



CSE RECOMMENDATIONS ON CAF BILL 2015

A. CLAUSE-WISE COMPARISON OF CAF BILL 2008, CAF BILL 2015* AND THE PSC REPORT WITH CSE RECOMMENDATIONS

Clause	CAF Bill 2008	CAF Bill 2015	The PSC Report	CSE Recommendation
Preamble	Defines 'Green India Programme' and provides for utilisation of Compensatory Afforestation Funds (CAFs) for it.	It does not define 'Green India Programme' but mentions it in activities where the funds will be used for.	The report recommends against the use of CAFs for the Green India Programme, noting that it is a separate programme of government with its own budgetary allocation.	We accept the recommendation of the PSC report. We recommend: Compensatory Afforestation Funds (CAFs) must not be used for Green India Programme.
Preliminary	Operative at the Central Level only, with no institutional framework at the State/UT Level.	Operative at the Central as well as State/UT levels, with powers and functions of State Authorities described separately.	Agrees broadly with administrative structure proposed by CAF Bill 2015.	We broadly agree with Central as well as state-level institutional structure, however, certain responsibilities and supervision of grassroots organisations will strengthen the process of compensatory afforestation. We recommend: <ol style="list-style-type: none"> 1. Mandatory involvement of, wherever available, Community Forest Resource Management Committees (CFRMCs), Joint Forest Management Committees (JFMCs), Van Panchayats, Village Forest Protection and Management Committees (VFPMCs) etc. in compensatory afforestation. 2. Wherever the above forest related grassroots organisations are not available, the Gram Sabhas should be involved in compensatory afforestation. 3. Responsibility of Social Audit of compensatory afforestation should be given to CFRMCs, JFMCs, Van Panchayats, VFPMCs etc.
Constitution of National Authority and State Authorities	The 'Authority' comprises a Governing Body assisted by an Executive Body, Monitoring Group and an administrative support mechanism.	The 'National Authority' comprises a Governing Body assisted by an Executive Committee, Monitoring Group and administrative support mechanism. The 'State Authority' comprises of Governing Body,		The constitution of institutions prescribed by CAF Bill 2015 is heavily government-centric. It should be made more representative. Also, Monitoring Group only at the Central level will not be enough to monitor all areas of compensatory afforestation in the country. We recommend: <ol style="list-style-type: none"> 1. Monitoring Group should be established at State levels as well as National level. 2. A much larger representation of local level bodies and forest





Clause	CAF Bill 2008	CAF Bill 2015	The PSC Report	CSE Recommendation
		Steering Committee and Executive Committee.		diversions affected communities in these CAF bodies is needed at National as well as State/UT levels.
Establishment of National Fund	Funds to be utilized completely at the central level i.e. 100% of the money for Compensatory Afforestation collected from the state to be used within that state only.	Disbursement and utilization of National Fund and State Fund separately in a ratio of 10:90, i.e. 90% of the CAFs to be utilized within the state and the remaining 10% to be deposited to National Fund.	Recommends reduction of National Fund share from 10 per cent to 5 per cent.	We agree with PSC recommendation, however, the past track record indicates that even 5% is too much for National Fund.
Disbursement of Funds	The Authority shall accomplish the afforestation for which money is deposited in the Fund within a period of one year or two growing seasons after project completion, as may be appropriate, after receipt of the money.	No such time limited target is prescribed; therefore it is weaker than CAF Bill 2008 on this aspect as it doesn't have a timeframe for afforestation target achievement.	Recommends approval by National Authority within 3 months from the date of receipt of the Annual Plan of Operations (APOs) of the State Authorities.	Compensatory afforestation must be carried out at the earliest to compensate forest losses. Also, survival of planted stock must be ensured for effective afforestation. We recommend: 1. National Authority should approve APOs within 3 months from the date of receipt. States/UTs must carry out afforestation and other related activities within 2 years. 2. A 20 per cent of the state CAFs should be allocated for monitoring of the planted stocks as well as 'beating-up' operations to improve the survival rate and sustain the plant density. This is most important as afforestation is easy, but maintaining the planted forest is difficult. This is the precise reason for poor survival rates in afforestation programmes of the government.
Disbursement of Funds	Provides for democratic arrangements by prescribing execution of ground level works through Joint Forest Management Committees (JFMCs).	No such arrangement in this bill making it heavily government-centric. This will curtail the empowerment of such grass roots-level forest institutions, which are slowly dying out or becoming dysfunctional.	Only recommends inclusion of an expert on tribal matters or a representative of tribal community" in Executive committees of National Authority as well as State Authorities. PSC fails to prescribe any grassroots democracy.	The 2008 bill had prescribed community involvement in ground level executions saying that "All work at the ground level shall be executed through Joint Forest Management Committee except in matters where the nature of work demands execution by any other agency.", but 2015 bill doesn't. We recommend: Powers to carry out compensatory afforestation should be decentralised to local level bodies such as JFMCs, CFRMCs, Van Panchayats, Gram Sabhas, VFPMCs etc. CAFs should be utilized by these bodies at local levels and communities should benefit from the process.



Clause	CAF Bill 2008	CAF Bill 2015	The PSC Report	CSE Recommendation
Clause 8. Of the PSC report	No such provision of densification and revitalization of available forests in case where enough land is not available for afforestation.	No such provision of densification and revitalization of available forests in case where enough land is not available for afforestation.	PSC makes a recommendation that 'in order to meet the situation where enough land is not available for Afforestation, specific provisions should be made in the bill for encouraging densification and revitalization of available forests closest to areas where deforestation is considered unavoidable on account of critically important national projects.'	<p>Current provision allows for use of degraded forest land or non-forest lands for compensatory afforestation. There is already massive amount of degraded forests available in country for regeneration. If non-forest or degraded forest lands are not available around any forest diversion area, densification of already dense forests will mean huge siphoning of funds as it would be difficult to monitor the effectiveness of such afforestation. Further, this will mean rampant forest diversions as private companies and forest departments can collude and allocate patches of forest and apply for densification of already dense forests nearby.</p> <p>We recommend: Reject recommendation of PSC report about "...densification and revitalization of available forests closest to areas where deforestation is considered unavoidable..". This is a very problematic recommendation that will lead to large scale reduction in forest cover of country if adopted in the CAF Act.</p>

* Dated 3 May 2015



B. SECTION-WISE CHANGES RECOMMENDED IN COMPENSATORY AFFORESTATION FUND BILL 2015 (DATED 3 MAY 2015)

1. Page 1, para 1, line 9 and at page 28 : Remove the words
‘Green India Programme’.
2. Page 1, para 1, line 9; at page 6 Section 6(b) and at page 28 : Remove the words
‘forest related infrastructure development’; ‘infrastructure development’ and
‘forest related infrastructure development’ respectively.
3. Page 3, Chapter I, Section 2 : Include definitions of
‘additional compensatory afforestation’ and ‘catchment area treatment plan’.
4. Page 4, Chapter II, Section 3(4) : Replace the words
‘ten per cent’ by ‘five per cent’.
5. Page 5, Chapter II, Section 5(b) : Replace the words
‘ten per cent’ by ‘five per cent’.
6. Page 5, Chapter II, Section 6 : Insert clause
‘The State Authority shall accomplish the afforestation for which money is
deposited in the Fund within a period of two years, as may be appropriate, after
receipt of the money.’
7. Page 5, Chapter II, Section 6 : Insert clause
‘Twenty per cent of the State Fund shall be allocated for monitoring of the planted
stocks as well as beating-up operations to improve the survival rate and sustain the
plantation density.’
8. Page 5, Chapter II, Section 6 : Insert clause
‘All work at the ground level shall be executed through grassroots level forest
related bodies such as Community Forest Resource Management Committees,
Joint Forest Management Committees, Van Panchayats, Village Forest Protection
and Management Committees, Van Suraksha Samitis etc, except in matters where
the nature of work demands execution by any other agency. Wherever the aforesaid
grassroots level forest related bodies are not available, the Gram Sabhas shall be
involved in afforestation activities. These grassroots level forest related bodies shall
have power and responsibility of carrying out annual social audits of the
afforestation activities.’
9. Page 6, Chapter II, Section 6(e) : Replace the words
‘ten per cent’ by ‘five per cent’.
10. Page 7, Chapter III, Section (4) : Insert clause
“two representatives of local level forest related bodies and forest diversions
affected communities appointed by the Central government – members
11. Page 8, Chapter III, Section 9(2) : Insert clause
“four representatives of local level forest related bodies and forest diversions
affected communities appointed by the Central government – members”



12. Page 8, Chapter III, Section 10(5) : Insert clause
 “four representatives of local level forest related bodies and forest diversions affected communities in the State or Union Territory, to be appointed by the State or Union Territory government – members”
13. Page 9, Chapter III, Section 11(3) : Insert clause
 “four representatives of local level forest related bodies and forest diversions affected communities in the State or Union Territory, to be appointed by the State or Union Territory government – members”
14. Page 8, Chapter III, Section 10(4) : Insert words
 ‘and the Monitoring Group’ at the end of sentence.
15. Page 9, Chapter III, Section 11 : Insert sub-section
 “The Monitoring Group shall consist of six experts from state in the field of environment, economics, wildlife, forest, remote sensing and geographical information system, social sciences, tribal development and rural development.”
16. Page 10, Chapter IV, Section 14(1) : Include sub-clause
 “Review and revise, at the recurring interval of five years, the rates of monies from the user agencies towards compensatory afforestation, additional compensatory afforestation, penal compensatory afforestation, net present value and all other amounts recovered from such agencies under the Forest (Conservation) Act, 1980;”
17. Page 11, Chapter IV, Section 15(1)(vi) : Insert sub-clauses
 “However, amount of such investments shall not exceed ten percent of all the funds available with National Fund and”

 and

 “National Authority shall have powers to transfer and utilise the surplus funds available with it to State Authorities to enhance the ground level activities, as it may deem appropriate from time to time.”
18. Page 11, Chapter IV, Clause 15(1)(i) : Amend the clause as
 “approve, within 3 months from the date of receipt, the annual plan of operations of the State Authorities”
19. Page 12, Chapter IV : Insert section
 “The state level Monitoring Group shall—
 - (i) evolve independent system for concurrent monitoring and evaluation of the works implemented in the State or Union territory utilising the funds released by the State Authority to ensure effective and proper utilisation of state compensatory afforestation funds provided that the State Government may also undertake third party monitoring and evaluation of the works implemented in the State or Union territory utilizing the funds released by the State Authority through individual and institutional experts;
 - (ii) inspect and undertake financial and social audit of works executed by utilising the funds released by the State Authority in the State or Union territory;

- (iii) devise measures for transparency and accountability and
- (iv) meet at least once in three months.”

20. Page 14, Chapter V, Section 27 : Insert clause

“The accounts of each State Authority shall be social audited by the Accountant General of the State and Union territories with involvement of grassroots level forest related bodies such as Community Forest Resource Management Committees, Joint Forest Management Committees, Van Panchayats, Village Forest Protection and Management Committees, Van Suraksha Samitis etc. Wherever the aforesaid grassroots level forest related bodies are not available, the Gram Sabhas shall be involved in such Social Audits.”

and

“The Accountant General of the State and Union territories shall consolidate the reports of social audits and submit the Annual Report of such audits to State Authority.”

21. Page 14, Chapter V, Section 28(2) : Insert clause

“the financial audit and social audit reports.”

22. Page 15, Chapter V, Section 29 : Amend the clause as

“The State Government shall cause the annual report, financial audit report and social audit report together with a memorandum of action taken on the recommendations contained therein to be laid as soon as may be after the reports are received before each House of the State Legislature.”

23. Page 15, Chapter VI, Section 30(1) : Insert clause

“The Central Government while making rules shall be guided by the provisions contained in article 244 read with Fifth and Sixth Schedules to the Constitution relating to administration of the Scheduled Areas and Tribal Areas and the Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 and the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, Indian Forest Act, 1927, Forest (Conservation) Act 1980, Biological Diversity Act, 2002, Environment (Protection) Act, 1986 Mahatma Gandhi National Rural Employment Guarantee Act, 2005, Wild Life (Protection) Act, 1972 as well as National Forest Policies and programme such as National Forest Policy, 1988, National Environment Policy, 2006, Joint Forest Management programme etc as formulated and amended from time to time.”

24. Page 18, Statement of Objects and Reasons : Insert clause

“The Bill will strengthen other forest, wildlife and biodiversity related Acts of India such as article 244 read with Fifth and Sixth Schedules to the Constitution relating to administration of the Scheduled Areas and Tribal Areas and the Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996 and the Scheduled Tribes and Other

Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, Indian Forest Act, 1927, Forest (Conservation) Act 1980, Biological Diversity Act, 2002, Environment (Protection) Act, 1986 Mahatma Gandhi National Rural Employment Guarantee Act, 2005, Wild Life (Protection) Act, 1972 as well as National Forest Policies and programme such as National Forest Policy, 1988, National Environment Policy, 2006, Joint Forest Management programme etc as formulated and amended from time to time.’

25. Page 24, Notes on clauses, clause 3, line 7 : Replace the words ‘ten per cent’ by ‘five per cent’.
26. Reject recommendation of the Parliamentary Standing Committee’s 277th report on CAF Bill 2015 (Clause 8 of the PSC report) about “..*densification and revitalization of available forests closest to areas where deforestation is considered unavoidable.*”.



Centre for Science and Environment

41, Tughlakabad Institutional Area, New Delhi-110 062 INDIA

Tel: 91-11-40616000, 29955124, 29956110 **Fax:** 91-11-29955879

Email ajay@cseindia.org **Website** www.cseindia.org