



Analysis Budget of 2022: Oil Palm Gets Priority over Clean Air, Biodiversity and Climate Change

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The Union Budget of 2022 has been hailed as one that has prioritized climate change and sustainability as key elements in India's growth agenda. The allocation of substantial funds for renewable energy⁰¹ and for co-firing thermal power plants with biomass pellets is seen as important steps towards a carbon neutral economy.

However, a closer look at the budget reveals that there has been a substantial reduction in funds for critical programmes related to environment while a significant increase in allocation for activities that would run counter to India's effort to deal with climate change and protect the environment.

Decrease in Allocation for Institutions

It is a known fact that institutions dealing with environment remain underfunded. Rather than rectifying the problem, the Budget 2022 has exacerbated this situation by further reducing the allocation by 10% or more. Some of the institutions under the Ministry of Environment, Forest and Climate Change that has seen significant reduction of 10% or more are:

- Central Zoo Authority funds reduced from 11 Crores to 10 Crores.
- G.B Pant Himalayan Institute of Environment and Development has seen a cut from Rs 24 Crores to 22 Crores.
- Wildlife Institute of India has seen a cut from its meagre budget of 25.50 crores to 23 Crores.
- Salim Ali Centre for Ornithology and Natural History (SACON) has seen a cut from 10.50 to 9 Crores.
- National Biodiversity Authority (NBA) funds reduced from 19.50 crores to 17.50 Crores.
- Indian Council of Forestry Research and Education's allocation has been reduced from 230 Crores to 210 crores.

01. Allocation of 19,500 Crores for High Efficiency Modules

The implications of such reductions are severe on institutions which are already underfunded. This will not only impact the institutional capacity but also seriously compromise their independence. It has been seen that to fund their activities, institutions like Wildlife Institute of India frequently seek funding support for specific research and monitoring projects from user agencies like National Highways Authority of India and National Hydro Power Corporation. This seriously compromises their institutional integrity. The reduction of budgetary allocation in the present Budget will only encourage these institutions to seek funds from user agencies.

Another cause of concern is that despite the increase in levels of pollution and the need to take urgent action to remedy the situation, the budgetary allocation for the Central Pollution Control Board has remained constant at Rs 100 crores. If one considers inflation, there has been an actual decline in the allocation. Similarly, the funding for National Tiger Conservation Authority (NTCA) has remained flat at a meagre Rs 10 Crore while the Wildlife Crime Control Bureau has an allocation of only 12.5 crores.

It is important to do a comparative analysis to understand where environmental institutions figure.

The Coffee Board's allocation has been increased from Rs 188 crores to Rs 226 Crores: an increase in Rs 38 crores. Rubber Board has an allocation of Rs 268 Crores while the Indian Institute of Packaging under Ministry of Commerce has been allocated Rs.15 crores, a 3 times increase from the Rs 5 Crores it was allocated last year.

It is indeed sad that a mega diverse country like India allocates only Rs 17.50 Crores to the Authority responsible for Biodiversity Conservation (the NBA) while allotting more than 200 crores for Coffee and Rubber. It is pertinent to point out that over the last four years, India has set up 2,75,000 Biodiversity Management Committees and preparation of People's Biodiversity Registers is ongoing. There is an urgent need to increase the allocation for NBA as well as biodiversity conservation. Unfortunately, the **allocation for Biodiversity Conservation has been slashed from Rs 12 Crores to 8.5 Crores.**

02. The FSI uses 23.5 m medium resolution LISS-III sensor data whose geometric dimension on the ground less than 23.5 m.

The allocation for the Forest Survey of India (FSI) is only 33.5 Crores. This is a meagre allocation for an institution that is tasked with the survey of nearly one fourth of India's land mass or more if trees outside forest are considered. The lack of funds for FSI has been one the main reason for poor and unreliable data presented in their annual survey reports wherein the institution has failed to distinguish between forests and agricultural crops due to outdated survey techniques.

Budget allocated for Forest Survey of India (FSI) has seen a slight increase from Rs 30 Crores to Rs 33.50 Crores although less than the Rs.35 Crores allocated the previous year. The India State of Forest Report (ISFR) produced by FSI gives a forest cover assessment which is used country-wide for formulation of policies, planning, and management of forests. This is also the official data which represents India at international platforms, like Food and Agriculture Organisation (FAO) and various conventions like the United Nations Framework Convention on Climate Change (UNFCCC) and the Convention on Biological Diversity (CBD). In its assessments, FSI has expressed its technical limitation which makes species composition hard to discern⁰². FSI has been using the outdated satellite data resolution since 1999. An increase in the budget for the organization can allow it to use higher resolution satellite images, which can improve the accuracy of their assessment reports.

Meagre Allocation for Specific Action Plan and Projects

The Budget of 2022 acknowledges that 'the risks of climate change are the strongest negative externalities that affect India and other countries. Yet, it allocates **only 30 Crores for Climate Change Action Plan**. Allocation on infrastructure for Disaster Management has been reduced from Rs.128 crores to Rs.86 crores.

The funding for **National Adaptation Fund is Rs 60 Crores**. The allocation for other action plans and conservation schemes is also meagre:

- Project Elephant has seen a marginal increase from Rs.32 Crores to Rs.35 crores.
- Project Tiger from Rs.220 to Rs.300 crores. That is less than Rs 6 crores per tiger reserve. The average size of such reserves is approximately 500 sq km.
- Control of Pollution including National Clean Air Plan has received Rs.460 crores.
- The allocation for Hazardous Substance Management has been reduced from 6 Crores to 4.5 Crores.

The Project Tiger had seen a total Rs 100 Crore reduction in allocation from Rs 350 Crores in 2020 to Rs 250 Crores in 2021. This year there has been an increase in Rs 50 crores. This is still less than the amount allotted in 2020.

While Rs 460 Crores for National Clean Air Plan may seem significant, this amount insufficient to even cover the cost of monitoring air quality in 132 cities where NCAP is implemented. This does not include the 4000 cities and numerous villages that remain polluted but are outside the purview of NCAP.

It needs to be highlighted while the total allocation of Rs 3030 Crores for the MoEF&CC and its various institutions, plans and programs may seem significant, one needs to be reminded that the budget for Delhi Police was increased by 1,700 Crores to 10,355 Crores. Thus, Delhi Police having a jurisdiction over 1400 Sq Km has three times the funds than the Environment Ministry and its various institutions that are responsible for protecting the country's ecological wealth.

Palm Oil and Bulk Drugs Parks Triumphs Biodiversity

The budget this year has allocated a significant sum of Rs 900 crores for making Oil Palm Plantation attractive specially in the North Eastern States. Oil Palm cultivation is regarded as socially and ecologically destructive. The amount of Rs 900 Crores is more than the amount that the Environment Ministry allocates to some of the most pressing environmental challenges including wildlife conservation, air pollution and climate change. Given the fact that Forest Survey of India recognizes palm oil plantations as forest, it is a cause of worry that all new palm oil plantations will end up being shown as forest cover. (table 1)

While National Parks and Tiger Reserves have to do with meagre funds, the budget has increased the allocation for 'Promotion of Bulk Drugs Park' from Rs 36.24 Crores in 2021 – 22 to a whopping Rs 900 Crores this year.



Budget allocation for Institutions

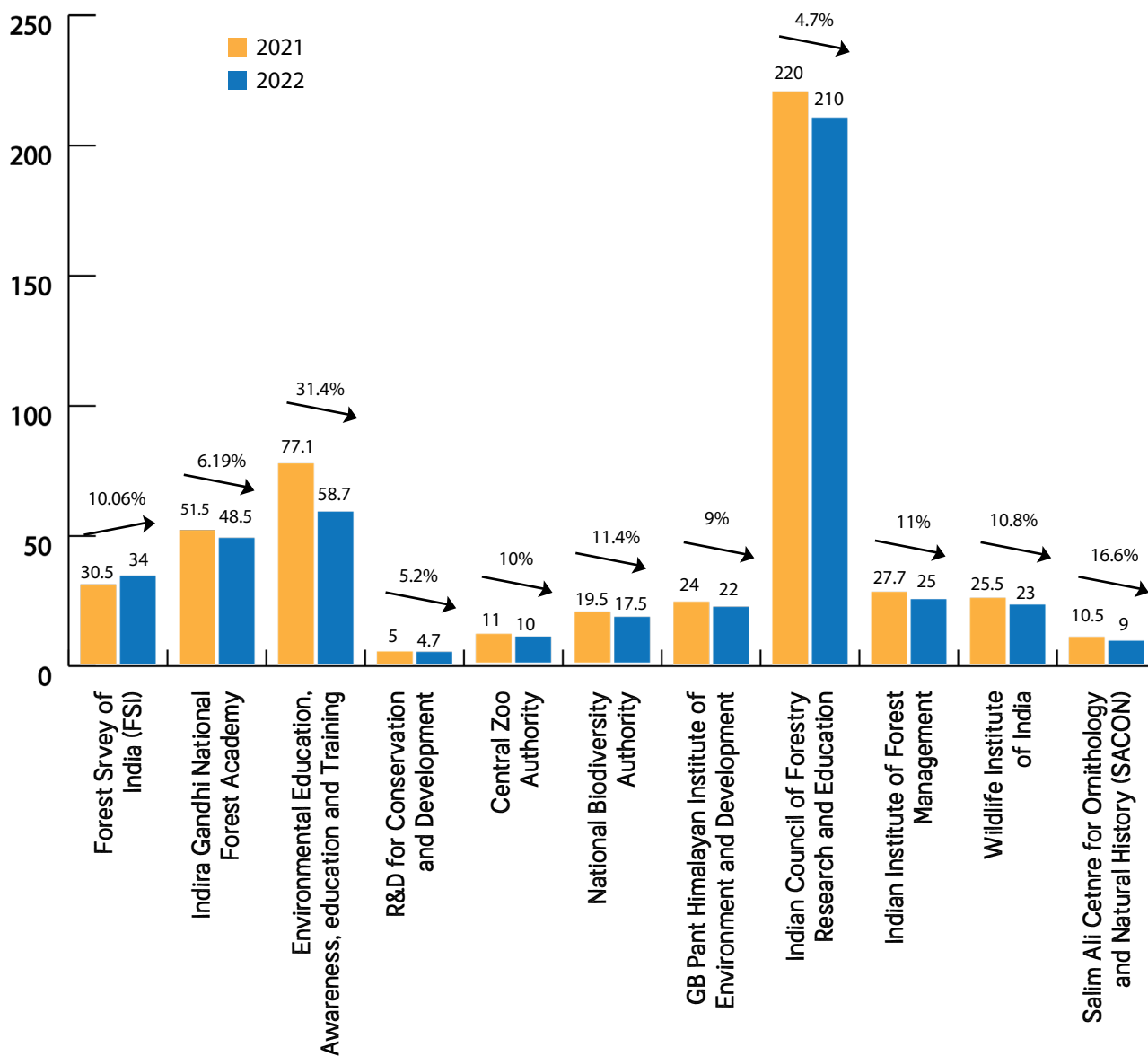


Table 1: A comparative between budget allocated to project related to conservation and Oil Palm

Projects for Conservation	In 2022 (crores)	Oil Palm
Climate Change Action Plan	30	900 Crores
National Adaptation Fund	60	
National Mission on Himalayan Studies	48	
Environmental Education, Awareness and Training	58.7	
R and D for Conservation and Development	4.75	
Commission for Air Quality Management	17	
Wildlife Crime Control Bureau	12.50	
National Tiger Conservation Authority	10	
Forest Fire Prevention and Managemen	44.9	
Project Tiger	300	
Project Elephant	35	
Development of Wildlife Habitats	132.50	
Development of Wildlife Habitats (EAP Component)	42.50	
Total- Conservation of Natural Resources and Ecosystems	58.5	
Total	854.35	



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