

Environment ministry holds green clearance for Odisha iron ore mines

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The government has reduced the time required for environment approvals from 600 days to 190 days. Photo by Reuters.

In what may affect India's iron ore production, the ministry of environment, forest and climate change has kept on hold new environment clearances for Odisha's iron ore leases until it reviews an ongoing study.

The joint study is being conducted by the Council of Scientific and Industrial Research (CSIR) and National Environmental Engineering Research Institute (NEERI).

The ministry had ordered this capacity study for environmentally sustainable iron ore mining activities in Keonjhar, Sundargarh and Mayurbhanj districts of Odisha in 2014.

However, the final report is still awaited and the ministry has stated that it will only take a look at environment clearances for all iron ore leases in the state once it goes through the report.

This comes in the backdrop of the National Democratic Alliance government's plan to nearly halve the time for green clearance for infrastructure projects to 100 days. Former Union environment minister Prakash Javadekar recently said the government has reduced the time required for environment approvals from 600 days in 2014 to 190 days.

"We have received a communication from Odisha government that on account of NEERI's report, the environment ministry has decided that green clearance will not be given to any iron ore mine, until and unless the ministry goes through the broad contours of the report," said a senior government official requesting anonymity.

As a result of this, green clearance for the newly auctioned iron ore mine in the state as well as other leases for iron ore are stuck, the official added.

“The entire matter has been referred to mines minister Piyush Goyal who may later take up the issue with environment minister,” said a second government official who also didn’t want to be identified.

India’s mineral production for financial year 2015-16 increased by 9% to 495 million tonnes (MT). However, the overall growth in terms of value decelerated by 11% to Rs.39,767.3 crore during the same period.

A senior Odisha government official aware of the development requesting anonymity said that pending mining lease cases under section 10A (2) (C) of Mines and Minerals (Development and Regulation) Act are stuck due to environment ministry’s stand.

“There are around 57 cases related to section 10A (2) (C), out of which 17 pertains to iron ore mining leases. We have also written to the environment ministry in this regard so that clearances should be expedited on an urgent basis,” the state official quoted above said.

Queries emailed to the spokespersons of the environment ministry, mines ministry, NEERI and Odisha government’s mining department on 2 August remained unanswered.

Experts think that the region has had some issues due to certain illegalities and the study will take time.

“Given the realities of the past, NEERI will definitely take time in doing the baseline study in order to propose environmental risk mitigation measures,” said Dipesh Dipu, partner at Jenissi Management Consultants, a Hyderabad-based energy and resources sector consulting firm.

India’s iron ore production for financial year 2015-16 rose to an estimated 135MT compared with 129MT the previous year due to a slew of measures taken by the National Democratic Alliance government to revive domestic production.