# PARLIAMENT OF INDIA RAJYA SABHA

## DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE ON SCIENCE & TECHNOLOGY, ENVIRONMENT & FORESTS

## ONE HUNDRED AND NINETY FOURTH REPORT

**ON** 

The Compensatory Afforestation Fund Bill, 2008

(PRESENTED TO THE RAJYA SABHA ON THE  $22^{ND}$  OCTOBER, 2008) (LAID ON THE TABLE OF THE LOK SABHA ON THE  $22^{ND}$  OCTOBER, 2008)

## RAJYA SABHA SECRETARIAT NEW DELHI

OCTOBER, 2008/ASVINA, 1930 (SAKA)

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MEMBERS OF THE DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE ON SCIENCE & TECHNOLOGY, ENVIRONMENT & FORESTS (YEAR 2008-2009)

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1. Dr.V. Maitreyan — Chairman

## **RAJYA SABHA**

- 2. Shri Suryakantbhai Acharya
- 3. Shri Bhagirathi Majhi
- 4. Shri Kamal Akhtar
- 12. Shri Saman Pathak
- 6. Dr. Ejaz Ali
- 7. Shri Jabir Husain
- 8. Shri D. Raia
- 9. Shri Nandamuri Harikrishna
- 10. Vacant

## LOK SABHA

- 11. Shri Jasubhai Dhanabhai Barad
- 12. Dr. Sujan Chakraborty
- 13. Shri Thupstan Chhewang
- 14. Shri Pankaj Chowdhary
- 15. Shri Akbar Ahmad Dumpy
- 16. Shri Francis Fanthome
- <sup>1</sup>17. Vacant
- 17. Shri A. Venkatesh Naik
- 18. Shri Brahmananda Panda
- 19. Smt. Neeta Pateriya
- 20. Shri Jaysingrao Gaikwad Patil
- 21. Shri Pratik P. Patil

<sup>•</sup> Shri Babubhai K. Katara ceased to be a member of the Committee consequent upon his expulsion from the membership of the Lok Sabha w.e.f. 21<sup>st</sup> October, 2008

- 22. Shri Bachi Singh 'Bachda' Rawat
- 23. Shri K.C. Singh "Baba"
- 24. Shri Kirti Vardhan Singh
- 26. Dr. Rampal Singh
- 27. Smt. Jayaben B. Thakkar
- 28. Shri Aruna Kumar Vundavalli
- 29. Shri Akhilesh Yadav
- 30. Shri Mitrasen Yadav
- 31. Shri Sita Ram Yadav

#### **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri V.S. P. Singh, Deputy Director

Shri S. Rangarajan, Committee Officer

#### Preface

- I, the Chairman of the Department-related Parliamentary Standing Committee on Science & Technology, Environment & Forests, having been authorised by the Committee to present the Report on its behalf, present this One Hundred and Ninety-forth Report of the Committee, which relates to the Compensatory Afforestation Fund Bill, 2008.
- 2. In the meetings of Committee held on the 30<sup>th</sup> May, 6<sup>th</sup> June, 3<sup>rd</sup>, 14<sup>th</sup>, 29<sup>th</sup> July & 12<sup>th</sup> August, 2008 Secretaries / representatives of the Ministry and various other organizations / experts / individuals etc. having knowledge and expertise in the field tendered oral evidence on the various aspects related to the Company Afforestion Fund Bill, 2008.
- 3. The Committee expresses its thanks to the Officers of the Ministries / Departments and representatives of the various organizations for rendering their valuable views / clarification sought by the Members of the Committee.
- 4. The Committee considered the Bill clause-by-clause in its meeting held on 21<sup>st</sup> August, 2008 and adopted the draft Report at its meeting held on 3<sup>rd</sup> October, 2008.

NEW DELHI;

DR.V. MAITREYAN

October 3, 2008

Chairman.

Department-related Parliamentary Standing Committee on Science & Technology, Environment & Forests.

#### REPORT

The Chairman, Rajya Sabha in consultation with the speaker, Lok Sabha in pursuance of Rule 270 (b) of the Rules relating to the Department-related Parliamentary Standing Committees, referred\* the Compensatory Afforestation Fund Bill, 2008 (Annexure-I) as introduced on 5<sup>th</sup> May, 2008 in Lok Sabha and pending therein, to the Standing Committee on Science & Technology, Environment & Forests for examination and Report.

- 2. The Committee held its first meeting with the representatives of Ministry of Environment & Forests, for a general discussion on the various provisions of the Bill. The Committee then decided to issue a press Communique in leading national dailies in English, Hindi and other regional languages inviting memoranda on the subject matter of the Bill from the interested organizations/institutions/individuals having knowledge and expertise in the field. The Committee also decided to give wide publicity to the contents of the Press Communique through All India Radio and Doordarshan. Accordingly, a press communiqué was issued on 4<sup>th</sup> June, 2008.
- 3. In all 13 memoranda containing comments/suggestions on the various provisions of the Bill were received by the Committee from various organizations and individuals, etc (A list of individuals/organisations is at Annexure-II), which were sent to the Ministries of Environment & Forests and Law & Justice for their comments/observations. As the Bill has a bearing on State Governments the views/ suggestions of the State Governments and Union Territories were also sought. In all seven State Governments responded and placed their views before the Committee. (A list of the State Governments which placed their views/suggestions before the Committee is at Annexure-III). The Committee also heard the views of four experts on the subject on 6<sup>th</sup> June and 3<sup>rd</sup>, 14<sup>th</sup> and 29<sup>th</sup> July, 2008 (Names of experts at Annexure-IV). The Committee then took up clause-by-clause consideration of the 'Compensatory Afforestation Fund Bill, 2008' in its meeting held on the 21<sup>st</sup> August, 2008. Finally, the Committee adopted the report at its meeting held on the 3<sup>rd</sup> October, 2008.

\*Rajya Sabha Parliamentary Bulletin Part II dated the 12<sup>th</sup> May, 2008

#### **BACKGROUND**

4. The Compensatory Afforestation Fund Bill, 2008 owes its genesis to the interim order of the Supreme Court delivered in T.N.Godavarman Thirumalpad vs. Union of India [Writ Petition (C) No. 202 of 1995] on 29<sup>th</sup> October, 2002. As the Ministry of Environment and Forests did not come up with a plan for utilization of Compensatory Afforestation Fund, the Supreme Court in its interim order directed *inter-alia* that a Compensatory Afforestation Fund be created in which all the monies received from the user agencies towards Compensatory Afforestation, additional Compensatory Afforestation, penal Compensatory Afforestation, Net Present Value of the diverted forest land, Catchment Area Treatment Plan, etc. shall be deposited and also that Government of India shall frame comprehensive rules regarding creation of a body and management of Compensatory Afforestation Fund. Accordingly, Ministry of Environment & Forests issued an order on 23<sup>rd</sup> April, 2004 constituting a body for the management of Compensatory Afforestation Fund known as Compensatory Afforestation

Management and Planning Authority (CAMPA). But owing to non-operationalisation of CAMPA even after two years, the Supreme Court on 5<sup>th</sup> May, 2006 directed that an adhoc Compensatory Afforestation Fund Management and Planning Authority (CAMPA) be constituted till such time as regular CAMPA comes into operation and also that the money recovered on behalf of CAMPA but lying with States/UTs be centrally pooled into it. In accordance, with the above direction over Rs. five thousand crores as collected by the State Governments and Union Territories have been placed under the adhoc CAMPA and deposited in the nationalized Banks.

## **OBSERVATIONS OF THE COMMITTEE**

- 5. The Committee enquired as to when the Forest (Conservation) Act, 1980 and Forest (Conservation) Rules, 2003 provided for Compensatory Afforestation and also for creation of Special fund by State/UT government to which the user agency will make its deposits for Compensatory Afforestation and its utilization by competent agency, what prompted the Supreme Court to issue directions for creation of CAMPA? It was informed that from 1980 to 2001, State Governments used to collect money to take up Compensatory Afforestation works from the user agencies and it was found from the data available that only approximately 30 per cent of the fund collected was utilized for the purpose. Forestry had been a low priority area in most of the States and some State Governments had even gone to the extent to use the fund so collected for non-forestry purposes and that is why the Supreme Court had to intervene.
- The Committee sought the names of the States and the extent to which diversion of fund was resorted to by them. The Ministry of Environment & Forests, based on checks conducted by State Accountant Generals to ascertain diversion of funds, misappropriation and other related issues could furnish the list of only five such States (Annexure-V) namely: Andhra Pradesh, Maharashtra, Haryana, Punjab and Karnataka. The total alleged diversion in these States amounted roughly to Rs. 475/-crores. The nature of such diversion ranged from loss of interest by not keeping the funds in fixed deposits; non- recovery of amounts due from user agencies; diverting of amount to Government Accountant; remitting of amount into treasury instead of keeping in fixed deposits to depositing of an amount of Rs. 197.79 crores collected during 1993-94 to 2004-05 as Karnataka Forest Development Fund. The Ministry submitted – "these are the few examples available. Further detailed audit is required to be done to ascertain the complete picture." The Committee is, therefore, of the view that the Ministry had not presented the real and complete picture of diversion of funds before the Supreme Court or before this Committee, nor did it take pains to suitably defend the case. The Ministry also admitted that at some stage or the other the directions of the Supreme Court should have been contested, but the same had not been contested.
- 7. The Committee is not inclined to accept that the extent and proportion of diversion of Compensatory Afforestation funds by States was so huge and so alarming as to warrant a sweeping change in the mechanism which was in existence for over twenty years 1980 to 2002. Firstly, because between 1980, when the Forest (Conservation) Act, came into existence till 2003, the user agencies were required to pay at the rate of Rs. 20,000/- per hectare to Rs. 45,000/- per hectare for compensatory afforestation and the amount as such was not very huge. Secondly, the Committee was informed that till the creation of CAMPA in 2004, whatever

fund was collected for Compensatory Afforestation was being properly utilized by States as per the laid down rules and regulations. It was also informed that out of Rs.75.36 crores collected by Karnataka Government from 1980 to April 2004 from wind Energy Companies Rs.72.41 had been utilized covering 38,347 hectares (Annexure VI). The Committee was further informed that besides Karnataka, Andhra Pradesh, Maharashtra, Tamil Nadu, Gujarat – most other states had done reasonably well. Thirdly, diversion is a not a phenomenon peculiar only to Compensatory Afforestation Fund but common to various other schemes implemented by States with the assistance of Central Government. Moreover, it is ultimately the State Governments who have to implement Compensatory Afforestation schemes by the fund routed through CAMPA. It is the DFO, the ranger, the forester or the Guard of concerned State Governments who would be utilising the fund. The only difference lies in the fact that by creating a superbody in the of name CAMPA, an attempt is being made to centralize control in the Central Government which is not supported by the federal character of our Constitution.

- 8. The Committee feels that the establishment of the proposed new Authority would prolong and delay the process of Compensatory Afforestation as the amount collected by State/Union Territories Governments will have to be pooled in a Central fund and then devolved back to them as per whatever formulae worked out by the Central Authority. It is therefore of the view that as the states generate the funds and also utilise the same, an instrument to facilitate utilization needs to be put in place at the state level.
- 9. The Committee is of the view that this is a case of negligence and laxity on the part of the Ministry of Environment and Forests and that this bill was prepared without examining all aspects of the matter and alternatives available under the Forest (conservation) and the Environment (Protection) Acts.
- 10. The Committee is of the view that in order to address the issue of alleged diversion of Compensatory Afforestation fund by State/UT Governments the Ministry of Environment and Forests should have, instead of waiting for direction from Supreme Court taken proactive administrative measures by issuing necessary directions or taking such other steps as it deemed appropriate in the matter. The Committee is constrained to observe that the Ministry has badly failed to explore other administrative and persuasive measures at its command to settle the issue.
- 11. The Committee feels that Ministry of Environment & Forests has not made adequate efforts before 2002 to effectively handle the funds accumulated by state Governments and the same remained unutilized. The damage or loss caused this way is far more serious than the alleged diversion of Compensatory Afforestation Funds by a few states.
- 12. The Committee is of the opinion that the Bill in its current form gives the impression that it is a step in the direction of legitimatising monetary compensation for diversion of forest land for non-forest purposes. It is based on the assumption that collection of more and more monetary compensation and tree plantation is the answer to forest conservation. But this assumption proves to be totally false if seen in the light of pace of diversion of forest land for non-forest purposes which has gained momentum since 2002 when the Supreme Court direction came. A

comparative analysis of the statement showing cases (state-wise) approved for diversion of forest land during the period from 1.11.2002 to 31.07.2008 and 25.10.1980 to 31.10.2002 (Annexure-VII) suggests that while within a period of six years, seven thousand nine hundred ninety six cases of diversion were approved, only nine thousand eight hundred twenty four cases were approved in the previous twenty two years. During the former period pace of diversion was 30, 997.34 hectare per year while during the latter it had been 20,639.99 hectare per year.

- 13. While the Committee is aware of the necessity of economic development, however, at the same time it underlines the need for protection and preservation of forests/forest eco-systems which are unique endowment and our natural heritage and hence feels that reckless, indiscriminate and avoidable use of forest land should be discouraged because degradation of forest has an adverse impact on various systems such as water resources, agriculture, biodiversity, environment, climate and human health besides upon subsistence living of tribal and other communities. It takes hundreds of years to create green cover and compensation in terms of its compensatory mechanism over that period is never envisaged. The Committee is of the opinion that no amount of compensation, howsoever, hefty it may be is condign enough to compensate the irreparable loss caused to forests. And all this stands in stark contrast to the commitment of achieving 25% forest and tree cover by 2007 and 33% by 2012 made by Government. The main thrust of the proposed Bill, therefore, should have been on checking the indiscriminate diversion of pristine forest land while striking a fine balance with developmental activities which was at the heart of the Forest (Conservation) Act, 1980.
- 14. Functions of General Body of the proposed CAMPA bill as outlined in Chapter-IV, Clause 11 surprisingly does not include Compensatory Afforestation as one of the components which must have been there as the caption of the Bill Compensatory Afforestation Fund Bill, 2008 signifies. Instead clause 11 sub-clause I (i) includes overseeing programme known as "Green India" for massive afforestation of the degraded forest land of the country. There is a difference between Compensatory Afforestation and massive afforestation. Compensatory Afforestation is an afforestation exercise undertaken to undo the damage caused due to diversion of forest land for non-forest purposes and it carries certain conditions. Broadly, these conditions include:-
  - (i) Compensatory afforestation shall be done over equivalent area of non-forest land;
  - (ii) As far as possible, the non-forest land for compensatory afforestation should be identified contiguous to or in the proximity of Reserved Forest or Protected Forest to enable the Forest Department to effectively manage the newly planted area;
  - (iii) In the event that non-forest land of compensatory afforestation is not available in the same district, non-forest land for compensatory afforestation may be identified anywhere else in the State/UT as near as possible to the site of diversion, so as to minimize adverse impact on the micro-ecology of the area;
  - (iv) Where non-forest lands are not available or non-forest land is available in less extent to the forest area being diverted, compensatory afforestation may be carried out over degraded forest twice in extent to

- the area being diverted or to the difference between forest land being diverted and available non-forest land, as the case may be; and
- (v) The Compensatory Afforestation should clearly be an additional plantation activity and not a diversion of part of the annual plantation programme.
- 15. The Green India Programme through which massive afforestation is envisaged does not contain any of the above conditionalities. This is also not altogether a new programme as it was there in the  $10^{th}$  Plan named as National Afforestation Programme. No assessment of the National Afforestation Programme has been carried out and presently a new programme is proposed.
- 16. The Committee is, therefore, of the view that Green India Programme may be run separately by the Ministry of Environment & Forests out of the Budget allocated by Planning Commission and if required by mobilizing additional resources by way of assistance/borrowing from financial institutions/international agencies with appropriate legislation in place. The fund collected for Compensatory Afforestaion should exclusively be used for that particular purpose only. Otherwise, judicial scrutiny of the diversion of funds for deviation from the direction of the Supreme Court cannot be ruled out.
- 17. While diversion of forest land in certain cases may be justified for the development of the country but there could be no justification, in the opinion of the Committee for diversion of money collected for Compensatory Afforestation as mentioned in Clause 11 (1) (x) and sub-clauses (ii), (iii), (iv) & (v) of Clause 4 of the Bill, which provide for incurring of expenditure on such heads respectively as communication, social mobilization, monitoring and evaluation and salary and allowances payable to officers and employees, etc. of the proposed CAMPA.
- 18. When the Committee enquired as to whether funds collected from individual States shall be given back to the respective States, the Ministry answered in the affirmative and drew the attention of the Committee to Sub-clause (i) of Clause 6 of the Bill, which provides that the fund shall be utilized in States and UTs having regard to land in respect of which such payments have been received. But the Committee finds that Sub-clause (ix) of Clause 11 (1) provides that the Governing Body of CAMPA shall adopt a principle of allocation to States and UTs and that it shall formulate a broad policy framework including the allocation formula to States and the UTs. Such provisions in the bill create doubts in the mind of the Committee that the Central Government will play a major role in the allocation of funds collected from States and the possibility of States suffering in the process can not be ruled out.
- 19. The Committee is of the opinion that the establishment of such a fund, in the manner proposed in the bill, will allow the Central Government to exercise hegemony through concentration of financial power with the Central Government and encroach upon the normal powers and functions of the State governments. The Committee also expresses its serious concern over the fact that the Central

Government may completely bypass the duly elected State Governments and the various state bodies and provide funds directly to the Joint Forest Management Committees, for the implementation of the afforestation programmes of the states, thereby undermining the very concept of federalism which is enshrined in our constitution. The role of local bodies such as Gram Panchayats/Gram Sabhas etc. has been completely ignored in the Bill.

- 20. The Committee further notes that the collection of the Net Present Value (NPV) in addition to the already existing Compensatory Afforestation, started in 2004, only on the directions of the Supreme Court, based on the recommendations of the Central Expert Committee and the NPV is being collected merely on the basis of a guideline to that effect, issued by the Ministry of Environment & Forests without approval of cabinet. The Committee expresses its serious concern at the fact that no legislation or rule has been formulated so far and placed before the Parliament, regarding the collection of NPV. The Committee is of the opinion that the collection of NPV has no legal sanction.
- 21. The proposed Authority (CAMPA) as provided in Clause 7 (3) of the Bill in itself is a top heavy superbody. It consists of four groups –Governing body, Executive body, Monitoring Group and Administrative support mechanism. The Governing Body consists of five Ministers including the Minister of Environment and Forests as its chairperson, Deputy Chairman Planning Commission and five Secretaries to the Government of India besides 10 other officials and eminent non-Government organization experts. How best and how far this body would be able to engage itself in clearing hundred of proposals for utilization of compensatory funds received from States and UTs could be anybody's guess. The proposed body shall meet at least once in six months as proved in sub clause (3) of Clause 11. In such a situation the Committee is of the view that its functioning will not serve the intended purpose.
- 22. Further, Sub clause (viii) of Clause 12 (1) of the proposed Bill provides that on being satisfied that the funds released to a particular State or UT are not being properly utilized, the Executive Body shall withhold or suspend the release of funds. The malady i.e., diversion of funds that led to the origin of the Bill, still remains where it was and as it was. The problem of diversion of funds by States is not addressed in the present bill. So, the question arises- why this bill and authority, if the ills are not remedied?
- 23. The Committee observes that the issue of displacement of forest-dwellers and tribals / adivasis has found no mention in the Bill. The Committee is of the opinion that forest is a source of food and livelihood for a large number of forest-dwellers and adivasis who live in forests and depend on forest produce like fruits, food items, saleable tendu/kendu leaves, fuelwood, medicinal herbs, etc. In addition forests also contain water bodies, grazing areas, common lands and other areas that people depend on for their livelihood. Diversion of forest land as well as any large scale afforestation programme on acquired land, would result in the further displacement and thereby the livelihood of these forest-dwellers and tribes/adivasis would be adversely affected.

- 24. The Committee is of the view that acquiring of the forests land for afforestation purposes would deprive forest dwellers and tribals / adivasis of some or all of their lands and adversely impact their livelihoods and basic needs- for which they are neither informed, nor consulted, nor compensated. The Committee understands that, the Bill in its present shape does not take into account the loss to the forest-dwellers and tribals/adivasis on account of compensatory afforestation and does not provide any monetary compensation to these people. In the Bill there is no mention of the Ministry of Tribal Affairs or the experts/non-government organisations who are involved in the betterment of these people. The Committee expresses its concern at the fact that the work of Afforestation has been entrusted to the Joint Forest Management Committees without any involvement of forest dwellers, etc. The Committee is of the view that diversion of forest land whenever necessary should be done through a democratic process and local people should always be involved in that. The Gram Sabha should be the key body and should be consulted and involved both during forest diversion and during afforestation. The rights of people under the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act should be adhered to.
- 25. The Committee is also of the view that the existing contradiction and conflict between the tribal community and the State shall further sharpen as the Compensatory Afforstation Fund Bill, 2008 will lead to erosion of traditional tribal rights and command of tribals over common resources such as forests, pastures, water resources, etc. on which they depend to meet their basic survival needs. The present Bill gives fillip to the tendency to see all such resourses as sources of profit at the cost of the poor who are being deprived and denied of whatever access they traditionally had to such natural recourses. The Committee in the context of the present bill expresses its serious concern over the fact that forest conversation has found a strange companion in industrial forestry. While the rights of forest dwellers are severely curtailed on the pretext of forest conservation, forests are increasingly shaped to suit the needs of industry. Displacement of tribal people thus caused lead to multidimensional trauma-physical, occupational, cultural, etc. with far reaching impacts which can not easily be compensated. According to an unofficial estimates while the tribals constitute 8.08% of the total population they are 40% of the total displaced/affected persons. Their rehabilitation and resettlement record is very dismal. The Committee is of the view that development devoid of and insensitive to the cause of those affected and displaced is no development in true sense of the term and such developments would never herald the country in peace, prosperity, harmony and social and economic progress.
- 26. The Committee strongly feels that States' involvement in the process of formulation of this bill should have been ensured, so that their interest could have been taken care of. But no such effort seems to have been made by the Central Government. The Committee, therefore, feels that the Bill is an exercise aimed at centralization of power and funds at the cost of the interests of the States and the people.

- 27. The Committee is of the view that the purpose of the Bill seems to be to make use of the money which the Ministry has accumulated for Compensatory afforestation.
- 28. The Committee, therefore, is of the considered opinion that this is an ill-conceived exercise and the purposes proposed to be achieved through this bill should be achieved by making enabling amendments in the Forest (Conservation) Act, 1980. **The Committee, therefore, recommends that the present bill be withdrawn.**
- 29. In order that the fund accumulated in CAMPA be utilized in right earnest and the states are not made to further suffer, the Committee suggests an alternative mechanism for consideration:-
  - 1. National Afforestation and Eco-development board (NAEB) in the Ministry of Environment & Forests, should be made the single Nodal agency for dealing with the CAMPA funds.
  - 2. All the funds collected so far and to be gathered in future, shall go into a single account under the NAEB with the authority to draw, disburse and maintain accounts of the CAMPA fund.
  - 3. The CAMPA funds collected so far and to be collected in future should be divided in to two separate units of accounting:
  - 3.(a) the first part consisting of amounts gathered from the user agencies under the provisions of the Forest (Conservation) Act 1980 and Forest (Conservation) Rules 2003, consisting of the a) compensatory afforestation deposits, b) the penal compensatory afforestion deposits, c) catchments area treatment works fund, d) the buffer zone development, e) soil & moisture conservation, and f) the protection of diverted areas etc. and the second part consisting of amounts collected from user agencies for the net present value and the partial use of nature preserves, like wildlife sanctuaries, national parks, tiger reserves etc.
  - 3.(b) Funds collected through first part be transferred to the state forest departments from whom they have been collected, for the purposes they have been collected.
  - 3. (c). Funds collected through second part should be placed at the disposal of Special Purpose Vehicles (SPV) created under the Environment (Protection) Act 1986 as a major Public Undertaking as a conservation/ecodevelopment society established for each state. This SPV will be registered as an eco-development society to deal with afforestation of identified degraded forests and past poorly stocked plantations, at twice to four times the extent of forest area diverted. Rules be made under section 26 of the Act and this same be brought before Parliament for approval.

Such an arrangement would not only take care of the funds collected already but future collections also.

The SPV should be under the control of the State government and should consist of representatives from the various areas affected by forest destruction. It should release and spend the money in accordance with plans suggested by the Panchayats affected by the forests destruction and operationalised through the gram sabha (or, in the case of Schedule V and VI areas, the traditional institution).

The Committee is also of the view that the existing system of forest diversion is non-transparent and undemocratic and that merely levying higher monetary charges through NPV has not served as an effective method of protecting forests. On the contrary, it enables the powerful to buy the right to destroy the most pristine forests simply because they have the financial resources. The Committee suggests that the Ministry should overhaul the system to ensure that forest diversion is decide through a rigorous democratic processes in which local adivasi and forest dweller communities are empowered to be part of decision-making. This process should also decide how environmental damage can best be mitigated in each case, rather than simply assuming that afforestation is a remedy for all forest destruction.

## **MINUTES**

## XXIII TWENTY THIRD MEETING

The Committee met at 11.00 a.m. on Friday, the 30<sup>th</sup> May, 2008 in Committee Room 'A', Ground Floor, Parliament House Annexe, New Delhi.

## **PRESENT**

1. Dr. V. Maitreyan ---- Chairman

#### RAJYA SABHA

- 2. Shri Bhagirathi Majhi
- 3. Shri Kamal Akhtar
- 4. Shri Saman Pathak
- 5. Shri D. Raja
- 6. Dr. Ejaz Ali

## **LOK SABHA**

- 7. Dr. Sujan Chakraborty
- 8. Shri Francis Fanthome
- 9. Shri A. Venkatesh Naik
- 10. Shri Brahmanand Panda
- 11. Smt. Neeta Pateriya
- 12. Shri Jayasingrao Gaikwad Patil
- 13. Shri Bachi Singh 'Bachda' Rawat
- 14. Shri K.C. Singh "Baba"
- 15. Shri Aruna Kumar Vundavalli
- 16. Shri Mitrasen Yadav
- 17. Shri Sita Ram Yadav

#### **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri V.S.P. Singh, Deputy Director

Shri S. Rangarajan, Assistant Director

#### **WITNESSES**

## Representatives of the Ministry of Environment & Forests

- 1. Shri G.K, Prasad, Additional Director General (FC)
- 2. Shri Ansar Ahmed, Inspector General of Forests (FC)
- 3. Shri K.B. Thampi, Inspector General of Forests
- 4. Dr. Dalip Kumar, Controller of Accounts
- 2. The Chairman welcomed Dr. Ejaz Ali, a new Member of the Committee, who was nominated to the Committee w.e.f. 22<sup>nd</sup> May, 2008.
- 3. The Chairman informed the Members that the Committee had decided to hear the views of the Secretary, Ministry of Environment & Forests in connection with the "The Compensatory Afforestation Fund Bill, 2008". However, the Secretary had written that due to some prior commitments, she could not appear before the Committee and had deputed Shri G. K. Prasad, Additional Director General of Forests, Ministry of Environment & Forests on her behalf for a presentation on the said subject.
- 4. The Chairman then welcomed Shri Prasad, Additional Director General of Forests and other representatives of the Ministry of Environment & Forests and requested him to make a presentation on the aspects related to "The Compensatory Afforestation Fund Bill, 2008". He made a visual presentation on the subject and explained the reasons for the introduction of the said Bill and its salient features. The Members then sought clarifications on the points arising out of the presentation and the witnesses replied to them.

The officials then withdrew.

A verbatim record of the proceedings was kept.

- 5. The Committee then decided to hear the views of the representatives of a NGO namely Campaign for Survival and Dignity, New Delhi on the aspects relating to aforesaid Bill in its next meeting to be held on the 6<sup>th</sup> June, 2008.
- 6. The Committee also decided to invite written memoranda containing suggestions/views/comments of individuals/institutions/ organizations interested in the subject matter of the Bill.
- 7. The Committee then adjourned at 12.40 p.m. to meet again at 11.00 a.m. on 6<sup>th</sup> June, 2008.

## XXIV TWENTY FOURTH MEETING

The Committee met at 11.00 a.m. on Friday, the 6<sup>th</sup> June, 2008 in Committee Room 'A', Ground Floor, Parliament House Annexe, New Delhi.

#### **PRESENT**

1. Dr. V. Maitreyan ---- Chairman

## **RAJYA SABHA**

- 2. Shri Bhagirathi Majhi
- 3. Shri Jabir Husain
- 4. Shri D. Raja
- 5. Dr. Ejaz Ali

## LOK SABHA

- 6. Dr. Sujan Chakraborty
- 7. Shri Francis Fanthome
- 8. Shri Babubhai K. Katara
- 9. Shri Brahmananda Panda
- 10. Smt. Neeta Pateriya
- 11. Shri Jayasingrao Gaikwad Patil
- 12. Shri Bachi Singh 'Bachda' Rawat
- 13. Shri Mitrasen Yadav
- 14. Shri Sita Ram Yadav

## **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri V.S.P. Singh, Deputy Director

#### WITNESS

## Representatives of the Campaign for Survival and Dignity, New Delhi

- 1. Shri Shankar Gopalkrishnan, Secretary
- 2. Ms. Priya Srinivasan
- 3. Shri Vijay Bhai
- 4. Shri George Monipally
- 2. The Chairman welcomed Shri Gopalkrishnan, Secretary and other representatives of the Campaign for Survival and Dignity and requested him to present his views on the Compensatory Afforestation Fund Bill, 2008. Shri Gopalkrishnan made a presentation on the subject. The Members then sought clarifications on the points arising out of the presentation and the witnesses replied to them.

The witnesses then withdrew.

A verbatim record of the proceedings was kept.

3. The Committee then adjourned at 12.40 p.m. to meet again at 11.00 a.m. on 13<sup>th</sup> June, 2008.

## XXVI TWENTY SIXTH MEETING

The Committee met at 11.00 a.m. on Thursday, the 3<sup>rd</sup> July, 2008 in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

#### **PRESENT**

1. Dr. V. Maitreyan ---- Chairman

#### **RAJYA SABHA**

- 2. Shri Bhagirathi Majhi
- 3. Shri Kamal Akhtar
- 4. Shri Saman Pathak
- 5. Shri D. Raja
- 6. Dr. Ejaz Ali
- 7. Shri Nandamuri Harikrishna

## LOK SABHA

- 8. Dr. Sujan Chakraborty
- 9. Shri Francis Fanthome
- 10. Shri Babubhai K. Katara
- 11. Shri Brahmananda Panda
- 12. Smt. Neeta Pateriya
- 13. Shri Pratik P. Patil
- 14. Smt. Jayaben B. Thakkar
- 15. Shri Mitrasen Yadav
- 16. Shri Sita Ram Yadav
- 17. Shri Akbar Ahmad Dumpy

## **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri S. Rangarajan, Assistant Director

## **WITNESS**

## Representatives of the Gramin Vikas Trust, Noida

- 1. Shri Amar Prasad, Chief Executive Officer
- 2. Shri K.S. Sandhu, Zonal Programme Manager,
- 3. Shri V.K. Viz, Zonal Programme Manager,
- 4. Shri Arun Joshi, Head NLRI,
- 5. Shri S. Bhattacharyya, Sr. Programme Officer.
- 2. At the outset, the Chairman welcomed Shri Akbar Ahmed Dumpy, M.P. a member newly nominated to the Committee i.e. w.e.f.  $30^{th}$  May, 2008.
- 3. The Chairman then welcomed Shri Amar Prasad, Chief Executive Officer and other representatives of the Gramin Vikas Trust and requested him to present his views on "The Compensatory Afforestation Fund Bill, 2008". Shri Prasad made a presentation on the subject. The Members then sought clarifications on the points arising out of the presentation and the witnesses replied to them.

The witnesses then withdrew.

A verbatim record of the proceedings was kept.

- 4. The Committee further decided to undertake study visit to Mumbai and Kolkata in the month of July, 2008 with regard to examination and consideration of aforesaid Bill. The Committee directed the Secretariat to take necessary action accordingly.
- 5. The Committee then adjourned at 12.20 p.m. to meet again at 11.00 a.m. on 14<sup>th</sup> July, 2008.

## XXVII TWENTY SEVENTH MEETING

The Committee met at 11.00 a.m. on Monday, the 14<sup>th</sup> July, 2008 in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

## **PRESENT**

1. Dr. V. Maitreyan ---- Chairman

## **RAJYA SABHA**

- 2. Shri Bhagirathi Majhi
- 3. Shri Kamal Akhtar
- 4. Shri Saman Pathak
- 5. Shri D. Raja
- 6. Dr. Ejaz Ali

## LOK SABHA

- 7. Dr. Sujan Chakraborty
- 8. Shri Thupstan Chhewang
- 9. Shri Francis Fanthome
- 10. Shri Brahmananda Panda
- 11. Smt. Neeta Pateriya
- 12. Shri Jayasingrao Gaikwad Patil
- 13. Shri Bachi Singh 'Bachda' Rawat
- 14. Shri K.C. Singh "Baba"
- 15. Shri Aruna Kumar Vundavalli
- 16. Shri Mitrasen Yadav
- 17. Shri Sita Ram Yadav
- 18. Shri Akbar Ahmad Dumpy

#### **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri V.S.P. Singh, Deputy Director

Shri S. Rangarajan, Assistant Director

#### **WITNESS**

Dr. Archana Prasad, Reader, Centre for Jawaharlal Nehru Studies, Jamia Millia Islamia, New Delhi.

2. The Chairman welcomed Dr. Archana Prasad and requested her to present her views on The Compensatory Afforestation Fund Bill, 2008. Dr. Archana made a presentation on the subject. The Members then sought clarifications on the points arising out of the presentation and the witness replied to them.

The witness then withdrew.

A verbatim record of the proceedings was kept.

3. The Committee then adjourned at 11.50 a.m.

## XXVIII TWENTY EIGHTH MEETING

The Committee met at 11.30 a.m. on Tuesday, the 29<sup>th</sup> July, 2008 in Room No. '139', First Floor, Parliament House Annexe, New Delhi.

## **PRESENT**

1. Dr. V. Maitreyan ---- Chairman

#### **RAJYA SABHA**

- 2. Shri Bhagirathi Majhi
- 3. Shri Saman Pathak
- 4. Shri D. Raja
- 5. Shri Nandamuri Harikrishna

## LOK SABHA

- 6. Dr. Sujan Chakraborty
- 7. Shri Pankaj Choudhary
- 8. Shri Francis Fanthome
- 9. Shri Brahmananda Panda
- 10. Smt. Neeta Pateriya
- 11. Shri Jayasingrao Gaikwad Patil
- 12. Shri Aruna Kumar Vundavalli
- 13. Smt. Jayaben B. Thakkar
- 14. Shri Mitrasen Yadav
- 15. Shri Rampal Singh

## **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri V.S.P. Singh, Deputy Director

Shri S. Rangarajan, Assistant Director

## WITNESS

Shri N.S. Adkoli, IFS (Retd.), Chairman, Treelands Development Services (P) Ltd., Bangalore.

2. The Chairman welcomed Shri N.S. Adkoli and requested him to present his views on The Compensatory Afforestation Fund Bill, 2008. Shri Adkoli made a detailed presentation on the subject. The Members then sought clarifications on the points arising out of the presentation and the witness replied to them. The Chairman also requested him to send any further suggestion relating to the Bill.

The witness then withdrew.

A verbatim record of the proceedings was kept.

3. The Committee then adjourned at 1.10 p.m.

## I FIRST MEETING

The Committee met at 11.00 a.m. on Tuesday, the 12<sup>th</sup> August, 2008 in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

#### **PRESENT**

## 1. Dr. V. Maitreyan - Chairman

#### **RAJYA SABHA**

- 2. Shri Bhagirathi Majhi
- 3. Shri Kamal Akhtar
- 4. Shri Saman Pathak
- 5. Shri Jabir Husain
- 6. Shri D. Raja

## **LOK SABHA**

- 7. Dr. Sujan Chakraborty
- 8. Shri Thupstan Chhewang
- 9. Shri Pankaj Choudhary
- 10. Shri Akbar Ahmad Dumpy
- 11. Shri Francis Fanthome
- 12. Shri A. Venkatesh Naik
- 13. Shri Brahmananda Panda
- 14. Smt. Neeta Pateriya
- 15. Shri Jaysingrao Gaikwad Patil
- 16. Shri Pratik P. Patil
- 17. Shri K.C. Singh 'Baba'
- 18. Shri Aruna Kumar Vundavalli
- 19. Shri Mitrasen Yadav

#### **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri V.S.P. Singh, Deputy Director

Shri S. Rangarajan, Assistant Director

#### **WITNESS**

## Representatives from the Ministry of Environment & Forests

- 1. Shri Vijai Sharma, Secretary,
- 2. Shri P.R. Mohanty, DGF & SS
- 3. Shri G.K. Prasad, ADG (FC)
- 4. Shri Ansar Ahmed, IGF (FC)
- 5. Shri K.B. Thampi, IGF (NAEB)
- 6. Shri C.D. Singh, Sr. AIGF
- 7. Shri B. K. Singh, Sr. AIGF

## Representatives of the Ministry of Law & Justice

## (Legislative Department)

Dr. Sanjay Singh, Joint Secretary & Legislative Counsel

- 1. Shri K.V. Kumar, Assistant Legislative Counsel
- 2. The Chairman welcomed the Members of the reconstituted Department-related Parliamentary Standing Committee on Science & Technology, Environment & Forests. He stated that in connection with The Compensatory Afforestation Fund Bill, 2008 the Committee had already heard the views of the Ministry of Environment & Forests, some experts and NGOs connected with the subject. He further stated that the suggestions/views received from the experts/NGOs and comments of the Ministry of Environment & Forests on the various points raised by them have been circulated to the Members. He informed the Members that the Secretary, Ministry of Environment & Forests and the representatives of Ministry of Law & Justice have been called to the meeting of the Committee to seek further clarifications on the said Bill.
- 3. He then welcomed the Secretary and other officials of the Ministry of Environment & Forests and representatives of the Ministry of Law & Justice (Legislative Department). Thereafter, the Chairman requested the Secretary, Ministry of Environment & Forests and Joint Secretary & Legislative Counsel, Ministry of Law & Justice to make a brief presentation on the aspects related to "The Compensatory Afforestation Fund Bill, 2008". Both of them made a presentation on the subject and explained the reasons for the introduction of the said Bill and its salient features. The Members then sought clarifications on the points arising out of the presentation and the witnesses replied to them.

The witnesses then withdrew.

A verbatim record of the proceedings was kept.

4. The Committee then adjourned at 1.20 p.m. to meet again at 11.00 a.m. on 21<sup>st</sup> August, 2008.

## II SECOND MEETING

The Committee met at 11.00 a.m. on Thursday, the 21<sup>st</sup> August, 2008 in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

#### **PRESENT**

## 1. Dr. V. Maitreyan - Chairman

## **RAJYA SABHA**

- 2. Shri Bhagirathi Majhi
- 3. Shri Kamal Akhtar
- 4. Shri Saman Pathak
- 5. Shri Jabir Husain
- 6. Shri D. Raja
- 7. Shri Nandamuri Harikrishna

## LOK SABHA

- 8. Dr. Sujan Chakraborty
- 9. Shri Thupstan Chhewang
- 10. Shri Francis Fanthome
- 11. Shri Brahmananda Panda
- 12. Smt. Neeta Pateriya
- 13. Shri Jaysingrao Gaikwad Patil
- 14. Shri Pratik P. Patil
- 15. Shri Bachi Singh 'Bachda' Rawat
- 16. Shri K.C. Singh 'Baba'
- 17. Shri Aruna Kumar Vundavalli
- 18. Smt. Jayaben B. Thakkar
- 19. Shri Mitrasen Yadav

#### **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri V.S.P. Singh, Deputy Director

Shri S. Rangarajan, Assistant Director

## Officials of the Ministry of Law & Justice (Legislative Department)

Dr. Sanjay Singh, Joint Secretary & Legislative Counsel

- 1. Shri K.V. Kumar, Assistant Legislative Counsel
- 2. The Chairman welcomed the officials of the Ministry of Law & Justice (Legislative Department) and requested Members to express their views on the various provisions of "The Compensatory Afforestation Fund Bill, 2008" one by one. Thereafter, the official of the Ministry of Law & Justice gave his clarifications to the various issues raised by Members.

The officials then withdrew.

- 3. The Committee further decided to hold its next meeting on 29<sup>th</sup> August, 2008 to consider and adopt the draft report on "Global Warming and its Impact on India" which had already been circulated. It also decided to undertake study visit to Thiruvananthapuram, Koodankulam and Chennai in the second week of September, 2008 to acquaint itself with the functioning of certain institutes/bodies/centers, etc., falling within the administrative control of the Ministries/Departments under the purview of the Committee. The Committee directed the Secretariat to take necessary action accordingly.
- 4. The Committee then adjourned at 1.00 p.m. to meet again at 11.00 a.m. on 29<sup>th</sup> August, 2008.

## IV (FOURTH MEETING)

The Committee met at 03.00 p.m. on Friday, the 5<sup>th</sup> September, 2008 in Committee Room 'A', Ground Floor, Parliament House Annexe, New Delhi.

## **PRESENT**

1. Dr. V. Maitreyan - Chairman

## **RAJYA SABHA**

- 2. Shri Bhagirathi Majhi
- 3. Shri Kamal Akhtar
- 4. Shri Saman Pathak
- 5. Shri Jabir Husain
- 4. Shri D. Raja

## **LOK SABHA**

- 7. Shri Jasubhai Dhanabhai Barad
- 8. Dr. Sujan Chakraborty
- 9. Shri Thupstan Chhewang
- 10. Shri Francis Fanthome
- 11. Shri Brahmananda Panda
- 12. Smt. Neeta Pateriya
- 13. Shri Jaysingrao Gaikwad Patil
- 14. Shri Pratik P. Patil
- 15. Shri Mitrasen Yadav
- 16. Shri Akbar Ahmad Dumpy

## **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri V.S.P. Singh, Deputy Director

Shri S. Rangarajan, Assistant Director

2. At the outset, the Chairman commended the Secretariat for preparing an excellent report on "The Compensatory Afforestation Fund Bill, 2008" by including all the concerns expressed by the Members of the Committee on the various issues of the Bill. The Committee then took-up for consideration its draft One Hundred Ninety-fourth Report on the said Bill. After discussions the Committee decided to incorporate a para from a Report of an Expert Group to Planning Commission on the suggestion given by a Member. It was also decided that the modified version of the report be given to the Members at its next meeting.

- 3. The Committee further decided to hold its next meeting on 12<sup>th</sup> September, 2008 to consider its future programme.
- 4. The Committee then adjourned at 04.10 p.m. to meet again at 11.00 a.m. on 12<sup>th</sup> September, 2008.

## VI (SIXTH MEETING)

The Committee met at 03.00 p.m. on Friday, the 3<sup>rd</sup> October, 2008 in Committee Room 'A', Ground Floor, Parliament House Annexe, New Delhi.

## **PRESENT**

## 1. Dr. V. Maitreyan - Chairman

## **RAJYA SABHA**

- 2. Shri Suryakantbhai Acharya
- 3. Shri Bhagirathi Majhi
- 4. Shri Saman Pathak
- 5. Shri Jabir Husain
- 6. Shri D. Raja
- 7. Shri Nandamuri Harikrishna

#### LOK SABHA

- 8. Dr. Sujan Chakraborty
- 9. Shri Francis Fanthome
- 10. Shri Brahmananda Panda
- 11. Smt. Neeta Pateriya
- 12. Shri Bachi Singh 'Bachda' Rawat
- 13. Shri Aruna Kumar Vundavalli
- 14. Smt. Jayaben B. Thakkar
- 15. Shri Mitrasen Yadav

## **SECRETARIAT**

Smt. Agnes Momin George, Joint Secretary

Shri S. Jason, Joint Director

Shri V.S.P. Singh, Deputy Director

Shri S. Rangarajan, Assistant Director

- 2. The Committee took-up for consideration its draft One Hundred Ninety-fourth Report on "The Compensatory Afforestation Fund Bill, 2008". After some discussion the Committee adopted the report with certain additions/modifications.
- 3. The Committee decided to hold its next meeting on 13<sup>th</sup> October, 2008 to consider and adopt its draft Action Taken Reports of the concerned Department/Ministries on action taken by the Government on the recommendations contained in the Reports on Demands for Grants (2008-09) of the respective Departments/Ministries.
- 3. The Committee then adjourned at 03.45 p.m. to meet again at 11.30 a.m. on 13<sup>th</sup> October, 2008.