

**Press Release
July 19, 2024**

Repurposing of mining land and energy assets is critical to boost green growth and green jobs in coal districts shows iFOREST studies

- **Over 4.4 lakh hectares of land is available with operational coal mines and power plants in various states and districts of India, which is critical to support green growth and jobs in these regions, through proper repurposing.**
- **Jharkhand has about 65,000 ha of land under coal mines (including land with discontinued/ temporarily closed mines) and coal-based power plants, which can be repurposed in the coming decades to support green investments in the state.**
- **Dhanbad, Bokaro, Ramgarh, and Hazaribagh are some of the key districts with the maximum amount of land.**
- **To maximize the repurposing potential of coal mining land for local economic development besides environmental sustainability, a Just Transition Plan needs to be mandated as part of mine closure planning.**
- **To finance repurposing and just transition activities, resources such as the coal cess is a vital opportunity. The cess paid at Rs. 400 per tonne of coal dispatch (equivalent to production), is one of the largest sums of public finance to support transition measures.**
- **The coal cess, currently part of the GST Compensation Cess, can be reinstated as Just Energy Transition Cess under the Finance Act, to support repurposing activities, green growth, and green jobs in the coal districts.**
- **Between 2023-2030, an estimated 4 lakh crore of coal cess can be potentially accrued considering India's coal production target and can be utilized to support just transition measures.**

Ranchi, Jharkhand: The International Forum for Environment, Sustainability & Technology (iFOREST) unveiled new insights into the repurposing of coal mine land and the strategic use of coal cess to support a just transition in the coal-dependent states and districts of India, including Jharkhand.

In a stakeholder meeting in Jharkhand today, the think tank released a set of new studies and analyses, highlighting the opportunities of just energy transition to support green growth and green jobs in the state aligning with India's target of building a net zero economy by 2070.

The event was attended by various key stakeholders who are crucial to planning and implementing a sustainable just transition in Jharkhand. Participants included the Department of Mines, the Department of Environment and Climate Change, the Chairperson of the Sustainable Just Transition Taskforce, and mining companies, among others.

During the event, iFOREST released important studies on experiences of mine reclamation and repurposing, and the opportunities of repurposing coal mining land through inclusive planning for local economic growth and livelihood generation. The studies also highlight the need to develop a Just Transition Plan as part of mine closure planning to support a green transition of the coal districts. A detailed process of developing the Just Transition Plan based on a Social Impact Assessment study has also been provided.

The think tank also highlighted how coal cess can be utilized through necessary regulatory reforms to support just transition measures in these states and districts in the coming years.

Speaking at the occasion **Shri Jitendra Singh, Mines Secretary of the Government of Jharkhand (and earlier the industry secretary of the state)** said “Land repurposing will be crucial green industry development in Jharkhand. Much of Jharkhand’s land is in tribal areas, and governed by tribal laws. It is not possible to divert for industries. Therefore, repurposing the land available with coal mines, once they are closed can hugely unlock the potential for green investment”.

Shri Ajay Kumar Rastogi, Chairperson of the Sustainable Just Transition Taskforce said “The challenge of just transition in Jharkhand is localised in many districts. For Jharkhand, it will be important to design localized intervention plans. Also a social impact assessment will be important to develop the plans, but also to monitor implementation.

Dr. Srestha Banerjee, Director of Just Transition Programme at iFOREST said “Just transition is an important opportunity to plan a green economy and create jobs in states that have been historically fossil fuel-dependent. India’s net zero target sets a timeline for us to plan and invest for the transition. To plan a green economy in the coal districts, repurposing the coal mining land provides a vital opportunity. The Ministry of Coal has also recognized the importance of just transformation, and has emphasized it in the new draft guidelines of mine planning and mine closure” she emphasized.

“Besides land. Finance is also a key factor for supporting just energy transition measures. Our analysis shows that if coal cess can be repurposed as Just Energy Transition cess, it will be a crucial resource to support transition activities. This will also reduce our requirement to take loans from international sources” said Srestha Banerjee.

On part of the industry, **Shri Ram Baboo Advisor, NTPC Mining Limited and former Technical Director, Central Coalfields Limited (CCL)**, who has decades been associated with the coal industry, said the “latest mine closure guidelines has included some very important provisions. Under the mine closure plan, land repurposing has been brought in which is a major change. Also, 10% of escrow amount is now specified for utilisation of people and communities and just transformation”.

iFOREST is working deeply in five states on just transition and green growth, including in Jharkhand. The other states include Odisha, Chhattisgarh, Maharashtra and Uttar Pradesh.

Key findings of iFOREST assessment and recommendations

- The impacts of the transition is going to be more localized, particularly at the block level, where the mining activities are concentrated. Informal workers and local businesses will be most impacted by the transition if alternative opportunities are not planned before the closure of these assets.
- Considering the prospective impacts of the transition in the coming years on workers and local communities, economic diversification of the coal-dependent districts and blocks will be crucial.
- Repurposing of land available in the coal mines, will be crucial to support economic diversification, green growth, and green jobs in the coal-dependent districts and blocks.
- To maximize the potential of land repurposing regulatory reforms are required in the Coal Bearing Areas Act (1957), and the coal mine closure guidelines.
- The Coal Bearing Areas Act needs to be revised to transfer the land to the concerned state government once a mine is closed aligning with the coal mines closure guidelines.
- The laws related to coal mine closure need to mandate the development of a Just Transition Plan as part of the final closure plan 10 years before the closure. The plan must be based on a Social Impact Assessment Study, and should outline a plan of how the land can be repurposed for economic development for the local community after closure.
- The coal cess, which is currently subsumed as the GST Compensation Cess, can be a crucial resource for supporting just energy transition measures. For this, a reform in the Finance Act is required to repurpose the coal cess as a Just Energy Transition Cess.
- 50% of the just energy transition cess (the coal cess) accrued in a financial year, can be disbursed to the state governments of coal-producing states, in proportion to the amount of coal cess realised from these states, to invest in just transition activities.

‘Just transition is an opportunity to build a low-carbon economy that benefits all. For this it will be important for the state and the central government to work together, along with the industry and concerned stakeholders’ said Srestha Banerjee.

For questions please contact:

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