

Afforestation fund

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Manifest pedagogy: With growing awareness about environment, the value of vegetation in recent policy are well montized. Any development project involves EIA of vegetation and compensatory Afforestation. All policy across the world reflect actual monetary value of vegetation and same is used for conservation of environment itself. We have to save environment to save ourself. Topic of CAMPA and issues related to it could be asked especially at mains level.

In news: Recently the Union Environment Ministry transferred ₹47,436 crore to 27 States for afforestation.

Placing it in syllabus: Forest conservation

Dimensions:

- Industrial development and deforestation
- Compensatory Afforestation Fund Act, 2016
- Compensatory Afforestation fund Management and Planning Authority (CAMPA)
- Dispersion of funds to states for Afforestation

Content:

The amount transferred to 27 States for afforestation are the long-pending dues part of the Compensatory Afforestation Fund (CAF), a ₹54,000 crore tranche that has been collected for nearly a decade as environmental compensation from industry, which has razed forest land for its business plans.

Only a fraction of this corpus had actually been disbursed to States, due to the lack of a legal framework and instances of States using it for non-forestry purposes. Now the Centre would use geographic tagging technology to keep a tab on

whether States were using their allotted funds appropriately. **Odisha, the top recipient of funds** has got nearly ₹6,000 crore followed by Chhattisgarh and Madhya Pradesh. Kerala got the least with ₹81.59 crore.

Activists and environmentalists have raised concerns that the funds are used by the State to ride roughshod over tribal rights and unscientific afforestation methods were often implemented to make good razed forests.

Industrial development and deforestation:

According to a new study by the Center for Global Development (CGD), a US non-profit, tropical forests equal to the size of India will be destroyed over the next three decades. These forests are being deforested rapidly. The biggest driver of tropical deforestation is **industrial agriculture**—palm oil, beef, and soy, in addition to wood. Deforestation accounts for some 15 percent of global greenhouse emissions, and industrial agriculture is responsible for around 80 percent of deforestation.

With the Amazon going down in flames, a report released on August 30, 2019 claimed that Newyork based **BlackRock Inc** – the world's largest institutional investor with \$6.5 trillion in assets under management (AUM) was among the top three shareholders in 25 of the world's largest publicly listed deforestation-risk companies – companies active in producing and trading soya, beef, palm oil, pulp and paper, rubber and timber.

In July, 2019, the Intergovernmental Panel on Climate Change (IPCC) reported that deforestation and destructive land use practices are responsible for nearly a quarter of greenhouse gas emissions. But rather than taking action to address the risks of catastrophic climate change, BlackRock's investments in deforestation have been on the rise, the new report reveals.

In case of India, **according to Niti Ayog, India has a 21.23 per cent land under forest cover** against 33 per cent recommended in the national forest policy.

Developments undertaken at the cost of forests:

- Maharashtra ranked fourth in India for maximum forest land diverted, with 40 proposals sanctioned over three years. The state lost 63 sq km of forest land in the past three years.
- Agra's green activists successfully stalled the Northern Bypass road project through the protected Keetham forest along the Yamuna.
- Hundreds of forest trees have been cut down and a 1,000 more will face the axe in different forest areas of Ganderbal district in central Kashmir to lay 220 kV Srinagar-Leh transmission line.
- Delhi has lost around 112,169 trees since 2005, a data released by Delhi government showed.
- The National Human Rights Commission (NHRC) issued notices to the Centre and the state governments of Rajasthan and Haryana over deforestation in the Aravallis, which has led to air pollution in the Capital.
- At least 60 percent of districts in India are affected by forest fires every year, and the top 20 districts in terms of fire frequency are located mainly in the northeast, said a joint report by the Ministry of Environment and Forests and Climate Change (MoEFCC) and the World Bank.

The biennial assessment of **India State of Forest Report, 2017** showed an increase of about 80.20 million hectare in the total forest and tree cover of the country compared to 2015. India showed an increasing trend in the forest and tree cover as against the global trend of decreasing forest cover during the last decade, but the five northeastern states saw their forest cover shrink.

The Compensatory Afforestation Fund Act, 2016 (CAF):

This Act provides for the establishment of funds under the public accounts of India and the public accounts of each State which will be used for compensatory afforestation. It extends to the whole of India except the State of Jammu and Kashmir. **Levies are imposed on development projects that seek land inside a Reserved Forest or a Protected Area (PA) in a sanctuary or a national park.** These collected levies are accrued in the CAMPA Funds which are to be utilised to plant trees elsewhere in order to compensate the loss of forest due to development projects.

Salient features of the Act

- It seeks to establish the National Compensatory Afforestation Fund under the Public Account of India, and a State Compensatory Afforestation Fund under the Public Account of each state.
- The payments into the funds include compensatory afforestation, Net present value (NPV), reforestation and any project specific payments.
- i.e to collect funds from user agencies—any person, organisation, company or department of the central or state government making a request for diversion or de-notification of forest land for non-forest purposes.
- The National Fund will get 10% of funds collected and the remaining 90% will go to respective State Fund.
- The collected funds will be utilised for afforestation, regeneration of forest ecosystem, wild life protection and infrastructure development.
- The act also seeks to establish National and State Compensatory Afforestation Fund Management and Planning Authorities to manage the funds.
- The determination of NPV will be delegated to an expert committee constituted by the central government.
- NPV quantifies the services provided by the forest. It includes goods and services (tourism and timber);

regulating services (climate change); and non-material benefits (recreation).

- It seeks to provide safety, security and transparency in utilization of CAMPA funds.
- These funds would be brought under the focus of Parliament and State Legislatures by transferring them to non-lapsable interest bearing funds.

Compensatory Afforestation Fund Management and Planning Authority (CAMPA)

To solve certain discrepancies in the implementation of compensatory afforestation, the Hon'ble Supreme Court on 10th July 2009 issued orders that there will be a Compensatory Afforestation Fund Management and Planning Authority (CAMPA) as National Advisory Council under the chairmanship of the Union Minister of Environment & Forests for monitoring, technical assistance and evaluation of compensatory afforestation activities.

Objectives of CAMPA:

- CAMPA are meant to promote afforestation and regeneration activities as a way of compensating for forest land diverted to non-forest uses.
- **National CAMPA Advisory Council** has been established as per orders of The Hon'ble Supreme Court with the following mandate:
 - Lay down broad guidelines for State CAMPA.
 - Facilitate scientific, technological and other assistance that may be required by State CAMPA.
 - Make recommendations to State CAMPA based on a review of their plans and programmes.
 - Provide a mechanism to State CAMPA to resolve issues of an inter-state or Centre-State character.
- The Hon'ble Supreme Court also approved the guidelines prepared by the MoEF for utilizing CAMPA funds by an agency to be constituted in the states and to be known

as the State CAMPA.

- The **State CAMPA would presently receive and administer funds collected from user agencies towards compensatory afforestation**, additional compensatory afforestation, penal compensatory afforestation, NPV and all other amounts recovered from such agencies under the Forest (Conservation) Act, 1980 and presently lying with the Ad Hoc CAMPA.
- Its prime task would be regenerating natural forests and building up the institution engaged in this work in the State Forest Department including training of the forest officials of various levels with an emphasis on training of the staff at forest range level.
- The guidelines also talk about the establishment of an independent system for concurrent monitoring and evaluation of the works implemented in the States utilizing the funds available.

Usage of dispersion of funds to states for Afforestation:

According to the CAF Act, the fund would be used for

- compensatory afforestation,
- additional compensatory afforestation,
- penal compensatory afforestation,
- catchment area treatment plan
- soil moisture conservation,
- wildlife management,
- relocation of villages from protected areas,
- managing human-wildlife conflicts,
- training and awareness generation,
- supply of wood saving devices and allied activities.
- About 5% of the allocated funds would be retained by national advisory council of CAMPA to conduct evaluation of schemes implemented in the states, setting up of institutes, societies, centre of excellence in the field of forest and wildlife and standardization of codes and guidelines for the sector.

In 2018, the Supreme Court pulled up the Centre for not using around Rs 90,000 crore assigned for environment restoration and for not utilizing CAMPA fund for the right purpose. The issue of the usage of CAMPA funds was raised when an affidavit filed by the chief secretary of Odisha showed that the money was being used for construction of roads, renovation of bus stands and science laboratory in colleges.

An amount of Rs 86 lakh from CAMPA funds meant for afforestation was reportedly spent on litigation work in Punjab. Moreover, at several places, the loss of natural species is compensated with plantation of non-native species in the name of the artificial plantation. It serves as a threat to even the existing ecosystem.

There were also reports from various parts of the country where compensatory afforestation was being done in violation of the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (FRA).

The state governments had reduced their regular budgetary allocations for forest, after receiving these funds.

The law says that land selected for afforestation should preferably be contiguous to the forest being diverted so that it is easier for forest officials to manage it. But if no suitable non-forest land is found, degraded forests can be chosen for afforestation. In several states like Chattisgarh, Odisha and Jharkhand where the intensity of mining is very high, to find the non-forest land for afforestation to compensate the loss of forest is a big task.

The Forest Survey of India (FSI) analysis on data on total money allocated by the central government to the state governments between 2009-10 and 2016-17 showed that funding by the central government increased at a rate of 84.67 per cent in the period, but the forest cover increased by only 2.42 per cent. So, increase in CAMPA funding by the central government

has clearly not resulted in significant increase in forest cover.

Centre framed CAMPA with an intention to conserve nature and its natural resources amidst the various development works. The proposed objective of the Act must be fulfilled by utilising the CAMPA funds only for the purpose it is meant for. The central government should adopt the concept of outcome budgeting for allocation of funds to the state government in which funding will be done on installment basis by checking the outcome of previous funds.