

Standing Committee Report Summary

Implementation of Policy on Promotion of City Compost

- The Standing Committee on Chemicals and Fertilizers (Chair: Mr. Anand Rao Adsul) submitted its report on 'Implementation of Policy on Promotion of City Compost' on April 10, 2017.
- The Committee noted that, as of 2014, around 620 lakh metric tonnes (LMT) of waste was generated in the urban areas every year, out of which 19% was being treated. The remaining unprocessed waste is left in landfills and dumpsites, which causes environmental problems like production of toxic waste and greenhouse gases. The Committee noted that the installed capacity to process waste into compost was 10 LMT and around 1.6% (16,000 MT) of compost was being produced per year. To process and use city waste as compost, the Policy on Promotion of City Compost was approved in 2016. Under the policy, assistance of Rs 1,500 per tonne of city compost will be provided to fertilizer companies for marketing and promotion of city compost.
- **Status of city compost plants:** The Department of Fertilizers has set a target of setting up at least one compost plant in each city by October 2019, under the policy. The Committee noted that there are 4,000 towns in the country, out of which 500 towns have a population more than one lakh. It further noted that there were 93 functional compost plants in the country while 283 compost plants were under construction or revival. The Committee recommended that at least one state should be developed as a model state as a pilot project which can be followed by other states. It further recommended that the Department of Fertilizers must work with the Ministry of Urban Development and the states, to ensure that new compost plants are set up in a state based on its size and population.
- **Lack of marketing networks:** Marketing and promotion of city compost is to be done by the fertilizer companies through their dealer network. The Committee noted that most of the fertilizer marketing companies fell short in achieving their marketing target between April and August in 2016-17. The Committee further noted that the fertilizer companies lacked marketing networks in the 14 states that have been tagged with them in this regard. The Committee recommended that the tagging of fertiliser companies with states should be meaningful and companies must develop marketing networks.
- **Pricing of city compost:** The Committee noted that direct incentives or subsidies on compost were not provided to farmers under the policy. The Committee also observed that though urea costs around Rs 50-60 more than city compost, it is preferred over compost. It noted that urea has an immediate impact on soil while the effect of city compost on soil will be visible only after two to three years.
- In January 2017, the Department of Fertilizers released guidelines allowing compost manufacturers to sell directly to farmers, to bring down the cost of city compost and address the challenges of compost storage if left unsold for long periods. The Committee recommended that the Department should convince state governments to subsidise city compost. It further recommended that the production and sale of city compost should be exempted from the central and state taxes.
- **State-level steering committee:** The policy requires that a state-level steering committee be formed for inter-departmental coordination. While the Department of Fertilizers provides financial assistance under the policy, the Department of Agriculture is responsible for campaigns to educate the farmers regarding city compost and Ministry of Urban Development is responsible for increasing the compost plants in across all states. The Committee noted that, as of January 2017, only seven states/UTs have constituted these steering committees. The Committee recommended that the Department should pursue the states to ensure constitution of state-level steering committees.
- **Segregation of waste:** The Committee noted that there is lack of awareness regarding segregation of waste at household level. The Committee opined that informal sector waste collectors can be involved in the segregation of waste and this can provide them employment. It recommended that the Department must work with the states to utilise the services of unemployed youth in garbage collection and segregation.

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