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Automated Mineral Concession System

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Mining is the mainstay of developing economies in Asia, Africa and Latin America. In more than 20 countries in these regions, mining contributes over 20 per cent to each nation's GDP. The mining sector is also a force multiplier to jobs and investments in many poor countries. **Given the impact of mining and its potential to create immense value above the ground, a calibrated [Mining Concession Regime](#) is a crucial component. Think of an integrated system that automates the entire mining concession life cycle, starting from mineral exploration and culminating with mine closure!** All actors are connected and there is 'real time' visibility of data, enabling a transparent mineral concession regime and spurring investments.



Why Mineral Concession System is Important?

- **Clear Legal Authority:** It is important to have exclusive mining laws and regulations that supersede other legislations. This is best achieved by a single window facilitation system for transparent allocation of mining rights.
- **Security of Tenure:** Security and transferability of mining rights substantially reduce investment risk. It also allows smaller mining companies to take up mineral exploration with the expectation that they can sell their rights to larger and better capitalized companies.
- **Flexibility to Convert Exploration Licenses to Mining Rights:** Few companies will risk investments unless they have the security that they can exploit and profit from the discoveries they make.
- **Transparent Licensing Procedures:** They offer predictability and certainty for mining companies and other stakeholders on the terms and conditions that apply to mining

Which Problems Hurt Investors At Each Stage?

Exploration/Prospecting Licenses: Licensing of minerals is riddled with problems galore like lack of transparency, exorbitant fees, insecure rights, poorly defined claims and excessive documentary requirements & proof of capabilities.

Production/Mining Licenses: Unless there is a transparent and organized structure for award of mineral concessions, the path to mining can bump into hurdles like lack of transparency, steep fees, insecure rights and lack of automatic transferability from exploration to production license.

Delay in Getting Permits: When processes are largely manual, the mine lessees confront delay in obtaining key statutory approvals and permits needed to start mining. The jump in timelines to meet milestones of any mining project has a bearing on mining productivity and consequent availability of minerals to meet the need of end user industries.

CSM's Automated Mineral Concession System

Our IT enabled system helps fulfill the vision of easing business processes in mining. This automated system caters to the entire lifecycle of mineral concession- award of mining lease (ML) for virgin deposits and lapsed major mineral resources, ML for minor minerals, composite license (Prospecting License- PL cum ML) and issue of Non-Exclusive Reconnaissance Permits (NERPs). From the time of issue of Letter of Intent (LoI) to the signing of ML, the entire journey is captured online. There is a defined Workflow engine with clearly delineated processes. Moreover, the technology powered application lists timelines for completing each milestone, thus overcoming the procedural delay linked to a manual system. The system has a user friendly dashboard, offering 'real time' visibility on the status of mineral concession application.

This system is capable of easy integration with legacy systems as well as the platform for electronic auctions. The seamless integration feature enables importing essential data on the mine lessees and the mine related information. Say for instance, if a mining resource was auctioned, then the system captures details like the date of floating of tenders, the name of the mine, bidding details and tender documentation. The system gives option to the concerned officials to approve or raise objections and queries to the bidders. Moreover, the system facilitates online payment and reconciliation.

It is strengthened with an analytics dashboard offering an insight into status of grant of mining concession, process wise applications received, viewing applications circle wise, pendency status, process wise delays and bidder summary. E-mail based notifications are sent to all stakeholders at each step of the application process and all compliance related documents are uploaded online.

The system makes the mineral concession seamless by generating LoI, grant orders and permits needed through the cycle. The key takeaway of this system is its easy adaptability and implementation in a short time span. Balancing process efficiency with regulatory oversight, it aligns stakeholders for the next stage of transformative mining reforms.



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