amalgamating small deposits suitably.

2.9. The closure of mines has to be systematically planned and ecological

balance will be restored including utilization of existing pits for water conservation and harvesting of crops.

2.10. The fair share of revenues collection from minerals will be utilized to improve the standard of living of those residing in mining areas.

2.11. Take steps both regulatory and developmental to ensure zero tolerance to illegal mining of any kind.

2.12. Research and development in minerals will receive prime importance and a comprehensive institutional framework for R & D and training will be developed.

3. Mineral Administration

3.1. Under Section 24 of the Mines and Minerals (Development & Regulation) Act, 1957, the State Government is entrusted with the power of inspection of mines. As such, greater degree of financial support for the Directorate and opening up of more offices at the District level would be taken up to strengthen the infrastructure.

3.2. All field offices would be interlinked with the State Headquarters and efficient Management Information System (MIS) in the form of Mine Management System would be developed and implemented at the District and State Levels.

3.3. Non-functional mines would be declared as lapsed as per Rule 28 of the Mineral Concession Rules, 1960.

3.4. Rules, as well as, action plan would be framed for prevention of illegal mining, transportation and storage of minerals.

3.5. The data and information would be properly catalogued as a data bank and the Directorate of Mines will maintain such data bank for which Information and Documentation Cell at Headquarter would be set up.

3.6. Exchange and dissemination of data and information on minerals with other Government agencies would be taken up.

3.7. In order to have effective and meaningful supervision of the mining activities, transportation including extraction at each of the mining leases shall be placed under mining Inspectors similar on the lines as is being presently done in Excise matters, to monitor activities at site. The lessee shall have to reimburse the salary of such staff appointed by the State.

4. Regulation of Mines and Minerals

4.1. Although mineral wealth vests with the constituent States of the Union, yet the subject of regulation of mines and mineral development is covered by entry 54 of the Union List under 7th Schedule to the Constitution of India. By virtue of this, the Parliament has exclusive power to make laws with respect to regulation of mines and mineral development.

4.2. The Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act), the Mineral Concession Rules, 1960 (MCRs) and the Mineral Conservation and Development Rules, 1988 (MCDRs) were enacted by Government of India for conservation and systematic development of minerals. These rules are applicable in respect of all minerals except fuel minerals, atomic minerals and minor minerals. Prior approval of the Government of India is essential for grant of mineral lease in respect of minerals specified in Part A & B to the first Schedule of MMDR Act.

4.3. The mineral lease holders shall also comply with the relevant provisions of Forest (Conservation) Act, 1980, Environment (Protection) Act, 1986, Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981.

4.4. An illustrative list of statutory Acts, Rules and Regulations applicable in this regard is given at Annexure-I.

4.5. *Information Communication and Technology (ICT) based system:*— Keeping in view the magnitude of the scale of

operations involved in mining of iron ore and its exports, the present system of administering and regulating mining in the State shall be replaced by an Information Communication and Technology (ICT) based system called “Mine Management System” with following objectives.

4.5.1. Effective tracking of iron ore consignment from source i.e. lease/stockyard to destination which can either be ports, stockyards or end users.

4.5.2. Monitor delivery of each consignment of iron ore at the destination through a mechanism of acknowledgement through electronic information exchange between origin and destination or by way of generating receipt on weighbridge at delivery point and cancellation of the same at the destination point also by weighbridge.

4.5.3. Prevent overloading by streamlining the process of issue of permits and Trip Sheets and ensuring that Trip Sheets reflect the actual quantity transported through the vehicle including identification of the source.

4.5.4. Setting up a secure I.T. based Transit Permit or Bulk Permit system that is totally transparent and available in public domain to prevent use of forged/fake paper based permits and placing the permits issuance process in public domain to ensure that the issuing process is fair and transparent.

4.5.5. Make the end user aware of the source of iron ore and genuineness of the permits by creation of a central database that is updated in real time, is online and available to other controlling departments like Forest, Customs, Police, Revenue, Ports, etc. and other domestic users.

4.5.6. Track sale or purchase transactions in iron ore, starting from the source to the destination to bring transparency in trade carried out by various traders/middlemen dealing in iron ore.

4.5.7. Reduce dependence on manual monitoring and set up an integrated system that shall centrally monitor the day to day round the clock movements and shall be scalable to cater to large scale operations.

4.5.8. The Government shall set up an I.T. based process for future implementation. This would help in mapping each consignment from lease to final user through various traders using a unique I. D. generated at the time of weighing at the pit head. Till such time, effective regulatory measures be implemented to regulate legal mining and eradicate illegal and irregular mining activities in the State.

5. Pollution And Its Social Impact: Control of Pollution due to transportation and ground water preservation.

5.1 “Polluter pays” principle will be strictly engaged and applied while targeting the basic objective of prevention of pollution and in this regard suitable provisions would be included in the transportation rules including:—

5.1.1. Washing of tyres of truck and other vehicles before exiting the mining lease area and entry on public road.

5.1.2. Periodical cleaning of public roads by the agencies appointed by the State.

5.1.3. Pollution Control equipments to be installed at set points at strategic locations between mining areas and unloading point.

5.1.4. Regulatory fees to regulate the mechanism as stated above to be recovered from the mining lease holders.

5.2. *Ground water preservation:* Utilization of ground water by the mining lessee in the lease area, for washing of ore, or for any other purpose including its drawal for excavation in cases where working of mines in terms of Environmental Clearance has gone below the ground water level to be fully regulated, controlled and monitored and such workings shall be strictly in accordance with the conditions stipulated in the Environmental clearance.

6. Dump Handling Policy:

For Effective Regulation of Dump and Stock yards.

6.1 Background: The tailings or dumps contain iron ore mined from the mining site after the recovery of marketable quality of ore by more or less effective recovery methods; the dumps still contain unrecovered iron ore. They are not simply discarded but kept for re-treatment as and when technology became available whereby the ore could be recovered economically and, sometimes, under circumstances where export of the ore could not take place in times of economic depression. The dump material can be easily distinguished from the surface of the ground on which it is situated. Tailings dumps are enormous in size but despite their size they are distinguishable from the surface of the land and are capable of being removed without injuring the land; they are movables and could be treated as and when necessary and they do not get acceded to the land having been left there for a long period.

6.1.1. A Dump Site or a Stock Yard would mean and include earmarked areas either within the mining lease or outside the lease area utilized for storing ore, overburden lumps or fines, rejects, sub-grade material or earth/soil generated during mining operation or extraction of ROM.

6.2. Identification:

6.2.1. The Department of Mines and Geology shall identify all Dump sites/Stock yard in the State and prepare a Geo-spatial data base of the same along with the details of Mining Lease associated with the site or the person, company, body incorporated, agency, association of person associated with the site, details about ownership of the site—whether in the area leased for mining or outside the leased area, whether on own land or other private land or Government revenue land or Comunidade land, or Forest land, legal arrangement if not in area leased for mining-lease, permission for temporary use on rent, in case on Government or other private land, whether authorized for using

the land for the purpose of dumping or using it as an stock yard, whether permission for commercial use of land obtained, in case of private forest land whether permission from competent authority obtained for using the land along with details of the arrangements including permission for diversion obtained from relevant authority, in case of other revenue land whether permission from Government obtained and the terms for use of the land including rent or lease rent payable if any, details of date since the site is or was being used for the purpose of dumping or stocking, the person, company, agency or any other body that is responsible for the site and authorization for the same, for better regulation.

6.3. Need for a Distinct Dump Clearance Policy:

6.3.1. Over the years, due to the changes in iron-making technology, and the lower cost of ocean shipping, the export of lower grade iron ores has become feasible for the domestic exporters.

6.3.2. Goan iron ore exports have been generating a large quantity of mineral ores that have piled-up outside the lease areas, due to various reasons.

6.3.3. The management of dumps has become a risk for mining companies as well as regulators. In the year 2011, at least 3 incidents were reported with loss of lives on account of excessive dumps sliding. While investigations are still on to determine the precise cause of these deaths, inaction in dumps management, is very risky as these can prove to be threat to life. Further dumps have been contributing to silting of water channels, reducing depth of river as also increase in metal content of the water, posing health hazard to the population of the State.

6.3.4. Most of Goan dumps are outside of the forest areas, lying in lease areas, revenue lands or in private lands.

6.3.5. Goa is a small State with a limited quantity of land being available for farming

and tourism. With the present Government of Goa focusing on farm growth, Agricultural sector, liberating the lands that are bearing mineral dumps will provide a much needed boost to farming.

6.3.6. Since some of the dumps are within forest areas including Sanctuary causing problem for wild life. The State Government will seek special approval (if required) from the MOEF for the removal of these dumps and filling of large pits of closed mines in the interests of afforestation, and wild life preservation and only upon report from forest department that removal of such dump is in the interest of flora fauna, forest cover and in the interest of wildlife.

6.3.7. The decline in exports in FY 2011-12, 30% export tax and ban on movement of dumps will cause a severe hit to the revenue of the State if the situation is not rectified after putting in place appropriate timely measures to ensure dumps are exported under appropriate regulatory mechanism keeping in view various frame work of legal parameters and directions of the Apex. Court directions on the Environmental aspects.

6.3.8. Dump handling outside the leasehold area shall be allowed only in cases where in the land has been converted to non-agricultural use. The dues with respect to same have been deposited with Government by the concerned lease holder or the erstwhile concessioner. The dump handling would be permitted only in cases where the removal shall be in the interest of the environment or if the land can be put to some agriculture or allied activities, or if removal of such dumps shall avoid risk of polluting the water resources and the alike. In addition to this, the leaseholder shall obtain necessary clearance from the Goa State Environmental Impact Assessment Authority, consent under Air and Water Act from Goa State Pollution Control Board and permission from Office of Department of Mines and Geology.

7. Priority-Fresh Mining v/s Dump Mining

7.1. Due to decades of extraction of minerals, many mines are unable to store dumps within their mining lease, due to huge collection of substandard ore, rejects and overburden.

7.2. Available infrastructure will be put to better public good by diverting its usage in the movement and export of dumps rather than freshly excavated iron ore.

7.3. The prices of low grade iron ore or dumps are very volatile and often when markets are down, there is no demand for the dumps. The current market situation may not last for long. Iron ore futures are traded on the Singapore Exchange (SGX) and prices for 2012, 2013 and 2014 show a continually downward trend, making it imperative to use the opportunity available till the export of dumps becomes commercially unviable after 2015-2016.

7.4. The timing therefore is appropriate to put in place a policy that focuses on regulated and planned clearance of dumps from non-lease areas and lease areas.

7.5. For leases that are not current in compliance with laws, the State may permit clearance of old/existing dumps on case to case basis.

8. Need for Allocation and Available Options:

8.1. As per the declarations provided by the Concessionaires/Lessees, the total stock of dumps in Goa exceeds 700 Million Metric Tons as on date.

8.2. Some of these stocks may have already been exported since then and some may not be exportable, nonetheless it is a large quantum, considering that the exports from Goa has stabilized in the region of 40-50 Million Tons annually.

8.3. The ICFRE (Indian Council for Forestry Research and Education) has recommended capping of iron ore mining in Bellary District, Karnataka at 25 Million Tons. The aggregate

quantum of environmental clearances for iron ore mining in Bellary district may cross this figure, however, pending the study by NEERI into what the optimum quantum of fresh mining in Goa State should be, an ad hoc limit of total of 45 Million Tons of total ore Transportation on public roads including dumps subject to local limits based on transport carrying capacity of the roads, is hereby imposed. This limit will be reviewed periodically as and when dedicated mining transport corridor is made available or carrying capacity of the road is enhanced. All this shall also be subject to the decision of the State Government on the recommendation by NEERI on the aspect of preservation of minerals to ensure inter-generational equity and sustainable mining.

8.4. The State Government through the Department of Mines and Geology shall constitute an expert panel for determining the optimum level of fresh mining that can be undertaken in Goa. Pending this study by the expert panel, no fresh public hearings shall take place for Environmental Clearance of mining projects. The State Government has communicated with NEERI to determine and recommend optimal level of fresh mining that can be undertaken in Goa, pending this study which is requested to be completed within 3 months, no fresh proposal for environmental clearances and no fresh production of ore from existing mines shall take place except movement of already extracted and staked/stocked ore at the mine head or jetty and of which inventory has already been taken by Director of Mines and Geology.

8.5. Dump exports shall be capped at 25 Million Tons maximum in any season, which is included in total capping of 45 Million Tons maximum annually.

8.6. No strain on any infrastructure will be created as the existing infrastructure has proven incapable of crossing 45 Million Tons. Additional capacity created through use of navigational channels without use of public roads shall be in addition to above capping.

8.7. For those dumps which have not been declared as on date the concessionaire/lessee shall declare the stocks within 180 days of this policy. The Director or his representative shall inspect the stocks and add it to the list for allocation for the next shipping season. The payment of conversion charges, fees etc shall be pre-requisite for allowing Applications for dumps.

8.8. In case it is found that any lessee/concessioner has violated or in any way crossed beyond what is permitted, such lease shall be liable for action including cancellation/termination and necessary provisions in this regard have been made in Goa Mineral (Prevention of theft, smuggling and illegal mining and regulations of possession, storage, trading and transportation) Rules, 2013.

9. DECENNIAL TARGET:

9.1. To achieve zero deaths and accidents arising out of and/or from dumps and slippage of dumps attributable to monsoons or other man made causes, as also due to traffic hazards caused by mining transport.

9.2. To reduce the ecological damage from fresh mining of iron ore by reducing fresh mining until an expert panel provides a detailed report on the optimum quantum for fresh mining.

9.3. To recover 1,000 acres of land for productive use from dump storage.

9.4. To create new job opportunities in the field of Agriculture, Horticulture, tourism and Animal Husbandry. Job creation potential is estimated to be around 10000 nos.

9.5. To cap the total movement on public roads annually to 45 Million Tons maximum.

9.6. To discipline the mining community in operating mines in a world class manner by reducing the areas available for dumping, which will encourage more scientific mining within the lease area.

9.7. To ensure that dumps do not contribute to the siltation and to the metal pollution of the water.

9.8. Priority handling of dumps will be accorded to dumps which are unstable, adjoining water bodies or otherwise sensitive in nature.

10. Policy Highlights

10.1. Sustainable mining-with ample protection to ecology, health and other sectors as also complete protection of all fundamental rights and other rights more particularly the rights guaranteed under Article 21 of the Constitution of India namely, fundamental Right of Life and Liberty of all persons living within sanctuary, mining belt, forest area and villages in and around mining areas. The State shall ensure, through capping of fresh extraction as well as dump handling so as to preserve/conservate the mineral resources of the State to ensure inter generational equity including conservation and preservation of ground water by its management for optimum utilization and minimizing the damage caused by mining to flora and fauna found in the State of Goa. Every person, company or body of person shall ensure that they have a duty to protect & improve the natural environment including forests, lakes, rivers, wildlife and all other living creatures.

10.2. There shall be no working of mines based on deemed extension status. As of today 28 renewal applications have been decided. The renewal applications pending, shall be decided within 3 months provided all clearances are in place. As on date except those mines which are renewed, those others that may be renewed, only shall be allowed to work. Mines which are under deemed extension status, shall not be allowed to work, and such application shall be decided in accordance with law as expeditiously as possible and not later than 6 months from today.

- The prohibitive Order of the State Government dated 10th September, 2012 shall remain in force except for those mines which are renewed and necessary stamp duty has been paid.

10.3. Mines abolished in 1987 by the Abolition of Mining Concessions Act, 1987, be completely abolished.

10.4. Leases granted in violation of Law/ /Rules including by Condonation of Delay without any power to do so to be terminated and closed down.

10.5. Each mine will have to carry out corporate social responsibilities to the local/ /community including providing for basic facilities. Local employment, education to children, proper transportation facilities, health and educational benefits to locals and the like.

10.6. Each Mining Lease shall have to plant and nurture 25000 trees every year. The mining lease and the belts wherever mines are situated should be heavily planted with trees and plants and the same are to be looked after by lease holder properly as directed by Director of Mines and Geology, for which Forest and Agriculture Department may be consulted every year in June-August and failure to do so will entail prohibition to undertake and carry out any mining operations including transportation.

10.7. Incentives to mining lease holders who carry out world class mining with State of the Art Technology thereby reducing adverse effect on Ecology and development of green belt in the lease area; classifying mines on Environmental merits and giving them efficient credit accordingly.

10.8. Transportation of Ore from Mines till unloading point at Jetty and at Export point to be fully controlled and monitored. Trucks carrying ore shall be obliged to pay green fees/pollution cess or fees to be levied through Goa State Pollution Board/ /Department of Science and Technology Department by the State Government.

10.9. No new prospecting licenses or mining leases to be granted until a report by experts appointed by State Government i.e. NEERI is in place with regards to impact of such leases on the Environment.

10.10. Dumps from lease area

Dumps in forest area. These dumps and amount received out of these funds shall be used for development of forest tourism, rehabilitation of people/environment within wildlife sanctuary, forest area and generally in mining belt.

Private areas

The State Government has already amended Land Revenue Code and necessary arrangements for land conversion charges, fines and other sums payable as applicable prescribed by the Government in this behalf.

Government land

The State Government has also decided to recover rent of Rs. 5/- and Rs. 10/- per square meter per year as per the notification from revenue department in this behalf, for past and future dumps occupying Government Land which can be occupied for next five years subject however that in addition to occupation fees charges as per Land Revenue Code as also any other fees or fine as prescribed in the Notification.

10.11. Mining Companies will have to necessarily adhere to all fundamental rights or other rights available to every citizen especially article 21 of the Constitution of India, to ensure proper means of living and livelihood and green lungs and environment.

10.12. The Government shall ensure that right to life and liberty is ensured of every person living in mining belt, including eco sensitive zone by ensuring that over a period of 5 to 10 years a paradigm shift in source of livelihood is ensured, such as development of forest tourism, eco tourism, sanctuary and parks gardening lodges, encouragement cottage industries, plantation of crash, pisciculture, horticulture, agriculture and other activities through forest, agriculture, animal husbandry and veterinary services.

10.13. Local employment and business opportunities Mining Lease Holder shall have regard to among other things to give assign and encourage local employment of manpower and other resources owned by the

locals like tippers/dumpers, mining machinery, etc., especially to tribal and other dweller in forest and wildlife sanctuaries and areas around mining areas and ensure for their and their families by way of corporate social responsibilities, proper health care including mobile health care facilities, free medicines and hospitalization whenever necessary so also education and encouragement of cottage industries of village artisans for the residents of area.

Classification of Dumps: Guidelines for levy of fees—

1) Dumps in Lease Area: To pay royalty and other fees as prescribed.

2) Dumps in Forest Area: Auctioned price in addition to Royalty payment and other fees as prescribed (as per policy of Government).

3) Private areas: To pay conversion charges under LRC + Royalty + fees as prescribed (as applicable depending on type of Private land).

4) Government Land: Charges as per L.R.C + Occupation fees + Royalty + any other fees as prescribed.

- All Raising Contracts to be registered with the Directorate of Mines and Geology.

- All Raising and other Contracts in violation Rule 37 of MCR 1960 may be terminated by State Government in exercise of its enabling powers given therein;

11. Capping: Based on carrying capacity of Public Roads and to protect inter-generational equity

Capping: Until the road capacity improves there shall be a gross capping of 45 Million Tons per annum on the available transportation using public roads. Additional capacity without use of public road or using dedicated corridor will not form part of this capping.

- Inter-generational equity capping shall be decided by the State Government depending upon and pursuant to the report

of the environmental audit/EIA study by NEERI. Until then the capacity of 20 Million Tons for fresh excavation and 25 Million Tons for dumps, shall be on ad hoc capacity.

- Such Capping shall be areawise and based on capacity of the road.

- Such road capacity to be determined by a committee to be headed by Principal Secretary (Mines).

- Transportation will require the trucks and barges to be registered with Directorate of Mines & Geology and only the registered vehicles will be permitted to carry mineral ore.

- Every truck must carry and display the source/mine from which ore is transported as prescribed under the rules.

- Pollution checking centers to be installed along the road till the unloading port.

- Jetty Regulation including creation of additional facilities to reduce & minimize load on the existing infrastructure such as loads and other modes of urbanization and communication.

- Every mine will have to get deputed Mining Inspectors in the mine; to be provided by DMG but to be paid by the Lessee of the Mine for supervising and permitting operation of the Mine at the Mining Lease.

- Local Employment to be provided to locals in the Mine and for the transportation.

Transportation capacity will be as per the carrying capacity of the truck with reasonable variations permitted.

TRADING:

- Trading to be strictly monitored by Directorate of Mines & Geology, Police, Goa State Pollution Control Board and Collectorate.

- Trading will require License/Permit from DMG.

- No transportation of either Lumps or Fines on the public road for the period 7th

June till 02nd September except for utilization as captive/domestic consumption within the State.

- However, if the road is a dedicated road/corridor from Mine to jetty then such permissions may be granted during the above period.

- The above restriction is also applicable to out of State ore transported on public roads within the State.

- Dedicated corridor will have toll fees charged as prescribed by the Government.

- Traders to file Returns every month on or before 7th of the succeeding month; Non-filing will automatically result in suspension of trading license.

- Every trader must have minimum area of 5000 sq. mts. of plot to be entitled for Permit/License and will be permitted to operate strictly in terms of the license.

- No transportation of ore by crossing Districts from South to North or vice versa, except for captive/domestic consumption or on specific order of Collector due to the position of jetty vis-à-vis mining lease.

- No Diversion of Forest Land for Mining except those earlier permitted.

12. Mines Safety and Rehabilitation of affected people

12.1 Mining operators shall be required to take steps for development and adoption of modern methods which would increase the safety of workers and reduce accidents.

12.2. Mining operations often involve acquisition of land held by individuals, clans or communities. Apart from granting compensation to the owner for acquisition of land by any authority, effort will be made to ensure that those belonging to the weaker sections, if any, and who are likely to be deprived of their means of livelihood as a result of such acquisition, get proper rehabilitation.

12.3. The mine owners shall be required to take full responsibility of rehabilitating the people affected by land acquisition, displacement and hazards of mining such as subsidence and environment pollution. The State Government will extend administrative support for successful execution of the rehabilitation programmes.

12.4. The State Government will seek collaboration of the Directorate General of Mines safety for safety in mines.

13. Stakeholders Participation

13.1. Mining by its very nature creates stakeholders. Many sections of stakeholders can also be adversely impacted, particularly if due care is not taken to address their concerns. These include:

13.1.1. Host populations who derived benefits from alternative land use in the mining area, including forest lands.

13.1.2. Local population adversely affected in terms of biotic regimes, water regimes, environment disturbances, etc.

13.1.3. Impact on local population due to migrant population, including attendant problems of crime and law and order and socio-economic perturbations.

13.2. Mining activities in the State shall be carried out in a way that minimizes adverse impact particularly to vulnerable sections including tribals, poor, women and children. To ensure this:

13.2.1. Mining plans and Mine closure plans shall be approved after adequate scrutiny in terms of stakeholder's impact.

13.2.2. All mines will be asked to put in place Corporate Social responsibility schemes, setting aside 3% of their net profit of the previous year. Mines will be encouraged to form partnerships with the District Administration, local bodies and NGOs for implementation of local area development programmes, maintenance of community assets and creation of on and off mine employment opportunities.

14. Reclamation & Restoration

14.1. Mining activity shall have to be done in a manner that does not permanently degrade the land. The State shall ensure that the mines in their mine closure plans make adequate provision for reclamation and/or restoration of the land to the best possible potential in collaboration with local communities, and for their use. Land after closure shall be returned to the local bodies for management preferably as a common property resource, particularly for the benefit of the rural poor.

14.2. Reclamation/restoration efforts shall specifically address issues of:

14.2.1. Bringing land into productive use for agriculture, horticulture are allied sectors.

14.2.2. Reducing soil erosion through vegetative means.

14.2.3. Dealing with chemical pollutants of soil and water.

14.2.4. Improving the water regime and recharge potential.

14.2.5. Mitigating the adverse visual impact on the landscape.

14.3. Mine closure including progressive mine closure processes will be closely monitored and it will be ensured that stakeholders are taken into confidence at all stages through a transparent process facilitated by the State Government.

14.4. Old and disused mines dating to prior to regulated Mine closure shall be restored or rehabilitated using funds generated from royalties so as to enable local communities to regain the use of such lands.

15. Welfare and Social Responsibilities

15.1. To ensure active involvement of various agencies, organizations, institutions, industries, etc., engaged in mineral development sector in welfare and socio-economic development of mineral bearing and its surrounding areas:

15.1.1. The State Government will set up a Mineral Advisory Committee comprising of technical experts and professional Institutions to advise undertaking welfare and socio-economic development of mineral bearing and its surrounding areas.

15.1.2. The Mine Leases would be required to provide health care, education, drinking water safe and hygienic conditions of living and welfare facilities to the mine workers and their families, as envisaged under the relevant labour laws.

15.1.3. The Mine Leases would be required to set up health facilities specially equipped to cater to the needs of women and children in and adjoining mining areas.

15.1.4. The Government shall make all out efforts through its administrative machineries or otherwise to prevent any type of child labour as envisaged in the prevalent Acts and Regulations in the country on the subject.

16. Goa Minerals Development Fund

16.1. The Government shall constitute the Goa Minerals Development Fund with a view/ /objective to develop the mineral laden areas, including welfare programmes for the people engaged in mineral activities.

17. Mineral Related Tourism

17.1. Mineral related tourism would be promoted with a view to create awareness, educate the masses and provide employment opportunities to the local people.

17.2. Geological Parks would be set up in the State wherever and whenever feasible.

18. Policy Implementation

18.1. A Committee headed by the Minister (Mines) will be constituted to monitor and periodically review the implementation of the State Mining Policy.

18.2. The State Government has already framed draft GMPTSI Rules, 2013 which shall

be formally notified in Official Gazette within a period of 1 month from the date of notification of this Policy.

18.3. The Director of Science, Technology and Environment, Forest Department, Agriculture Department, Department of Animal Husbandry and Veterinary Services and Director of Mines and Geology shall move State Government immediately for issuing necessary directions, circulars, Notifications of framing Rules whenever necessary in order to give effect to the provisions of this Policy within period of one month from the date of publication of this Policy.

18.4. The Committee shall also look into the difficulties or problems, if any with respect to the implementation of this Policy.

18.5 Role of NGOs: The State Government shall place reliance upon and wherever necessary solicit support from various Governments as well as Non-Government bodies, in order to ensure that the objective of this policies are achieved in a time bound spell.

19. Powers of the State Government

19.1. Notwithstanding anything contained in the foregoing paragraphs of the Goa Mineral Policy, 2013, the State Government by issuance of notification in the Official Gazette may amend or withdraw any of the provisions and/or the schemes mentioned hereinabove.

20. Order

20.1. It is hereby ordered that the copy of this Policy be published in the Extraordinary Official Gazette and wide publicity be given and be circulated among all Secretaries to the Government of Goa, Heads of the Departments.

By order and in the name of the
Governor of Goa.

Pawan Kumar Sain, IAS, Secretary (Mines).

Porvorim, 28th September, 2013.

ANNEXURE - I

An illustrative list of Act, Rules and Regulations applicable to mining operations:

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| i. The Mines and Minerals (Development and Regulation) Act, 1957. | xv. The Water (Prevention & Control of Pollution) Cess Rules, 1978. |
| ii. The Mineral Concession Rules, 1960. | xvi. The Air (Prevention) and Control of Pollution) Act, 1981. |
| iii. The Mineral Conservational Development Rules, 1958. | xvii. The Goa Air (Prevention and Control of Pollution) Rules, 1988. |
| iv. The Land Acquisition Act, 1894. | xviii. The Environment (Protection) Act, 1986. |
| v. The Factories Act, 1948. | xix. The Environment (Protection) Rules, 1986. |
| vi. The Mines Act, 1952. | xx. The Hazardous Wastes (Management & Handling) Rules, 1989. |
| vii. The Mines Rules, 1955. | xxi. The Workmen's Compensation Act, 1923. |
| viii. The Explosives Act, 1884. | xxii. The Workmen's Compensation Rules, 1924. |
| ix. The Explosives Rules, 1983. | xxiii. The Mineral Conservation and Development Rules, 1988. |
| x. The Indian Forest Act, 1927. | xxiv. The Forest Conservation Act, 1980. |
| xi. The Water (Prevention and Control of Pollution) Act, 1974. | xxv. The Scheduled Tribes and other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006. |
| xii. The Goa Water (Prevention and Control) Rules, 1996. | xxvi. The Trees Act, 1984. |
| xiii. The Water Pollution (Procedure for Transaction) of Business Rules, 1975. | xxvii. Indian Forest Act, 1927. |
| xiv. The Water Prevention and Control of Pollution Cess Act, 1977. | xxviii. Any other Acts, Rules or Regulations as applicable. |

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