# **Offshore Sand Mining in Kerala**

For Prelims: <u>Geological Survey of India</u>, <u>Indian territorial waters</u>, <u>Exclusive Economic Zone</u>, <u>Desalination</u>, <u>Mineral oils</u>, <u>Sustainable Development Goals</u>

For Mains: Sand mining, Offshore Mineral Regulation, Impact of Mining on Coastal Ecosystems

#### Source: DTE

#### Why in News?

The Union government's move to begin **offshore** <u>sand mining</u> along **Kerala's coast** under the <u>Offshore Areas Mineral (Development and Regulation) Amendment Act, 2023 ( (OAMDR</u> <u>Amendment Act)</u>, has drawn sharp opposition from the state government and local communities over concerns about ecological and livelihood impacts.

### Why is the Government Pushing for Offshore Sand Mining?

- Economic Potential: The Centre's decision to permit offshore mining of construction sand is based on a study by the <u>Geological Survey of India (GSI).</u>
  - Since 1985, GSI surveys have identified construction-grade sand resources off Ponnani, Chavakkad, Kochi, Alappuzha, and Kollam, at water depths ranging from 22 to 45 metres.
  - These deposits, located within Indian territorial waters (up to 12 nautical miles) and in the Exclusive Economic Zone (EEZ), contain sand with a range of 80% to 96% purity and clay content between 4% and 20%.
    - The sand, originally **sourced from rivers**, has undergone marine processes, making it suitable for **construction after** <u>desalination</u>.
  - With an estimated 750 million tonnes of reserves, these sand deposits could satisfy Kerala's construction needs for the next 25 years, at a rate of 30 million metric tonnes annually.
- Auction Plan: The Centre under the OAMDR Amendment Act, 2023 plans to auction sand blocks in five sectors of Kerala's coastal areas, including Ponnani, Chavakkad, Alappuzha, Kollam North, and Kollam South.
- Revenue Generation: The offshore sand mining is expected to bring in significant income through <u>shipping, trade</u>, and <u>Goods and Services Tax (GST)</u> collection.

#### Sand Mining

- Sand is classified as a "minor mineral" under the <u>Mines and Minerals (Development and</u> <u>Regulations) Act, 1957 (MMDR Act),</u> with state governments overseeing its administration.
- The Ministry of Environment, Forests, and Climate Change (MoEFCC) issued the <u>"Sustainable Sand Mining Management Guidelines 2016"</u> to promote scientific and ecofriendly sand mining practices.

# What is Offshore Mining?

- About: Offshore mining involves extracting minerals or precious stones from the seabed.
- Potential for Offshore Mining in India: India's EEZ spans over two million square kilometers, the GSI has delineated resources of various minerals in the offshore areas.
  - Lime mud: 153,996 million tons (off Gujarat and Maharashtra coasts)
  - **Construction-grade Sand**: 745 million tons (off Kerala coast)
  - **Heavy Mineral Placers**: 79 million tons (off Odisha, Andhra Pradesh, Kerala, Tamil Nadu, Maharashtra coasts)
  - **Polymetallic Nodules**: Andaman Sea and Lakshadweep Sea.
- Offshore Critical Mineral Auction: India launched its <u>first-ever offshore critical mineral</u> <u>auction in 2024</u> under the OAMDR Act, 2002 offering 13 blocks across the Arabian Sea and Andaman Sea.
  - The auction targets critical minerals like lithium, cobalt, nickel, and copper, essential for infrastructure, <u>renewable energy</u>, and advanced technologies.
    - With this initiative, India aims to reduce import reliance, enhance resource availability, and strengthen its position in the global mineral market.

# What are the Laws and Rules Governing Offshore Mining?

- OAMDR Amendment Act 2023: The Act amends the Offshore Areas Mineral (Development & Regulation) Act (OAMDR Act), 2002, which governs the exploration and extraction of mineral resources in India's territorial waters, continental shelf, and EEZ.
  - OAMDR Amendment Act 2023 introduces a transparent auction process for offshore operating rights, establishes a trust for mining-affected people, and boosts exploration.
    It removes discretionary renewals, and sets a 50-year lease period.
  - To implement the amended provisions of the OAMDR Act, the Ministry of Mines has framed <u>Offshore Areas (Existence of Mineral Resources) Rules, 2024</u> and Offshore Areas Operating Right Rules, 2024.
- Offshore Areas (Existence of Mineral Resources) Rules, 2024: These rules apply to all minerals in offshore areas, excluding mineral oils, hydrocarbons.
  - They do not affect the <u>Atomic Energy Act</u>, <u>1962</u>, or the provisions related to minerals specified in Part B of the First Schedule of the <u>Mines and Minerals (Development</u> <u>and Regulation) Act</u>, <u>1957</u>.
  - **Stages of Exploration:** The rules define four stages for exploration.
    - Reconnaissance Survey (G4): Initial phase for identifying mineral deposits.
    - Preliminary Exploration (G3): More detailed exploration based on G4 findings.
    - General Exploration (G2): Further detailed exploration that could lead to production.
    - **Detailed Exploration (G1):** Final stage confirming the precise nature of resources.
    - A minimum of G2 level exploration is required for auctioning blocks for production leases.
- Offshore Areas Operating Right Rules, 2024: Lessees can surrender their lease after 10 years if operations become uneconomical.
  - Lessees must report new mineral discoveries within **60 days and update their lease** deeds accordingly.
  - Government bodies have priority access to reserved offshore zones for securing operating rights.

# What are the Concerns Regarding Offshore Mining?

- Pollution Risks: Offshore mining creates sediment plumes and releases toxic wastewater containing heavy metals, posing long-term risks to marine life, and ecosystems reliant on marine resources.
  - In Kerala, environmentalists warn that offshore sand mining could destabilize ecosystems, weaken natural defenses against <u>tsunamis</u>, <u>cyclones</u>, <u>erosion</u>, and disrupt sediment

dynamics, threatening aquatic habitats.

- Revenue Collections: States like Kerala argue the OAMDR Amendment Act, 2023 does not safeguard state interests.
  - **Royalty revenues** from mining are **assigned entirely to the central government,** sidelining state authorities.
  - **Private sector involvement** allowed by the 2023 amendments has raised concerns about unchecked exploitation and lack of transparency.
- Local Community's Opposition: Fishermen's and other marine-dependent communities oppose the tendering of mining, citing threats to livelihoods and the ecosystem.
- Global Resource Competition: The rising demand for metals like cobalt, nickel, driven by renewable energy and electric vehicle industries, intensifies competition leading to exploitation of resources.
- Climate Change: Disturbing seafloor ecosystems could release stored carbon, accelerating <u>climate change</u> by increasing atmospheric CO2 levels contributing to <u>global</u> <u>warming</u>.
- Limited Knowledge: Offshore mining in India raises concerns due to the limited understanding of deep-sea ecosystems.
  - It remains one of the least explored and poorly understood areas, making it challenging to predict the **full environmental impact of mining activities.**
  - This uncertainty could lead to unforeseen damage to marine biodiversity and ecosystems, particularly as India begins exploring these resources.

## Way Forward

- Environmental Assessments: Mandate independent Environmental Impact Assessments (EIAS) to evaluate the ecological, social, and economic impacts before initiating projects.
  - Adopt best practices from countries like Norway, where marine resource extraction is preceded by rigorous environmental planning.
- Sustainable Mining Practices: Limit extraction volumes, designate no-mining zones near critical ecosystems, and align mining with <u>Sustainable Development Goals (SDGs)</u>, particularly climate action (SDG 13) and life below water (SDG 14).
- Equitable Revenue Sharing: Revise royalty frameworks to allocate a fair share of revenue to state governments and local communities. Establish community development funds for affected areas.

#### Drishti Mains Question:

Examine the environmental impacts of offshore mining and propose measures to mitigate risks while ensuring economic growth.

# UPSC Civil Services Examination, Previous Year Questions (PYQs)

## <u>Mains:</u>

**Q**. Despite India being one of the countries of Gondwanaland, its mining industry contributes much less to its Gross Domestic Product (GDP) in percentage. Discuss. **(2021)** 

**Q**. Coastal sand mining, whether legal or illegal, poses one of the biggest threats to our environment. Analyse the impact of sand mining along the Indian coasts, citing specific examples. **(2019)** 

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