SINGH FOR EASY CLEARANCE OF MINING PROJECTS

Business Standard, 20 Sep. 2004

New Delhi: Prime Minister Dr. Manmohan has asked the coal and mines ministry to put in place a single-window project-clearance mechanism to increase investment in the sector. Senior officials told Business Standard that the coal and mines ministry was looking at setting up an inter-ministerial groups at the Centre and also in the states to speed up project clearances. At present, prospective miners require clearances from a host of agencies ranging from the home ministry to the environment and forests ministry; the revenue department for import of equipment; the state pollution control boards, intelligence agencies as well as the central and state mining departments. As per the proposal, mining applications will be circulated to ministries and agencies, which have to clear the projects. The interministerial group is expected to be headed by the mines Secretary. At the state-level, the group will be headed by the Chief Secretary. The government is also looking at simplifying the norms for mineral exploration as proposed by global giants like Rio Tinto and De Beers, which are engaged in exploration activity

There is a proposal for the recommendations of the Madhukar Gupta committee to be looked into. Among other things, the mining firms have sought a larger prospecting area. Following liberalisation measures in the mine sector, the foreign direct investment of over Rs 4,000 crore has been approved by the Foreign Investment Promotion Board, and 165 reconnaissance permits (for first and preliminary assessment of availability of minerals) over an area of 2,19,665 square km in IO states granted to private parties. The government is pursuing further investments to increase production of gold, rough diamonds, coking coal, copper, lead, zinc and petroleum (crude), among other minerals. Crude imports constitute around 50 percent of the total value of all merchandise imported by the country. Mineral production in the country is of the order of Rs 63,540 crore.