



## Panel Approves Scheme to Trade in Forests

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### Why in News

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Recently, the **Forest Advisory Committee (FAC)** has approved the **Green Credit Scheme**. It will allow the Forest Department to outsource the responsibility of reforesting to non-government agencies, if implemented.

Currently, in the case of the loss of forest, the industry needs to find appropriate non-forest land and pay **Net Present Value** (current economic equivalent) to the State Forest Department. Then it is the Forest Department's responsibility to grow appropriate vegetation which would grow into forests over time.

### Key Points

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- Green Credit Scheme allows agencies (private companies, village forest communities etc.) to identify land and grow plantations. After three years, the land would be eligible to be considered as compensatory forest land if it meets the criteria set by the Forest Department. An industry needing forest land could then approach the agency and pay it for parcels of such forested land and this would then be transferred to the Forest Department and be recorded as forest land. In simpler words, it will allow forests to be traded as a commodity.
- This scheme will encourage plantation by individuals outside the traditional forest area and will help in meeting international commitments such as **Sustainable Development Goals** and **Nationally Determined Contributions**.
- It will also help in solving various industries' complain that they find it hard to acquire appropriate non-forest land, which has to be contiguous to existing forest.

- The scheme will also supplement the **Green India Mission**, which is one of India's initiatives to combat climate change.
  - It aims to sequester 2.523 billion tonnes of carbon by 2020-30 and this involves adding 30 million hectares in addition to an existing forest.
  - However, it does not solve the core problems of compensatory afforestation and creates problems of privatising multi-use forest areas as monoculture plantation plots.
- Earlier in 2015, a 'Green Credit Scheme' for degraded forest land with public-private participation was recommended but it was not approved.

### **Forest Advisory Committee**

- It is a statutory body which was constituted by the Forest (Conservation) Act 1980.
- It comes under the Ministry of Environment, Forests & Climate Change (MoEF&CC).
- It considers questions on the diversion of forest land for non-forest uses such as mining, industrial projects, townships and advises the government on the issue of granting forest clearances. However, its role is advisory.

**Source: TH**