

UPSC PREPARATION

PM Khanij Kshetra Kalyan Yojana (PMKKKY)

The Centre has inserted a new clause into the Mines and Minerals (Development and Regulation) Amendment Act, 2021, that allows the Central Government to control the composition and utilisation of the District Mineral Foundation (DMF) funds.

About Pradhan Mantri Khanij Kshetra Kalyan Yojana

The Ministry of Mines launched Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) in 2015 for the welfare of areas and people affected by mining-related operations, using the funds generated by District Mineral Foundations (DMFs).

Objectives of PMKKKY

- To implement various developmental and welfare projects/programs in mining-affected areas, and these projects/ programs will be complementing the existing ongoing schemes/projects of State and Central Government;
- To minimise/mitigate the adverse impacts, during and after mining, on the environment, health and socio-economics of people in mining districts; and
- To ensure long-term sustainable livelihoods for the affected people in mining areas.

Utilisation of funds under PMKKKY

The guidelines say that 60% of the DMF funds must be utilised for 'high priority sectors' and 40% is to be utilised for 'other priority sectors'.

High priority sectors	Other priority sectors
<ul style="list-style-type: none">• Drinking water supply• Environment preservation and pollution control measures• Health care• Education• The welfare of Women and Children• The welfare of aged and disabled people• Skill development• Sanitation	<ul style="list-style-type: none">• Physical infrastructure• Irrigation• Energy and Watershed Development• Any other measures for enhancing environmental quality in the mining district.

Identification of affected areas and people to be covered under the PMKKKY

Affected areas	Affected people
<ul style="list-style-type: none"> Directly affected areas – where direct mining-related operations such as excavation, mining, blasting, beneficiation and waste disposal (overburdened dumps, tailing ponds, transport corridors etc.), etc. are located. Those areas where the local population is adversely affected on account of economic, social and environmental consequences due to mining-related operations. The DMF shall prepare and maintain an updated list of such directly and indirectly affected areas by mining-related operations. 	<ul style="list-style-type: none"> The following should include as directly affected persons: <ul style="list-style-type: none"> Affected family' as defined under Section 3 (c) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 'Displaced family' as defined under Section 3 (k) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 Any other as appropriately identified by the concerned gram sabha Persons affected by mining should include people who have legal and occupational rights over the land being mined, and also those with usufruct and traditional rights. Affected families should be identified, as far as possible, in consultation with local/elected representatives of gram sabha. The DMF shall prepare and maintain an updated list of such affected persons/local communities.

Provisions of Pradhan Mantri Khanij Kshetra Kalyan Yojana

- Activities meant to be taken up under the 'polluter pays principle' should not be taken up under the PMKKKY. However, efforts shall be made to achieve convergence with the State and the District Plans so that the activities taken up by the Foundation supplement the development and welfare activities and are treated as extrabudgetary resources for the State Plan.
- The process to be adopted for utilisation of PMKKKY funds in the scheduled areas shall be guided by
 - Provisions contained in Article 244 read with schedule V and Schedule VI to the Constitution relating to the administration of the Scheduled Areas and Tribal Areas
 - The Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996
 - The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006.
- Each Foundation will prepare and maintain a website, on which information will be hosted and kept updated.
- Implementation of Works / Contracts
 - The DMF may procure works/goods after following the due procedure prescribed by the respective state governments for such procurements.
 - Transfer of funds to all agencies and beneficiaries shall be into their bank account.

Note: The new MMDR Amendment Act, 2021; Provided that the Central Government may give directions regarding composition and utilisation of funds by the District Mineral Foundation.

(Source: <https://mines.gov.in/>)

What is District Mineral Foundation?

- PMKKKY is implemented by the District Mineral Foundations (DMFs) of the respective districts.
- It is a non-profit body set up in those districts affected by the mining works.
- District Mineral Foundation (DMF) is a trust set up under Mines and Minerals (Development & Regulation) Amendment Act, 2015.
- The DMFs have been directed to take all major decisions in a participatory mode, in consultation with the 'gram sabhas' of the respective villages.