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COMPENSATORY AFFORESTATION IN INDIA

This article covers "Daily current events" and the topic is about 'Compensatory Afforestation in India' which is in the news, it covers "Environment" In GS-3, the following content has relevance for UPSC.

For Prelims: Compensatory Afforestation in India

For Mains: GS-3, Environment

Why in news: Compared to India's other two commitments, which are related to reducing carbon intensity and promoting renewable energy, the forestry goal is more difficult to achieve.

ABOUT COMPENSATORY AFFORESTATION

- India's compensatory afforestation program, which seeks to ensure that forest lands getting "diverted" for non-forest purposes, like industrial or infrastructure development, is required to be accompanied by afforestation effort on at least an equal area of land, has been the centerpiece effort for expanding India's forest cover.
- The Compensatory Afforestation Fund Act of 2016 makes compensatory afforestation a legal necessity. While the plantation exercise on new lands cannot be compared to the fully mature forests getting diverted, it does ensure that newer parcels of land are set aside for establishing them as forests.
- The law also recognizes that freshly wooded land cannot be expected to provide the same variety of goods and services that the diverted forests were offering, including lumber, bamboo, fuelwood, carbon sequestration, soil conservation, water recharge, and seed distribution.
- Hence, based on a computation chosen by an expert committee, project developers are also required to pay for the Net Present Value (NPV) of the forests being removed.
- Depending on the nature of the woods being transferred, firms are required to pay NPV at rates ranging between Rs 9.5 lakh and Rs 16 lakh per hectare.

THE COMPENSATORY AFFORESTATION FUND ACT, 2016

- The National and State Compensatory Afforestation Fund is created under the Public Account of India, respectively.
- The following payments will be made to these Funds:
 - Compensatory afforestation
 - Net present value of forest
 - Other project-specific payments.
- 10% of these revenues will go to the National Fund, and the remaining 90% will go to the State Funds.
- These funds will mostly be used for infrastructure development, wildlife protection, ecosystem regeneration, and afforestation to make up for lost forest cover.
- The National and State Compensatory Afforestation Fund Management and Planning Authority is also established under the Bill to oversee the National and State Funds.

HISTORY OF CAMPA

- The concept of compensatory afforestation has been around since the 1980s as a result of the Forest Conservation Act of 1980, which required project developers to obtain “clearance” from the Environment Ministry before diverting any forest land. The compensatory afforestation law was only created in 2016, but the concept has been around since the 1980s.
- Observations made by the Supreme Court throughout the 1990s and 2000s proceedings of the well-known Godavarman case helped to institutionalize the practice.
- The funds acquired for compensatory afforestation before 2016 had, however, mostly gone unused due to unrelated disputes. Only since the 2016 Act has there been serious progress made on compensatory afforestation.
- The Hon’ble Supreme Court of India ordered the establishment of the Compensatory Afforestation Fund and Compensatory Afforestation Fund Management and Planning Authority (CAMPA) in 2001 as a result of the States’ initial experiences with the underutilization of the funds raised for compensatory afforestation.
- Ad hoc CAMPA was established in 2006 for the management of the Compensatory afforestation Fund, and separate bank accounts were opened in which the compensatory levies were deposited.
- The Hon. Supreme Court authorized the transfer of Rs. 1000 crore to States and UTs annually in 2009 for compensatory afforestation and other initiatives.
- In 2014, the Honorable Supreme Court allowed states to withdraw 10% of their total contributions from the fund without being charged interest on those amounts.
- According to a clause in this Act, CAMPA funds must be retained in a public account that bears interest and is not lapsable.

- The fund flow system could be finalized, and the CAF Regulations were finally implemented in 2018 after extensive discussions with the CAG, Ministry of Finance, and other Stakeholders.
- On January 28, 2019, the Supreme Court approved the CAF Regulations, bringing a sum of Rs. 54,685 crores from the Ad-hoc CAMPA under the authority of the Indian government. 27 States and UTs have established accounts to date in order to receive funding from the Union Government, and today cash totaling Rs. 47,436 crores was transferred to those States.

PRESENT SITUATION

- Due to the necessity for quick industrial and infrastructure development as well as the ensuing urbanization, forests are under stress.
- More than 1,611 square km of forest land, or a little bit more than Delhi's area, has been cleared in the last 10 years for industrial or infrastructure developments. 529 sq km, or almost one-third of this, have been cleared just in the past three years.
- But, government data also reveals that in the two years between 2019 and 2021, the overall area covered by forests expanded by 1,540 square kilometers.

ISSUES

- Compensatory afforestation is viewed as a form of “greenwashing” because it has justified the removal of forests.
- Although forest removal for one reason or another cannot be completely stopped, compensatory afforestation is a useful way to try and partially make up for these losses.
- With various charges outlined in the law, more than Rs 66,000 crore has been realized in the Central Fund. Almost Rs 55,000 crore of this total had already been distributed to the state governments. Yet, a large portion of this money is still restricted to state government funds.
- According to official records, neither the money granted for these APOs nor the annual plans of operations by the state governments have fully utilized the resources at their disposal.
- Investigations have occasionally been ordered as a result of claims of improper use or diverting these funds.
- The major challenge for compensatory afforestation continues to be the shortage of suitable land, which is in addition to the low utilization of funds.
- Most of the time, the land that is made available for afforestation cannot be used for anything else and is frequently utterly unfit for raising plantations.

Way Forward

- To improve India's forest and tree cover, a number of tree planting, afforestation, and reforestation programs should be carried out.

- They include the national afforestation initiative, the Green India Mission, and the tree-planting campaigns alongside roads and railroads. A major portion of other well-known government initiatives like Namami Gange and the national rural employment guarantee plan (MGNREGS) also include afforestation.

Source:
Cag.gov.in
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