



UNPACKING THE GREEN CREDIT PROGRAMME

DIVERSE PERSPECTIVES FROM KEY STAKEHOLDERS

INTRODUCTION

At COP26 in Glasgow, 2021, India introduced the Lifestyle for Environment (LiFe) movement, aimed at steering individual behaviors toward sustainability. Supporting this, the Ministry of Environment, Forest, and Climate Change (MoEFCC) unveiled the Green Credit Programme (GCP) to promote eco-friendly practices. Described as a market-based mechanism, it aims to incentivize voluntary environmental actions by stakeholders such as individuals, communities, and industries.

Despite its positive intent, the large-scale tree plantation program has drawn criticism from environmentalists and conservationists. Concerns include high mortality rates of plantations due to monoculture practices, inefficient use of financial resources, and partial recognition of community forest rights (CFR). Therefore, an ecologically sensitive approach, considering India's diverse biogeographic zones, is needed to address these challenges and assess the program's impact accurately.

The webinar brought together a diverse set of stakeholders, hosting speakers working across the spectrum of policy and governance, and environmental justice for an insightful discussion to delve into the complexities around the GCP. Through shared insights and meaningful dialogue, the diverse panel helped provide a holistic and comprehensive understanding of the GCP rooted in realities, helping identify potential areas of sensitization and recommendations to make the GCP beneficial for different stakeholders.



UNPACKING AND UNBOXING ASPECTS OF THE GCP



Debadityo Sinha

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Key Highlights

- Significant challenges exist in implementing the Green Credit Program, such as the potential manipulation by large corporations and the misconception that afforestation and plantations are equivalent.
- The success of the programme relies on robust enforcement mechanisms, complemented by strict and realistic guidelines that define certain monitoring and restoration practices.

In this session, Debadityo unpacked the Green Credit Program, by discussing its seven key areas: plantation, water management, waste management, sustainable agriculture, infrastructure, and energy, promoting a lifestyle for environmental sustainability. He further mentioned the program involving several administrative bodies, including the Indian Council of Forestry Research and Education (ICFRE) as the Administrator, a Steering Committee appointed by the central government, a Technical Committee for calculating green credits, a Verification Agency, and a Training Platform. He mentioned that while the rules are aspirational, they ignore several ground realities.

The plantation guidelines, notified on February 20, 2024, mandates the identification of degraded lands and other suitable areas by state Forest Departments for tree plantation to enhance green cover, with a minimum density of 1100 trees per hectare, subject to modifications so there is some acceptance pertaining to changing the rules. This is not just related to plantation but green credits can be also exchanged for compliance for clearance processes. Additionally, he highlighted that there is a common misconception equating afforestation with plantation. Afforestation involves a natural ecological succession, starting with pioneer species and progressing to complex forest ecosystems, while plantations often involve monoculture or exotic species, potentially negatively impacting soil and biodiversity.

UNPACKING AND UNBOXING DIFFERENT ASPECTS OF THE GCP

Debadityo highlighted several issues challenging the program's implementation, emphasizing the necessity of strict enforcement and monitoring to prevent manipulation by large corporations and ensure sustainability. India's enforcement agencies, such as the Forest Department and Pollution Control Boards, face significant challenges in this regard. He pointed out that the program permits green credits from plantations to be used for compliance in forest clearance processes, potentially leading to the misuse of credits to clear natural forests. Instances of questionable compensatory afforestation, such as planting in non-native regions, have failed to restore lost ecosystems. Furthermore, he noted that the forest clearance process is being diluted through unscientific methods of plantations and compensatory afforestation, especially in the context of the recent Forest Conservation (Amendment) Act, 2023, which negatively impacts wildlife. For example, planting trees in Haryana to compensate for forest loss in Nicobar, which has old-growth forests, is flawed.

While the Green Credit Program is ambitious and well-intentioned, Debadityo mentions that its success hinges on robust enforcement, realistic guidelines, and a clear understanding of ecological principles. Effective monitoring and genuine restoration practices are crucial to achieving the program's environmental goals. The session ended with recommending the need to include strengthening enforcement mechanisms, promoting ecological afforestation with natural regeneration and mixed-species plantations, reevaluating compensatory afforestation practices to ensure ecological balance, and increasing transparency and public involvement in planning and monitoring processes. This nuanced approach emphasizes the importance of ground realities in achieving sustainable environmental outcomes.

ENSURING INCLUSIVE AND ACCOUNTABLE ENVIRONMENTAL GOVERNANCE



Meenal Tatpati

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Key Highlights

- The draft Green Credit Program primarily incentivises industries and companies to meet environmental obligations, rather than genuinely benefiting local communities or protecting the environment.
- Committees involved in the program have ambiguous compositions with members from relevant ministries, departments, and industry associations, leading to possible conflicts of interest.
- There exists a lack of clarity on methodology development and community involvement, particularly for marginalized groups such as Adivasis, pastoralists, single-women farmers, and coastal communities.

In this session, Meenal discussed the intriguing nature of the draft of the GCP being released in June last year. She clarified that the environmental efforts of local communities are often unrecognized and rarely incentivized, and thus initially it was felt that the rules may be an instrument to do so. A deeper reading revealed that the program primarily incentivizes industries, companies, and other entities to meet their environmental obligations, rather than genuinely benefiting local communities or protecting the environment.

The session spoke about one prominent aspect of the program being that it allows the same activity to generate both green and carbon credits, raising concerns about double counting and achieving true environmental impact.

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The opaque and hastened draft rule consultation process added to the concerns - how the draft rules, published in June 2023, allowed for comments within 60 days, but a subsequent notification reduced this period significantly, citing pre-organized consultations that were not publicly known. Moreover, while the civil society was still consolidating their comments, the advertisements for consultancy positions to develop methodologies for activities like water conservation and tree plantation were already rolled out.

The session also threw light on the concerns about the program's vague methodologies, especially the simplistic evaluation of 1 Green Credit per tree planted on a land parcel of at least five hectares, with a density of 1,100 trees per hectare. The session also examines how the program's committees, such as the Steering and Technical Committees, have ambiguous compositions, with central government-appointed members from relevant ministries, departments, and industry associations, potentially leading to conflicts of interest. Meenal also discusses that there is also no clarity on how the methodologies will be developed or how communities, especially marginalized communities like Adivasis, pastoralists, single women farmers and coastal communities, will be involved.

The session then examined how the CSOs are divided on engaging with these policies. Some advocate for engagement to ensure community benefits, while others suggest rejecting the program entirely. There is a need for CSOs to deliberate on how to create space for diverse stakeholders in decision-making processes, as current mechanisms lack transparency and accountability. This is critical to ensure that environmental policies genuinely protect ecosystems and benefit the communities most dependent on them.

For CSOs and local communities, the implications are significant. Tree plantation credits depend on land availability, often involving degraded lands managed by the Forest Department. However, these lands are also used by various communities, including Scheduled Tribes and pastoralists, who play crucial roles in ecosystem conservation. The rules do not recognize these communities as stakeholders, excluding them from the credit generation process and decision-making bodies.

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In conclusion, Meenal admits that while the Green Credit Program promises environmental benefits, its current framework raises serious concerns about transparency, community involvement, and genuine environmental impact. CSOs are trying to critically engage with these policies to advocate for inclusive and accountable environmental governance, but they are often not encouraged due to a lack of citizen participation in consultations where these policies are drafted. There is thus a need to involve diverse stakeholder representation in decision-making and safeguarding the rights and roles of local communities in environmental conservation. At the same time, they also need to come to a common understanding of these policies, rather than completely rejecting them.

INTERLINKAGES BETWEEN COMMUNITY FOREST RIGHTS, LAND MANAGEMENT AND GCP



Gautam Aredath

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Key Highlights

- The GCP undermines the FRA by allowing state forest departments to unilaterally demarcate lands for plantations, causing inevitable overlaps with lands that can be managed under community forest resource rights.
- The GCP's centralized approach contrasts with the FRA's bottom-up model, sidelining community stewardship of forest management contemplated by the FRA, thereby undermining the rights of Gram Sabhas and increasing conflicts.
- The GCP's land designations for plantations, driven by financial incentives, would delay or prevent CFR recognition thus hindering the transformative potential of the FRA.

In this session, Gautam highlighted the purpose and performance of Community Forest Resource Rights (CFRR) under the Forest Rights Act (FRA) over the past 15-16 years providing a crucial backdrop to understanding the interlinkage between the GCP and CFRR. Gautam's analysis demonstrated that a significant portion of forest lands (especially in central India) are potential CFRR areas and the GCP significantly undermines CFRR and the FRA as a whole.

The FRA, a landmark piece of legislation, resulted from a comprehensive, bottom-up consultative process. This grassroots approach is reflected in the FRA's structure and provisions, emphasizing the recognition of historical injustices against forest-dependent communities, the central role of these communities in forest conservation, and the decentralization of forest governance. The FRA recognizes the existing but unrecorded rights of these communities due to historical forest management practices and prescribes processes to rectify this oversight.

INTERLINKAGES BETWEEN COMMUNITY FOREST RIGHTS, LAND MANAGEMENT AND GCP

Central to the FRA are CFRR, the most critical aspect concerning forest conservation, livelihood enhancement and democratic governance. The FRA categorizes rights into individual forest rights, concerning residential and agricultural lands, and community forest rights, which vest in entire communities. Within the latter, CFRR rights are distinct in recognizing communities' rights to manage and conserve forests traditionally used by them, thus shifting forest management from state control to decentralised community governance through the Gram Sabha (village assembly).

The sessions showcased that when communities have secured CFRR, they have demonstrated significant environmental and livelihood benefits. For example, in Payvihir village in Maharashtra, after receiving CFRR recognition, the community transformed a degraded forest into a thriving ecosystem, improving both biodiversity and their livelihoods through sustainable forest produce marketing and employment opportunities under government schemes like MGNREGA.

The GCP, however, poses a significant threat to the progress made under the FRA. Gautam fleshes out how the GCP undermines CFRR in three primary ways:

- **Undermining CFR Claims:** The designation of land for plantations under the GCP often leads to cordoning off these areas, delaying or outright preventing the recognition of CFRR claims. Even lands with recognized titles are not immune, as forest departments have in the past converted these areas into plantations by undermining democratic processes, driven by financial incentives from afforestation funds.
- **Exclusion of Conservation Needs:** The GCP's approach often results in large-scale tree plantations that exclude communities from their lands. These plantations prioritize fast-growing, often exotic species over biodiversity or community needs, directly conflicting with the livelihood and ecological objectives.

INTERLINKAGES BETWEEN COMMUNITY FOREST RIGHTS, LAND MANAGEMENT AND GCP

- **Top-Down Governance vs. Bottom-Up Empowerment:** The GCP operates on a top-down model, contrasting sharply with the FRA's bottom-up approach. While the FRA empowers communities through the Gram Sabha, the GCP reinforces centralization, sidelining communities' central role in forest management decisions and increasing conflicts between forest-dependent communities and the forest department.

In conclusion, while the GCP aims to enhance environmental sustainability, Gautam examines how its current framework significantly undermines the transformative potential of the FRA and community forest rights. A concerted effort to integrate community rights and participation into environmental governance is crucial for achieving sustainable and equitable forest management in India.

CSO RECCOMENDATIONS

The convening provided a fertile ground for discussions on understanding the GCP, bringing together over 80 participants from diverse backgrounds committed to making GCP a more robust, community-centric initiative to drive environmental impact

Governance and Decision-Making Processes:

- Defining decision-makers at state and national levels, constituting Steering and Technical Committees for clarity while involving technical and community experts in the committees.
- Involving Civil Society Organizations (CSOs) in stakeholder consultations to ensure community voices, especially those of marginalized groups, are included in program guidelines.

RECOMMENDATIONS FROM THE SENSITISATION SESSION

Methodologies and Implementation Improvements:

- Improving methodologies by factoring species, wildlife, livelihood and ecological impact, especially in eco-sensitive regions.
- Ensuring robust implementation of the Forest Rights Act (FRA) and active recognition of Community Forest Rights (CFR) claims.
- Enhancing the efficiency of the scientific processes, by drafting out specific guidelines laid out by the Steering Committee, especially to define "wastelands" and "degraded lands."
- Conducting strategic impact assessments to gauge the impact of the programme on the biodiversity and livelihood of the local communities.

Transparency and Accountability:

- Establishing transparent mechanisms to monitor FRA and GCP implementation, holding the forest department accountable, and ensuring community involvement in forest management decisions.
- Aligning new environmental programs with the FRA to prevent undermining established rights and recognizing community roles in conservation.
- Details of the land parcels identified for tree plantations under GCP, including the compartment/khasra numbers and villages situated inside or adjacent to them, should be published for public verification of their CFR status.

Pilot/Demonstration Projects and Exclusionary Measures:

- Focusing on pilot/demonstration projects across different agro-climate zones to understand the practical implications of complex programs like the GCP.
- Excluding certain biodiversity zones and ecologically sensitive areas from the scope of the GCP to protect them from large-scale afforestation projects.

RECOMMENDATIONS FROM THE SENSITISATION SESSION

Incentive Mechanisms and Holistic Approach:

- Including incentive mechanisms like Payment for Ecosystem Services (PES) beyond tree planting and considering ecosystem services holistically to conserve existing resources.
- Creating platforms for the community and CSOs to deliberate their thoughts and ideas to mould and shape the programme better.
- Training and capacity building for People Biodiversity Registers so as to build local community capacity to become assessors of the projects.
- Conducting training and capacity building for People Biodiversity Registers to empower local communities to assess projects.
- Engaging local experts and CSOs to enhance the capacity and offer Ecoregion level guidance for ecosystem management.

WAY FORWARD

As we embark on the way forward, it is imperative that the momentum generated during this webinar transforms into sustained and collaborative action. One of the key next steps is to build on to our next webinar that would help understand better how organizations and stakeholders are currently leveraging the GCP.

Furthermore, the recommendations tabled from this discussion forum will be collated and shared with the MoEFCC through the ClimateRISE Partners as our next action step. The narratives shared during the event have been synthesized into recommendations, and it is essential to take them forward through continuous conversations, knowledge sharing, and meaningful collaborations.



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