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# Mineral Thoughts

## The Possible Solutions for Goa Mining Problem

In the last article I had discussed the development of the Mining Problem in Goa, which at its peak was doing an export of 50 million tonnes per year of Low Grade Iron Ore ( below 58% Fe Content ) which was 50% of India's total export of Iron Ore.

This problem in Goan Mining has a potential to spread to other states also, so it is important to discuss possible solutions to such knotty issues.

There is an immediate and pressing need for a short term solution considering the importance of this business to the economy of GOA and the large scale dependency of the villagers from the hinterland on these occupations.

Before looking at the possible solution let us examine some more angles of this crisis as follows :-

### Political

Currently Goa is ruled by a BJP led coalition and the only senior leadership who really understood Mining and it's issues, Shri Manohar Parrikar is away from Goa, and undergoing treatment for a serious ailment in the U.S.A.

The opposition Congress Party, while having no practical solution to the issue merely makes political noises and pass the buck onto the ruling coalition saying that it is not their responsibility since they are not governing.

### Social Activism & Environmental Concerns

The entire issue was highlighted as a consequence of the petition filed by Goa Foundation, citing the various illegalities noticed as a consequence of the Shah Commission Enquiry and the State Govt PAC report followed by the EAC report of the MOEF.

The main issues highlighted the total lack of awareness of concept of Intergenerational Equity in the process of exploitation of non renewable resources, and for the first time this concept was deliberated before the Honble Supreme Court and is now being enshrined in the

new Mineral Policy for our country.

Social awareness is only going to increase with increased media penetration and increased education, so industry must keep this in mind while calculating the risks of this business.

### Judicial

Judiciary is not tolerating the illegalities & irregularities in the mining sector and is increasingly vocal in it's pronouncements in recent cases and so Industry has to factor in this aspect also while preparing their plans.

### State Lethargy & Apathy

In my observation and study, I find that the major contributor to this problem was the States Lethargy in effecting the second renewals combined with a lack of a professional management of this huge resource which is placed in trust with the Dept of Mines and Geology, that even after the severe comments were passed on their actions or rather lack of action in the governance of this activity, no corrective steps were taken, resulting into stumbling into more and more problems along the way, until situation has reached a flash point as we see today.

The State, as the trustee of the people, failed to invest in appropriate regulatory systems to provide real time report of activities, as is practised by many professionally managed mining operations, using modern technologies available and in my opinion it was because of simple lethargy and apathy to this major activity in the economy of Goa.

### The Weaknesses I perceive in the sector management in Goa are as follows:

1. Issue of the Abolition of the Mineral Concessions granted in perpetuity, by earlier Portuguese regime is not yet decided and is bending in an SLP before

the Honble Supreme Court.

2. The exploration data of the minerals within the deposit is not scientifically done, so it remains sketchy at best.

3. The lands in the deposit area do not belong to Government and are either privately held by the erstwhile operators or by the Comunidades, and will create difficulty of acquisition for auctioning process alongwith the lack of data as in 2 above.

4. Total lack of real time regulatory system and no scientific management in place , so no matter how well the operations are conducted, there is always room for a blame game and loose talk.

### Having highlighted the major peripherals, we can now discuss the possible solutions as follows :

1. A government mining corporation to conduct the mining operations with sale of the production by e auction.

2. A cooperative formed with the village wise stake holders like machine owners, truck owners, land owners, etc. To operate the mining with Department of Mines & Geology selling the ores by e auction, since these stakeholders were operating the mines in any case.

A major bottleneck will be the Environment Clearances which will need to be fast tracked by MOEF considering the urgency of the situation.

I also feel that the erstwhile operators have virtually no chance of resuming their mining operations considering the severe comments by Hon'ble Supreme Court on their manner of operations.

I hope and pray for some Divine intervention for an early restart to the mining operations in Goa for the sake of the mining dependants who have lost their only livelihood.