

**Press Information Bureau  
Government of India  
Cabinet**

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**National Mineral Policy, 2019 approved by Cabinet**

The Union Cabinet, chaired by the Prime Minister Narendra Modi has approved National Mineral Policy 2019.

**Benefits:**

The New National Mineral Policy will ensure more effective regulation. It will lead to sustainable mining sector development in future while addressing the issues of project affected persons especially those residing in tribal areas

**Objective:-**

The aim of National Mineral Policy 2019 is to have a more effective, meaningful and implementable policy that brings in further transparency, better regulation and enforcement, balanced social and economic growth as well as sustainable mining practices.

**Details:**

The National Mineral Policy 2019 includes provisions which will give boost to mining sector such as

- introduction of Right of First Refusal for RP/PL holders,
- encouraging the private sector to take up exploration,
- auctioning in virgin areas for composite RP cum PL cum ML on revenue share basis,
- encouragement of merger and acquisition of mining entities and
- transfer of mining leases and creation of dedicated mineral corridors to boost private sector mining areas.
- The 2019 Policy proposes to grant status of industry to mining activity to boost financing of mining for private sector and for acquisitions of mineral assets in other countries by private sector
- It also mentions that Long term import export policy for mineral will help private sector in better planning and stability in business
- The Policy also mentions rationalize reserved areas given to PSUs which have not been used and to put these areas to auction, which will give more opportunity to private sector for participation
- The Policy also mentions to make efforts to harmonize taxes, levies & royalty with world benchmarks to help private sector

Among the changes introduced in the National Mineral Policy, 2019 include the focus on make in India initiative and Gender sensitivity in terms of the vision. In so far as the regulation in Minerals is concerned, E-Governance, IT enabled systems, awareness and Information campaigns have been incorporated. Regarding the role of state in mineral development online public portal with provision for generating triggers at higher level in the event of delay of clearances has been put in place. NMP 2019 aims to attract private investment through incentives while the efforts would be made to maintain a database of mineral resources and tenements under mining tenement systems. The new policy focusses on use coastal waterways and inland shipping for evacuation and transportation of minerals and encourages dedicated mineral corridors to facilitate the transportation of minerals. The utilization of the district mineral fund for equitable development of project affected persons and areas. NMP 2019 proposes a long term export import policy for the mineral sector to provide stability and as an incentive for investing in large scale commercial mining activity.

The 2019 Policy also introduces the concept of Inter-Generational Equity that deals with the well-being not only of the present generation but also of the generations to come and also proposes to constitute an inter-ministerial body to institutionalize the mechanism for ensuring sustainable development in mining.

**Background:**

National Mineral Policy 2019 replaces the extant National Mineral Policy 2008 ("NMP 2008") which was announced in year 2008. The impetus to review NMP 2008 came about by way of a direction from the Supreme Court vide its judgment dated 02.08.2017 in Writ Petition (Civil) No. 114/2014 entitled Common Cause v/s Union of India & Others.

In compliance of the directions of the apex Court, the Ministry of Mines constituted a committee on 14.08.2017 under the chairmanship of Dr. K Rajeswara Rao, Additional Secretary, Ministry of Mines to review NMP 2008. The Committee had members from Central Ministries/ Departments, State Governments, Industry Associations and Subordinate offices of Ministry of Mines. The Committee also invited concerned NGOs and Institutional Bodies to take part in the deliberation of the Committee meetings. The Comments/suggestions from the stakeholders were also sought. Based on the deliberations held at Committee meetings and stakeholders' comments/ suggestions, Committee Report was prepared and submitted to the Ministry of Mines.

The Ministry of Mines accepted the committee Report and invited the comments/ suggestions of the stakeholders as part of the PLCP process. Based on the received comments/ suggestions received in PLCP process and the comments/ suggestions from the Central Ministries/ Departments the Ministry of Mines finalized the National Mineral Policy 2019.

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