New mandatory disclosure for mining bidders in Rajasthan will eliminate illegal miners

The Rajasthan government on 17th February, has taken a positive step in addressing illegal mining in the State. The Directorate of Mines & Geology, Government of Rajasthan has added an important clause to the Bid letter of the Tender document for auction of major mineral blocks. The clause- 10 (e) requires the bidder to assert: “I/We have not been convicted of illegal mining”. This mandatory disclosure for the mining bidders has been added to the Bid letter as a response to a letter sent to the Chief Minister of Rajasthan, Shri Ashok Gehlot, by the Mineral Inheritors Rights Association (MIRA), Goa Foundation, Environics Trust, Common Cause and Himalaya Niti Abhiyan, and The Future We Need, putting forth a set of demands to safeguard our mineral wealth, our shared inheritance.

The civil society group made two sets of demands- First, illegal mining must be considered a grave offense on par with offences under other economic laws such as FERA. Second, we must follow best practices from other sectors that manage wealth, e.g., the financial sector. People of low integrity cannot be allowed to manage our shared inheritance.

Rajasthan, now joins Odisha and Maharashtra, where such a clause already exists. We have already written to the Odisha government for a fair enforcement of this particular clause and questioning Vedanta (the parent company of Electrosteel Steels) as a preferred bidder for the iron blocks in Odisha as the company has been found to be illegally mining in Goa and other states. We urge all other State governments to incorporate this clause to their Bid letters and enforce them so the illegal miners stay disqualified.

Nikhil Dey, a well-known RTI activist and founder member of Mazdoor Kisan Shakti Sangathan (MKSS) and MIRA, has welcomed the state government’s decision and says, “The Rajasthan government should be congratulated for attempting to exclude illegal miners from managing shared mineral wealth by demanding a self-declaration of no involvement in illegal mining (past or present) to be made by bidders. This is an important step, but not enough. There needs to be full implementation of the principles of the "Integrity Due Diligence" and complete transparency in the mineral value chain. The Jan Soochna Portal of the State Government has a lot of important mining related information, but more needs to be brought under its mandate to incorporate best practice from across the country and other parts of the world. All this needs to be done to improve and enhance Citizen-centric oversight, which would in turn improve the lives and livelihoods of people in consonance with constitutional values of equity and social justice, and safeguard inherited wealth for our future generations.”

Enclosed:
1. Circular from Directorate of Mines and Geology, Govt. of Rajasthan
2. The Bid Letter with the new clause- 10 (e)

3. Acknowledgement copy of the Letter sent by MIRA & other CSOs to the Chief Minister of Rajasthan

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