

MANIFESTO FOR A NEW MINING PARADIGM: Goa Shows the Way to Intergenerational Equity

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The recent Goa legislative assembly elections provided an opportunity to the Goenchi Mati Movement¹ ("Goan earth") to step up its campaign against the way mining was practiced. The essential principle underlying the movement is that minerals are a shared inheritance, and it is the duty of the present generation to ensure that future generations inherit either the minerals or its value. In other words, the people alive today are merely custodians.

In the Goa mining case (Goa Foundation vs UoI & Ors, WP(C) 435/2012),² the Supreme Court ruled that as all leases had expired the ongoing mining operations were held illegal for nearly five years. This created a great opportunity to put mining on a new footing. With this landmark order Goa became a clean slate with no existing mines.

In the run up to the assembly elections, the Goenchi Mati Movement issued a manifesto for a new mining paradigm. It was designed to be fair to the various stakeholders – those who extract minerals, the mining-affected, the mining dependent, the people of Goa as well as the future generations of Goa. The loser would be a small segment of rent seekers and crony capitalists.

Extracts from the Manifesto³ are Reproduced Below (edited for clarity):

Mining in Goa is highly divisive. So in drafting our position on mining we have carefully considered the needs of all stakeholders and kept in mind certain basic principles to come up with concrete suggestions.

Background

Under the Constitution, the minerals of Goa belong to the state of Goa (Article 295). However, under the Public Trust Doctrine (Article 21 Right to Life), the state government is merely a trustee of natural resources for the people and especially future generations. In other words, the people of Goa own the minerals in common. Further, under the Intergenerational Equity Principle (Art 21 Right to Life), as we have inherited the minerals, we are simply custodians and must pass them on to future generations. Mining leaseholders do not own the minerals under the ground. Only if they have a valid mining lease, have actually extracted the ore and have paid for it, they gain ownership over the ore.

Mining was one of the larger sectors of the Goan economy, although it has never exceeded 7.5 per cent of Gross State Domestic Product (GSDP). It has provided employment and to a lesser extent, has provided funds to the state government. However, mining is also Goa's largest environmental and social problem. It has destroyed our fields, khazans and rivers, our source of fish curry and rice. It has damaged the lungs of lakhs living in the mining belt and also responsible for numerous deaths.

Mining is the single largest source of corruption in Goa, and is also the root cause of poor governance. The Supreme Court has ruled in 2012 that the last five years of mining activities in Goa (before the ban) were illegal! Separately, there have been numerous other reports on illegalities in mining, including (a) the Public Accounts Committee (PAC) Report, (b) Shah Commission Report 1&2, (c) Central Empowered Committee

¹<http://goenchimati.org>

²<http://hash-cookies.s3.amazonaws.com/2014-04-21%20-%20SC%20Judgement%20-%20WP%20435%20of%202012%20-%20GF%20in%20Goa%20mining%20case.pdf>

³The original is at <http://goenchimati.org/manifesto>

(CEC) Report, (d) Expert Appraisal Committee (EAC) Report to Ministry of Environment, Forest and Climate Change (MoEFCC), (e) CEE/Gadgil report on Environmental Impact Assessment (EIA), (f) Shah Commission Report, 3 (g) Report by 17 CAs. Investigations are also underway by the SIT, Lokayukta and the Enforcement Directorate.

Worse still, it is estimated that the system of mining leases has resulted in the loss of over 95 per cent of the value of our minerals. And even the trifle that was received was spent, not saved for future generations. The total loss was enormous: nearly twice the state revenues, or over 25 per cent of per capita income, or thrice the poverty line. The loss was effectively a per head tax equally on everyone. A few have become rich from our children's inheritance. This is clearly not a reasonable situation.

The BJP government was given a golden opportunity to solve the mining issue. Ore and dumps worth over ₹10,000 crores became the property of the state. The estimated amount recoverable on account of illegal mining exceeded ₹65,000 crores. There were no valid mining leases, allowing a complete redesign of the system. However, the government renewed 88 leases. Many were renewed in the week between the cabinet approval and the promulgation of the ordinance (which no longer permits renewals). Unlike in Odisha, the Goa renewals were back-dated as well, giving up our claim. And since it is on the old system of 95 per cent losses, it is estimated that a further loss of ₹79,000 crores will ensue. ₹144,000 crores, nearly ₹10 lakhs a person. This must be stopped.

We will find all legal avenues to cancel the leases immediately, and recover what is our right and due. We will implement the principles of Zero Loss Mining, Zero Waste Mining, save all the money received from our minerals in the Goenchi Mati Permanent Fund, and only distribute real income as a Citizen's Dividend.

For mining, going forward, we will first ensure that sufficient minerals are available for future generations to exploit. Next, we will ensure that all environmental and legal requirements are met. Third, we will dispose of the dumps before we embark on fresh mining. This will generate money for the Permanent Fund and will also deal with two environmental problems – the dumps, and abandoned pits. Fourth, for fresh mining, we propose concentrated mining - just one or two leases to minimize the overall damage and enhance our control. Fifth, District Mineral Foundations will develop their plans through a participatory budgeting process with the mining affected.

It is clear that with the caps, the use of larger trucks being proposed by the mining companies and other improvements in mechanization, employment will never achieve its earlier levels. Therefore, we also have an interim plan to create more employment and simultaneously re-skill them for new opportunities. And certainly, relief is needed, both for the mining dependent and the mining affected.

Mining Will Be Based On These Principles:

- **We, the people of Goa, own the minerals in common.** The state government is merely a trustee of natural resources for the people and especially future generations (Public Trust Doctrine).
- **As we have inherited the minerals, we are simply custodians** and must pass them on to future generations (Intergenerational Equity).
- Therefore, **if we mine** and we sell our mineral resources, **we must ensure zero loss**, ie. capture of the full economic rent (sale price minus cost of extraction, cost including reasonable profit for miner). Any loss is a loss to all of us and our future generations.
- All the money received from our minerals must be saved in the **Goenchi Mati Permanent Fund**, as already implemented all over the globe. Like the minerals, the Permanent Fund will also be part of

the commons. The Supreme Court has ordered the creation of a Permanent Fund for Goan iron ore and already ₹94 crores is deposited.

- Any real income (after inflation) from the Goenchi Mati Permanent Fund must only be distributed to all as a right of ownership, a **Citizen's Dividend**. This is like the comunidade zonn, but paid to everyone.
- The implementation of these principles will be done in a transparent participatory process with the people of Goa.

We Will Take the Following Concrete Steps

- Minor mineral leases will only be granted through auctions.
- It will be our policy to cancel all existing major mineral leases where legally feasible.
- We will recover what is due from illegal mining, as well as illegalities in mining, and deposit these amounts into the Permanent Fund.
- All new mining will be done by the Goa Government with the goal of achieving Zero Loss Mining and Zero Waste mining.
- We will complete dump mining in order to release space and reduce environmental hazards before any new mining takes place
- **Mining Caps:** Since minerals are depleting assets, the income is available only once.

We will recommend a cap of 1/200th of the proven reserves. This will ensure that opportunity to extract the mineral lasts for at least 7 generations of Goans.

On environmental grounds, we will recommend a starting cap of 12 million tons per annum, with the ability to raise and lower based on performance vis-à-vis meeting all environmental parameters

At these caps, mining can take place in one or two somewhat larger mines. We can reduce the overall environmental and other damage by concentrating operations. We can control mining much better.

- **Interim Plans:** Mining restart will take time to put in place. New Environment Clearance (EC)s would be required for example. Also, it is unlikely to ever reach earlier levels. For the interim plan:

In the first stage, the e-auction ore should be sold (₹. 1,000 crores), and the draft Regional Plan (RP2021) asked for NH17 to go from Mapusa through Dharbandora to Balli. That should be implemented, it will provide work for trucks. When complete, it will improve the alternative economic prospects in the mining belt.

In the second stage, saleable portion of dumps will be identified and sold. It is estimated that of the 764 million tons of dumps, 20 per cent or 153 million tons are saleable (₹15,000 crores). These will be sold. The remaining unsaleable dumps will be used to restore abandoned quarries and mines, and mines that will never reopen - in the wild life sanctuaries for example. At the current 20 million ton cap, selling 153 million tons itself will take eight years. This will give enough time to develop the new mines.

- **Permanent Fund :** We will bring legislation to ensure that:

We will deposit all money from mining of all minerals into the Permanent Fund. It will be renamed

Goenchi Mati Permanent Fund to ensure it covers all minerals.

We will ensure that the Permanent Fund scores over 95/100 points in the best global standards (Santiago Principles). The goal of the Permanent Fund would be to ensure maximum long term returns in excess of inflation.

- We will distribute a **Citizen's Dividend** to the people of Goa from the after-inflation income of the Permanent Fund. The first Citizen's Dividend will be given when it can amount to at least ₹100 per person, and thereafter annually or more frequently.
- We will develop the annual plans for the District Mineral Foundations through a process of participatory budgeting with the mining affected.
- We will introduce legislation for whistle blower protection and rewards.
- We will implement a new control system and radical transparency so that the owners of minerals, the people of Goa, can keep a watch on their children's inheritance. All mining documents already scanned will be made accessible to the public.

How Will This Benefit Different Stakeholders?

Mining Dependent: Interim plans will protect transportation business, and create jobs and new opportunities through the new road and the reskilling programme. They will also benefit from the Citizen's Dividend.

Mining Affected: Clearing dumps and restoring abandoned mines will help reduce the overall environmental impact. Lower level of fresh mining and concentration into 1 or 2 mines will reduce the impact further. The funds in the District Mineral Foundation will be spent based on the requirements of the mining affected in a participatory process.

Government of Goa: With lower mine traffic, and a new road, the interiors of Goa will become more accessible to industry and tourism. Bio-pharmaceuticals based on our biodiversity is an obvious extension. New applications will develop around the open data provided on minerals and its transportation.

People of Goa: We will have fulfilled our duty to our future generations. We will all benefit equally from the Citizen's Dividend. All weaker sections of society such as children, women, aged, disabled, poor, mentally challenged, dalit, tribal, etc. will benefit more.

Future Generations of Goa: We will protect their interests by ensuring Zero Loss mining and saving all the money received from our minerals in the Goenchi Mati Permanent Fund. They will also benefit from the Citizen's Dividend.

Aamchi Mati, Aamka Zai!!

Outcome

The above manifesto was sent to all political parties and candidates seeking their support for the Goenchi Mati Manifesto. The results were mixed. The manifesto received wide acceptance across civil society and academics, including support from miners, activist leaders of the mining affected and mining dependent.

The Shadow Chancellor of the Exchequer of the UK (John McDonnell, Labour) expressed interest in implementing our principles.⁴ The Archbishop of Goa expressed support for the underlying idea of conserving natural resource wealth for future generations.⁵ The Economic Survey of the Government of India, which came out days before the elections, advocated a similar approach to minerals.⁶

In the political arena, four parties and three other candidates supported the manifesto.⁷ This included the Aam Aadmi Party (AAP). Only one of them, the Goa Forward Party, won seats in the elections, but promptly joined the BJP-led coalition. The advocacy continues.

The New National Mineral Policy

The principles underlying the manifesto were adopted by mines, minerals & People (mm&P),⁸ an all-India alliance on mining. They started a petition asking for implementation of some concrete steps along similar lines across India. This petition can be accessed at change.org/p/all-chief-ministers-this-is-the-future-we-need.

Today civil society has the historic opportunity to paint a new picture of how we shall henceforth use our precious natural resources. Recently, the Supreme Court, in the Odisha mining case (Common Cause vs UoI & Ors, WP(C) 114 of 2014),⁹ after a discussion on Intergenerational Equity, directed the Government of India to have a fresh look at the National Mineral Policy 2008.¹⁰ In response, the government has set up a committee whose report is due on October 31, 2017.¹¹ This is an opportunity for us to appeal to this committee to demand what is right for us, our children and future generations.

Goa Foundation (GF),¹² mines, minerals & People (mm&P) and the Goenchi Mati Movement (GMM) appeal to civil society¹³ to come together to demand from our government a fair and just National Mineral Policy on the principle that natural resources are a shared inheritance, and it is our duty to ensure our children inherit at least what we did. Let us be remembered as the generation that changed the course of history, not the one that destroyed the planet.

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⁴<http://goenchimati.org/press-release-british-mp-and-shadow-chancellor-of-the-exchequer-meets-goenchi-mati-movement-go/>

⁵<http://goenchimati.org/press-release-archbishops-statement-judith-almeidas-endorsement-welcomed-by-the-goenchi-mati-movement/>

⁶<http://goenchimati.org/press-release-goenchi-mati-movement-pleased-with-government-of-india-consideration-of-its-proposal/>

⁷<https://drive.google.com/open?id=0B4mzHjvesRmLM0p4NnpPVG9UQUE>

⁸<http://mmpindia.in>

⁹http://supremecourtindia.nic.in/supremecourt/2014/4352/4352_2014_Judgement_02-Aug-2017.pdf

¹⁰[http://mines.nic.in/writereaddata/Content/88753b05_NMP2008\[1\].pdf](http://mines.nic.in/writereaddata/Content/88753b05_NMP2008[1].pdf)

¹¹<http://mines.nic.in/writereaddata/UploadFile/NMPcommittee14082017636383202374185726.pdf>

¹²<http://goafoundation.org>

¹³<http://thefutureweneed.org>