



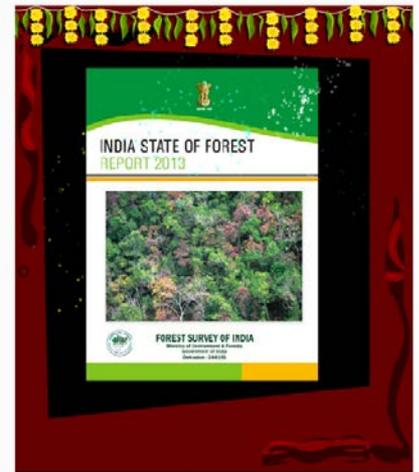
India's Experience in Successfully Conserving its Forests –Role of Enabling Legislations and Policies

Mozambique Workshop, July 20-22, 2015

Neeta Hooda (World Bank)
Kanwarjit Singh (Government of India)

Some facts of India's Forestry

- Total Forest Cover: 69.79 million ha
- Trees outside Forests: 9.13 million ha
- Total forest cover accounts for 24.01% of geographic area of country; 2% of global forest area,
- 17% of global population
- 275 million rural people still depend on forests for livelihoods
- 40% of population depends on fuel wood as primary source of energy
- Contribution to National GDP: 1.35% (2013)



India
State of Forest Report 2013

Some facts of India's Forestry

- ▶ There is an increase in 0.587 million ha in forest cover in the country in comparison to 2011 assessment
- ▶ Total Carbon stock in forest is estimated to be 6941 million tonnes.
- ▶ There is an increase in 278 million tonnes compared to 2011



Evolution of Policy Framework (1950-1980)

Emphasis on organized Forest Management, mostly State monopoly *yet challenges with high deforestation continued*

- ▶ The British regime saw the beginning of organized forest management.
- ▶ In the field of forest protection, the enactment of the Forest Act, 1865 was the first step at asserting the State monopoly right over the forests
- ▶ In revised Forest Act of 1878 concept of Reserve Forests & Protected Forests was introduced.
- ▶ The India Constitution, as adopted in 1950, did not deal with the subject of environment as forestry was state subject
- ▶ After 1970, comprehensive (special) environmental laws were enacted by the Central Government in India.
- ▶ In 1976 Forests & Environment were brought under the Concurrent list.

Evolution of Policy Framework (1980-2000)

Success with addressing deforestation, and forest conservation, transition from public sector managed to joint forest management

- ▶ The Wildlife (Protection) Act, 1972, aimed at rational and modern wild life management. Habitat Protection has helped in protecting large chunk of forests ,especially in the catchment areas of rivers.
- ▶ The Forest(Conservation) Act, 1980 aimed to check deforestation, diversion of forest land for non-forestry purposes (key driver of deforestation post independence)
- ▶ The Environment (Protection) Act, 1986 is a landmark legislation which provides for single focus in the country for protection of environment.

Evolution of Policy Framework (2000 onwards)

Efforts on further increasing forest cover (target 33% forest cover) and strengthening community resource management rights

- ▶ Forest Rights Act (2006); redefining the relationship between the state and the people with regard to the use and management of forest resources (claims for 1.84 million ha, about >3% of forest area of country)
- ▶ Incentivizing State Level Action on Forest
 - ▶ Operationalizing financial flow to states from Forest Conservation Act
 - ▶ National Finance Commission criteria for share of revenue with States (2015)

FOREST (CONSERVATION) ACT-1980

HANDBOOK
OF
Forest (Conservation) Act, 1980
(With Amendments made in 1988)
Forest (Conservation) Rules, 2003
(With Amendments made in 2004)
Guidelines & Clarifications
(Up to June, 2004)

GOVERNMENT OF INDIA
Ministry of Environment & Forest, New Delhi

Landmark Legislation

Background

- ▶ Indiscriminate and massive diversion of forest land for non forestry purposes since independence
- ▶ Approximately 4.3 million ha. of forest land diverted during 1950 to 1980 for non forestry purposes.
- ▶ In 1980, the Forest (Conservation) Act was enacted **to regulate diversion of forest lands for non forestry purposes.**



Key Characteristics:

- **It is a Regulatory Act, not Prohibitive**
- The Act is an interface between conservation and development.
- Permits judicious and regulated use of forest land for non-forestry purposes.
- Prior Approval of the Central Government is essential for de-reservation of forest lands for non-forestry purposes (forests in concurrent list)
- By its order of 1996, the Apex Court has extended the provisions of the Act to all forests irrespective of ownership (including 'forests' as understood in the dictionary)



Procedure for Forest diversion

- ▶ Any agency-whether Govt. or Private including Forest Department, which want to use forests land for non forestry purpose has to submit proposal in prescribed proforma.
- ▶ Some Important Conditions.
 - Only site specific projects.
 - Barest minimum area.
 - Out of three alternatives –the one requiring minimum forest area.
- ▶ Proposals recommended by the State/UT Govts.
- ▶ Forwarded to the Central Govt. for approval.



Impact of the Act

- ▶ During 1950-1980, the rate of diversion of forest land for non forestry purposes was 150,000 hectares per annum.
- ▶ After enactment of the FC Act, 1980, the rate of diversion of forest land for non-forestry purposes came down to about 15,500 ha per annum



Conditions for Approval

- Compensatory Afforestation (CA).
 - On land equivalent to forest area diverted.
 - On double the area (degraded forest) of forest land diverted in case of linear projects of the Govt.
 - Cost of CA to be borne by the user agency.
- In case of violation of the act penal CA.
 - Catchment Area Treatment.
 - Phased Reclamation of Mining area.
 - Safety Zone Area around mines.
 - Rehabilitation of Project affected families, if any
 - Muck disposal plan.
 - Wildlife Management plan etc.



Conditions for Approval

- ▶ On the directions of the apex court in 2002, the Net Present Value (NPV) of the forest land being diverted is being charged from the User Agencies.
- ▶ NPV-intrinsic cost of the land, tangible and intangible benefits of the forest area.
- ▶ NPV charged at the rate of US \$ 0.58 million to 0.92 million per ha depending on the type and density of the diverted forest land.
- ▶ At present, all the funds received from the State Govts./User Agencies are being deposited in Ad-Hoc Compensatory Afforestation Fund Management

Compensatory Afforestation Fund Management and Planning Authority (CAMPA)

- ▶ CAMPA constituted by the Central Govt. Custodian of all funds received from User agencies- CA, NPV, CAT plan, Penal CA, etc.
- ▶ The funds are meant to be disbursed to the State/UT Govt. after receiving their proposals as per an Annual Plan of Operation.
- ▶ The funds are mainly meant to compensate the loss of forests and ecological services and to facilitate regeneration of the services provided by the forests
- ▶ US\$ 175 million in allocation to states in 2013-2014
- ▶ Total funds available in 2010 US\$1.8 billion



Latest Policy Initiatives-

Devolution of share of revenues from Central to State Government

- ▶ India -Union of 33 States.
- ▶ Finance Commission considers every 5th year, the basis for devolution of taxes collection by Central Government
- ▶ In recommending a horizontal distribution, Finance Commission has used following broad parameters –
 - ▶ population (1971),
 - ▶ changes in population since 1971,
 - ▶ area of state (province)
 - ▶ income distance,
 - ▶ forest cover and area,

Latest Policy Initiatives-

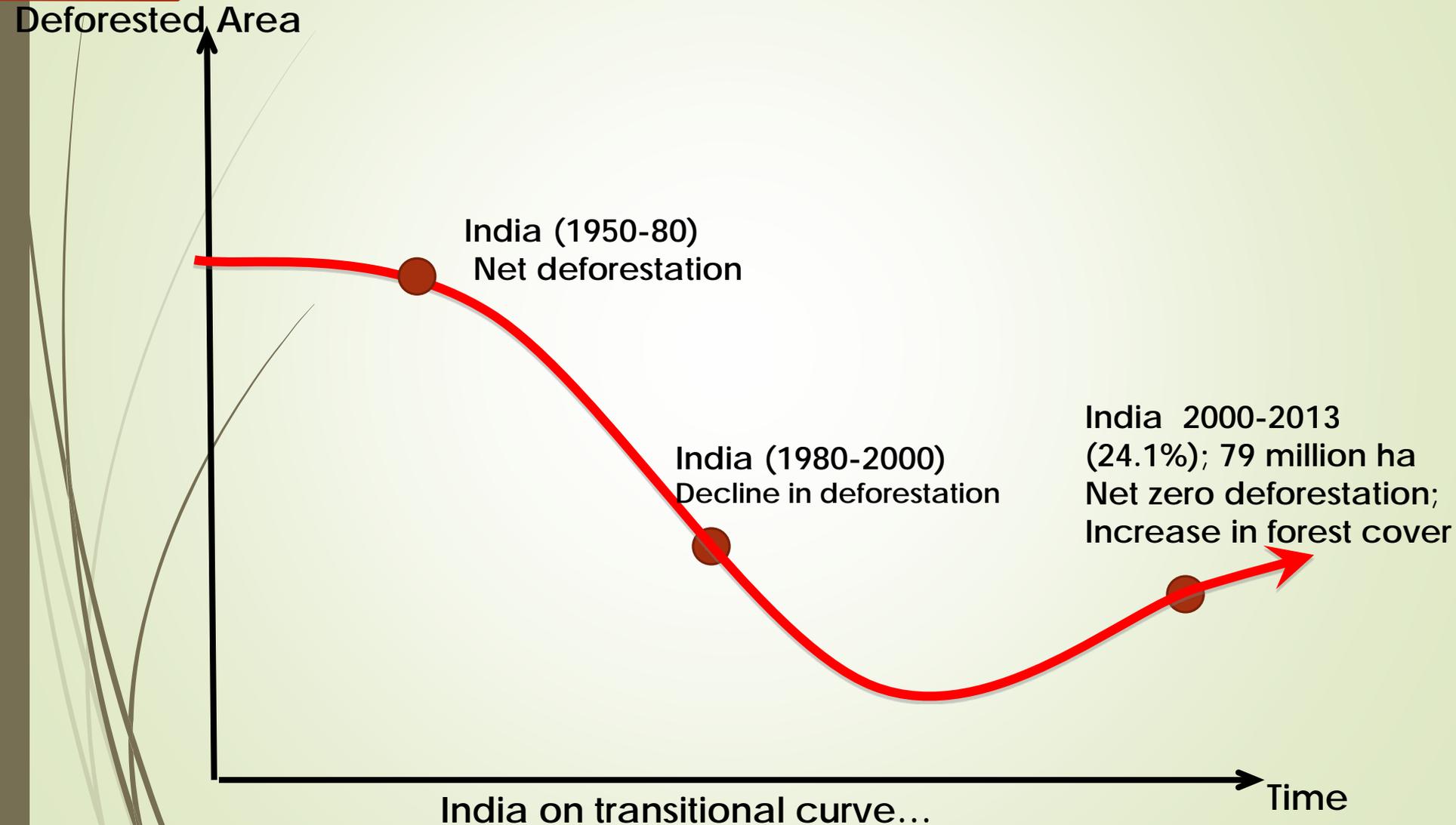
Devolution of share of revenues from Central to State Government

Finance Commission observed that , "We believe that large forest cover provides huge ecological benefits, but there is also an opportunity cost in terms of area not available for other economic activities and this also serves as an important indicator of fiscal disability."

Criteria	Percent Weight
population (1971)	17.5%
changes in population since 1971	10%
area of state	15%
income distance	50%
forest cover and area	7.5

Transitional curve

Illustrative figure; not drawn on scale





Challenges



- Degradation still persists
- Deforestation hotspots at sub national/local level
- Full Implementation of Forest Rights Act
- Aligning forest management and monitoring with nested approach to REDD+ with focus on enhancement of carbon stocks, conservation and sustainable management of forests



Summary

- ▶ Prioritization of environment within development context is important
- ▶ Nation policies and enforcement can reverse the trends in deforestation
- ▶ National finance can be a strong incentive for protection of natural resource
- ▶ Monitoring the resource can help build the case
- ▶ Actions have to fit national context and need continuity

