

F.No.2-1/2003 - FC
Government of India
Ministry of Environment and Forests
F.C. Division

Paryavaran Bhawan, CGO Complex,
Lodhi Road, New Delhi - 110 003.

Dated: 15-04-2005

To

1. The Principal Secretary (Forests),
All States/UTs.
2. The Principal Chief Conservator of Forests,
All States/UTs.

Sub: Guidelines for diversion of forest land for non-forest purposes under the Forest (Conservation) Act, 1980 - **Review of para (vi) of the guidelines for stepping up the development projects in tribal areas thereof.**

Sir,

Please refer to the guidelines issued by this Ministry under Forest (Conservation) Act, 1980 for stepping up the development projects in tribal areas issued vide letter of even number dated 20-10-2003.

In this regard, I am directed to inform you that **para (vi)** of the guidelines, which reads, "*While formulating a project in a tribal area, the User Agency shall earmark 5% of the total project cost.....to be created by the Government of India.*", has been reviewed by the Ministry in view of the representations received from various user agencies including Central Government undertakings. The Ministry observed that funds were separately being collected from the various user agencies towards compensatory afforestation, catchment area treatment, and net present value of forest lands etc. to mitigate the ill-effects on environment, arising out of diversion of forest land for non-forestry purposes under Forest (Conservation) Act, 1980. Ministry also considered the point raised in representations that the additional burden of 5% of total project cost, may further escalate the project cost, and make the projects economically unviable.

Having carefully examined the matter, and taking a holistic view from socio-economic and legal angle, **the Ministry has decided to keep implementation of para (vi) of the guidelines, in abeyance with immediate effect till further orders.** However, the funds already collected towards tribal development under various projects in accordance with the guidelines, shall not be refunded and expended for the intended purpose.

Yours faithfully,



(ANURAG BAJPAI)

Asstt. Inspector General of Forests

Copy to:-

1. Secretary, Ministry of Power, Government of India.
2. Nodal Officers - All States/UTs.
3. All Regional Offices of this Ministry.
4. Director(FC), AIGs (FC).
5. Guard File.