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[26th March, 2013]

An Act to provide for regulation and development of coal in the Province of Sindh.

WHEREAS it is expedient to provide for regulation and development of coal in the Province of Sindh and to provide for matters connected therewith or ancillary thereto:

Preamble.

It is hereby enacted as follows:-

PART 1 PRELIMINARY

1. (1) This Act may be called the Sindh Coal Short title, extent and commencement.

- (2) It shall extend to the whole of Province of Sindh.
- (3) It shall come into force at once.
- 2. In this Act, unless there is anything repugnant in the **Definitions**. subject or context -
 - (i) "coal" means a mineral formed below earth's surface and includes anthracite, bituminous coal, sub-bituminous coal and lignite;
 - (ii) "coal mine" means any deposit of coal for production, processing or transformation of coal within the Perimeter for such coal mine;
 - (iii) "coal title" means the legal entitlement which includes reconnaissance license, exploration license, mineral deposit retention license or mining lease;
 - (iv) "deposit" means any concentration of coal that can be economically exploited in any form;
 - (v) "Government" means the Government of Sindh;
 - (vi) "holder" means a person or a company in whose name a Coal Title is issued by Government and includes his successor in title and interest:

- (vii) "licencee" means a person or a company to whom a licence is granted and includes his successor in title and interest
- (viii) "mining" means any process through which the coal is exploited which includes surface mining, underground mining, underground coal gasification and any other process;
- (ix)"perimeter" means an area identified and physically demarcated on the surface of a coalfield;
- "prescribed" (x) means prescribed by rules; and
- "rules" means the rules made under this Act. (xi)

PART II ADMINISTRATION OF COAL ACTIVITIES

- 3. (1) There shall be an Inspectorate of Coal Mines as attached department of Coal and Energy Development Department responsible for implementation and enforcement of coal mine safety, rescue and recovery operations, conducting mine environment sample testing, monitoring the health and welfare of coal mine workers, and the provision of training and testing for its staff.
- Government may appoint a duly qualified person to be Chief Inspector of Coal Mines for all coalfields in the province, and duly qualified persons to be Inspectors of Coal Mines subordinate to the Chief Inspector.
- 4. (1) Government may constitute a Committee which Mining Committee. shall be headed by the Director General Coal Mines and such other members as may be prescribed.
- (2) The Committee shall perform such functions and exercise such powers as may be prescribed.

PART III COAL MINING AND RELATED **OPERATIONS**

5. (1) Government may issue coal title under the Coal Title provisions of this Act.

Inspectorate of Coal **Mines**

- (2) No person, company or other legal entity shall conduct reconnaissance, exploration, exploitation or mining operations without a coal title granted by Government in accordance with this Act.
- (3) A coal title shall authorize its holder to occupy land within its perimeter to the extent required for conducting the mining activities.
- (4) A coal title does not confer upon its holder any ownership interest in the land.
- 6. All persons and companies engaged in exploration or exploitation of coal, coal-based power generation or any other use of coal shall conduct environmental impact and social assessment, in the manner as may be prescribed.

Environmental Impact and Social assessment.

7. All persons and companies engaged in exploration and exploitation of coal, coal-based power generation or any other use of coal shall make environmental management plan, in the manner as may be prescribed.

Environmental Management Plan.

8. All persons and companies engaged in exploration or exploitation of coal, coal-based power generation or any other use of coal shall make health and safety plan, in the manner as may be prescribed.

Health and Safety Plan.

9. All persons and companies engaged in exploration or exploitation of coal, coal-based power generation or any other use of coal shall comply with the Resettlement Policy of Government.

Resettlement Policy.

10. All persons and companies engaged in exploitation of coal, coal-based power generation or any other use of coal shall fulfill their obligations with regard to corporate social responsibility, as may be prescribed.

Corporate Social Responsibility.

11. Government may frame policy for the development of coal sector including but not limited to exploration and exploitation of coal, coal-based power generation, gasification, liquefaction, beneficiation, or any other use of coal.

Coal Sector Policies.

PART IV PROTECTION OF COAL **INVESTMENTS**

Government may permit private coal mine Investment. 12. ownership and investment that may include local or international corporations, joint ventures, partnerships, sole proprietorships or any other legal structure, as may be prescribed.

13. Holders of coal titles and their sub-contractors shall be subject to the applicable laws, rules and regulations regarding investment, tax and banking for the time being in force.

Application of laws, rules and regulations.

14. Subject to the compliance with the provisions of this Act, Government shall provide all necessary facilities to the holders of coal titles to organize their assets and business, employ sub-contractors and recruit personnel necessary for carrying out the coal activities; provided that in the recruitment of personnel, preference shall be given to the locals and the residents of the Province of Sindh.

Facilitation by Government.

The Coal Title holders shall pay fees, charges and furnish guarantees as may be prescribed.

Fees, charges and guarantees.

16. The Coal Title holders shall pay royalties on all extracted or other exploited coal, at the rates, as may be prescribed.

Royalty.

PART V **MISCELLANEOUS**

No suit or legal proceedings shall lie against 17. Government or any person in respect of anything done or intended to be done under this Act.

Indemnity.

This Act shall have effect notwithstanding anything to the contrary contained in any other law for the time being in force.

Act to Override Other Laws

19. If any difficulty arises in giving effect to the provisions of this Act, Government may, within two years of the commencement of this Act, make such order, not inconsistent with the express provisions of this Act, as may appear to it to be necessary or expedient for the purpose of removing such difficulty.

Removal of difficulties.

Government may by notification in the official Power to make rules 20. gazette, make rules consistent with this Act, for the purpose of giving effect to the provisions of this Act.