



NATURAL RESOURCE POLICY BRIEF

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A “Just Transition” from coal to clean energy remains a distant dream for Jharkhand



Photo: DALLE

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**Land Conflict
Watch**

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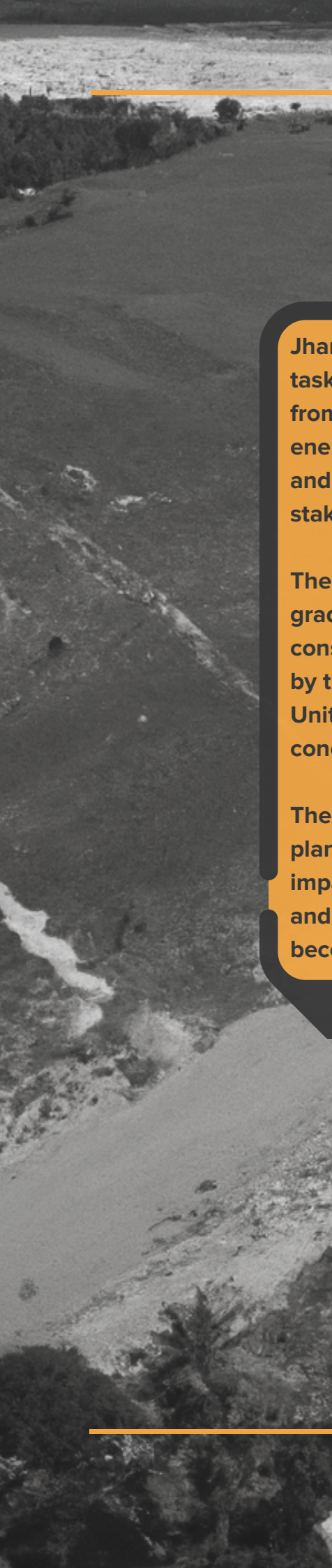
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SUMMARY



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- A "Just Transition" task force was formed in Jharkhand, India's leading coal producer, in November 2022.
- Its mandate was to ease the transition from coal to green energy while protecting the livelihoods of those dependent on the coal industry.
- India's commitments to shift from fossil fuels to renewables, made during COP26 in 2021, spurred the formation of the task force.
- As part of a Just Transition, coal companies are required to scientifically close down mines to ensure least environmental damage.
- Additionally, it involves the restoration of coal-mine lands and the return of ownership of these lands to local communities.
- However, instead of seeing efforts being made to close down coal mines, more projects have been opened in the state.
- Our research revealed that not a single mine has been returned to the state by the coal companies.
- Jharkhand's attempts at transition face several obstacles due to a lack of Just Transition provisions that reflect the complexities of ground reality in the region.

An aerial photograph showing a wide river flowing through a landscape with some vegetation and a sandy or rocky bank. The image is in black and white, with a thin orange horizontal line above it.

BACKGROUND

Jharkhand was the first state in the country to constitute a taskforce to develop a framework for a “Just Transition” from coal — the state’s most crucial mineral — to clean energy. The idea was to phase down carbon-based fuels and ensure that the shift was fair and equitable for all stakeholders.

The decision was in response to a global consensus on the gradual phasing down of fossil fuels, with careful consideration of the concerns of the people most affected by this transition. This goal was reiterated during the 28th United Nations Climate Change Conference (COP28), concluded in December 2023.

The framework requires that coal mines undergo thorough planning and preparation before closure, to mitigate the impact on communities reliant on the coal-mining industry and facilitate alternative employment for those who become redundant after these mines are shut.

- **No closure:**

In 2009, the Ministry of Coal along with Coal India Limited (CIL) laid down guidelines to ensure mine closures followed a scientific approach. However, new coal mining projects are underway in Jharkhand, while not a single existing mine has undergone formal closure.

The high cost associated with mine closure, including land reclamation to restore the land to its original state,



has led many coal companies to discontinue operations or abandon mines altogether, rather than close them.

- **No land return policy:**

Another factor central to Just Transition was looking at mine closures as an “opportunity for ecological restoration and community well-being”. One way to achieve this is for companies to return the leased land to its rightful owners after cessation of mining activities.

It has been found that the coal mines leased from the state government have not been returned to them, which could have facilitated a transition from “carbon-positive” to low-emissions practices. Moreover, the Coal Bearing Areas Act, 1957, or any other legislation, does not include provisions for returning land acquired for coal mining to its original owners or tenants after mining activities are completed.

The draft Coal Bearing Area (Acquisition and Development) Amendment Bill of 2023, which the Centre had sent to the Jharkhand government this year, sought to extend even the fixed lease period from 30 years to a lifetime.

The Jharkhand government has objected to the proposed amendments; as it believes they are not in the best interests of the state or its people.

If it wasn’t specifically mentioned that coal mines were permanently or formally closed, it meant that the companies could always come back to excavate more minerals.

EMERGING ISSUES

THE IMPACT OF POLICIES ON THE GROUND



Photo: Dalle

1. Coal mines are not being closed in an organised manner. Those that are temporarily shut down, abandoned, or discontinued, are prone to illegal mining and are a threat to the environment.
2. These coal mines can also be reopened and offered to private entities for continuing mining operations.
3. The Jharkhand government claims that they are unable to initiate conservation efforts on former mining land unless the land leased out to them is returned.
4. Most villagers in the state, whose lands were acquired for coal mining in lieu of mining jobs, desire the return of their land to resume cultivation. However, due to the absence of a policy to facilitate the return of land, and unresolved legacy issues such as fair compensation for acquisition, their wishes remain unmet.
5. There is no better green employment alternative to mining than agriculture, but coal companies want to extend their ownership of the land and are coming up with plans to start renewable energy projects.
6. The planning for extension of mining-land leases is ongoing despite unresolved legacy issues, such as fair compensation for land acquisition.
7. While the Just Transition concept assumes a reduction in coal mining in the future, coal company officials assert that existing reserves can sustain coal extraction for another 100 years.

RECOMMENDATIONS

- Coal India Limited needs to issue stronger instructions on coal mines closure.
- A committee comprising independent researchers should be established to oversee adherence to approved guidelines in the land reclamation process.
- There needs to be a policy in place regarding the return of coal mines after the expiration of leases.
- Coal mines should be returned to the original owners if they have been abandoned for more than five years, regardless of the lease period.
- Coal mining leases should not be renewed if there has been no mining activity for a period of five years.
- Agriculture should be the primary alternative livelihood for coal-mining communities.
- Renewable energy projects are not labour intensive and should not be viewed as the sole solution for Just Transition.
- Coal mining leases should not be extended indefinitely.

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