

Government of India  
Ministry of Environment, Forest and Climate Change  
(Forest Conservation Division)

Indira Paryavaran Bhawan,  
Aliganj, JorBagh Road,  
New Delhi: 110003  
Dated: September, 2025

To

The Additional Secretary/Principal Secretary (Forests)  
All States/UTs

**Sub: Guidelines for using the afforestation raised over degraded forest lands under the Green Credit programme to meet the requirement of compensatory afforestation – reg.**

Madam/Sir,

I am directed to refer to the Van (Sanrakshan Evam Samvardhan) Amendment Rules, 2025 notified by the Central Government on 31.08.2025 and to inform that as per clause 'd' of sub-rule (4) of Rule 14, the afforestation raised by the Government and other entities over degraded forest lands under various schemes of Central Government may be utilized to meet the requirement of compensatory afforestation as admissible under rule 13 and subject to such terms and conditions as may be specified by the Central Government for this purpose.

In accordance with the provisions of clause (d) of sub-rule (4) of Rules 14 of the Van (Sanrakshan Evam Samvardhan) Rules, 2023, as amended on 31.08.2025, read with Green Credit Rules, 2023 and guidelines issued thereunder, the Central Government hereby prescribes the following guidelines specifying the terms and conditions for using the afforestation raised by the Government and other entities under the Green Credit programme of the Central Government to meet the requirement of compensatory afforestation:

**1. Background**

- i. Preamble to the Van (Sanrakshan Evam Samvardhan) Adhiniyam, 1980 embodies the pivotal role of forests in achieving its Net Zero Emission target by 2070, enhancing forest carbon stocks through ecologically sustainable development, Nationally Determined Contribution (NDC) targets of creating carbon sink of additional 2.5 to 3.0 billion tons of CO<sub>2</sub> equivalent by 2030 and expanding forest and tree cover to one-third of its land area. Accordingly, it is essential to establish provisions for the conservation, management, and restoration of forests that uphold ecological security, cultural and traditional values, and support the country's carbon neutrality goals.
- ii. The strategies suggested in the National Forest Policy to achieve the goal of bringing one-third of the total geographical area of the country under forest and tree cover inter-alia includes;- *“A massive needs-based and time bound programme of afforestation and tree planting, with particular emphasis on fuelwood and fodder development, on all degraded and denuded lands in the country, whether forest or non-*

*forest land, is a national imperative”.*

- iii. Hon'ble Supreme Court in its order dated 6.07.2011 passed in Lafarge Umiam Mining Pvt. Ltd. Vs. Union of India and others inter-alia directed that *“....Time has come for this Court to declare and we hereby declare that the National Forest Policy, 1988 which lays down far-reaching principles must necessarily govern the grant of permissions under Section 2 of the Forest (Conservation) Act, 1980 ....”.*
- iv. As per assessment made by the Forest Survey of India in its India State Forest Report, 2023, the forest area under open and scrub category is 3,48,789 sq km, which is 10.61% of the total geographical area of the country. During the period between 2011 and 2021, an area of 40,709 sq km of Very Dense Forest and Medium Dense Forest within the Recorded Forest Area, degraded to the open forest category, while an area of 5,573 sq km degraded to the scrub category. Therefore, there is an urgent need to restore and rehabilitate these degraded forest land lands.
- v. Currently, the forest lands are largely being managed and restored using public funds. Hence, there is a greater need for Whole of Government and Whole of Society approach in restoration and rehabilitation of degraded forest lands.
- vi. Therefore, keeping in view the above, these guidelines under the provisions of clause (d) of sub-rule (4) of Rule 14 of the Van (Sanrakshan Evam Samvardhan) Rules, 2023 are hereby issued by the Ministry.

## **2. The preconditions for exchange of lands restored under GCP for compensatory Afforestation:**

- i. Degraded forest lands of a minimum size of 5 ha, which have undergone afforestation and restoration for a minimum of five years, and have attained a canopy density of at least 40 percent, and have been awarded with Green Credits, shall be eligible for exchange under Compensatory Afforestation in favour of concerned Green Credit Applicant (GCA).
- ii. Afforestation activities undertaken on degraded forest lands shall use a mixture of indigenous species based on site suitability.
- iii. The User Agency must have cumulatively restored a minimum of 25 hectares of degraded forest lands.
- iv. Degraded forest lands as identified by the respective States/ UTs that are recorded as forests in Government records and are under the control and management of the State/ UT Forest Department, and are afforested and restored under Green Credit Programme (GCP) as per the criteria laid down in this regard, (Refer point 2 (i) above) shall be eligible for exchange under Compensatory Afforestation (CA) as per the provisions of these guidelines.
- v. The lands, as detailed under para 2 (i), shall be made available for CA,

free from all encumbrances and shall be properly demarcated at the cost of GCA.

- vi. The user agency shall bear the cost of maintenance and protection of afforestation raised under Green Credit Programme for a period of 10 years. If the user agency, after restoration of the forest land had availed Green Credits prior to completion of 10 year period, the maintenance cost of the remaining period shall be deposited with the Administrator under Green Credit Programme.
- vii. Upon exchange of lands for compensatory Afforestation by the User Agency, the Administrator shall transfer the available maintenance fund deposited by the user agency to the concerned account of State/UT CAMPA.

### **3. Exchange of lands restored under GCP for compensatory Afforestation:**

- i. The afforestation raised in degraded forest lands along with the Green Credits earned in accordance with the methodology prescribed under the Green Credit Rules, 2023 and guidelines thereon, can be exchanged for raising compensatory afforestation as per the criteria specified below:
  - a. For projects related to Central Government agencies, Central Public Sector Undertakings (CPSUs), captive coal blocks of State PSUs, transmission line projects, mining of Critical and Strategic Minerals as specified in Part-D of the First Schedule of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), minerals specified by the Ministry of Mines out of the list of minerals included in the Seventh Schedule of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), and the prescribed substances under the Atomic Energy Act, 1962, the user agency shall be eligible to exchange forest land restored under the Green Credit Programme for the purpose of compensatory afforestation, provided that the restored forest land to be exchanged shall be twice the area proposed for diversion.
  - b. For projects related to mining of minerals specified under Seventh Schedule of Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) as specified by the Ministry of Mines, which are not included in the list of Critical and Strategic Minerals as specified in Part-D of the First Schedule of the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) and not falling in the States and Union Territories Administrations, having forest area more than 33% of their geographical area, the user agency shall be eligible to exchange forest land restored under the Green Credit Programme for compensatory afforestation, provided that the restored forest land to be exchanged shall be three times the area proposed for diversion.
  - c. For projects proposed in the States/UTs having forest area more than 33% of their total geographical area, the user agency shall be eligible to exchange the forest lands restored under Green Credit Programme for compensatory afforestation, provided that the restored forest land to be exchanged shall be twice the area proposed for diversion; and subject to the State Government providing a certificate confirming the non-availability of suitable non-forest land for compensatory afforestation, in

case such a certificate has not been provided earlier in respect of any case involving diversion of forest land within the concerned State/UT.

- d. In respect of projects, not falling under clause (a), (b) and (c) above, the user agency shall be eligible for exchanging the forest lands restored under the Green Credit Programme for compensatory afforestation, provided the restored forest land to be exchanged shall be four times the area proposed for diversion.
  - e. Meeting the requirement of plantation of trees, as required under Rule 13(5) of the Van (Sanrakshan Evam Samvardhan) Rules, 2023 to fulfil the obligations in compliance of the approval of the project being undertaken by the applicant person or entity.
  - f. Site-specific obligations for raising plantation of trees cannot be met with by the Green Credit Applicant through Green Credit.
- ii. The forest land restored under the Green Credit Programme in a State/ UT can be exchanged for compensatory afforestation in lieu of diversion of forest land in any other State/ UT, subject to the consent of the concerned State Government or Union territory Administration.

Yours faithfully,  
(Charan Jeet Singh)  
Scientist 'E'

Copy to:

1. The Principal Chief Conservator of Forests & Head of Forest Force, all States Governments and Union territory Administrations
2. Dy Director General (Central), all Regional Offices of the MoEF&CC
3. Addl. PCCF & Nodal Officer (FCA), O/o PCCF, all State/UTs
4. Sr. PPS to Secretary/PPS to DGF&SS/PPS to Addl. DGF(FC)
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