



Estimating Funding Support for Biodiversity Conservation in India

Contents

2006 Reporting.....	2
2009 Reporting.....	2
2012 Submission	5
Trends in MoEF funding	5
Status of MoEF core funding for biodiversity during 2010-11.....	7
Status of MoEF non-core funding for biodiversity during 2010-11	7
Biodiversity related programmes of allied Ministries (peripheral funding)	8
Outlays at the State level	9
Total estimated funding for biodiversity during 2010-11	10
2012 second submission	10

2006 Reporting

India's third national report¹ provided a macro picture of budget allocations on biodiversity conservation:

Year	At the national level MOEF			At the all states level	
	EF/ GDP (%)	FW/ GDP (%)	EE/ GDP (%)	EFE/ RE (%)	EEF/ CE (%)
1986-87	5.1	2.9	2.1	2.99	2.27
1987-88	5.7	3.0	2.6	3.03	2.90
1988-89	5.5\$	2.9\$	2.5\$	2.81	1.95
1989-90	5.3\$	2.8\$	2.4\$	2.66	1.65
1990-91	5.2	2.7	2.4	2.60	1.56
1991-92	5.5	3.4	2.1	2.16	1.70
1992-93	5.2	3.0	2.1	1.93	2.06
1993-94	5.4	2.7	2.7	2.30	1.77
1994-95	4.5	2.3	2.1	2.17	1.81
1995-96	3.7	2.1	1.6	2.20	2.49
1996-97	4.3	1.7	2.5	2.08	2.84
1997-98	3.8	1.6	2.1	2.01	1.93
1998-99	3.5	1.7	1.8	2.20	2.10

Note: EF/GDP - Ratio of Total Ministry of Environment and Forestry Annual Budgetary Allocation/ GDP; FW/GDP - Ratio of Forestry + Wildlife Budgetary Allocation/ GDP; EE/GDP - Ratio of Ecology + Environment Budgetary Allocation/GDP; EFE/RE - Ratio of Revenue Expenditure on Environment + Forest + Ecology/Total Revenue Expenditure; EEF/CE - Ratio of Capital Expenditure on Environment + Ecology + Forestry/Total Capital Expenditure

2009 Reporting

India² reported that the NAP has shown good results in extending forest and tree cover with people's participation with the twin objectives of decentralizing forest management and extending the forest and tree cover. The Twelfth Finance Commission recognized that the entire nation has the responsibility to maintain forests as a national wealth, and recommended a grant of Rs.10,000 million spread over the period of 2005-2010, over and above regular allocations for maintenance of forests.

Allocation of financial resources (3.3.3)

Realizing that adequate financial resources are essential to achieve the targets of sectoral and cross sectoral integration of biodiversity, India has made specific provisions for its Plan activities. MoEF, being the major player covering the sector, provision of Rs 100 billion (approximately US\$ 2 billion) has been

¹ India (2006). India's Third National Report to Convention on Biological Diversity, Ministry of Environment and Forests, 262 pp.

² India (2009). India's fourth National Report, Ministry of Environment and Forests, New Delhi, 2009, 144 pp.

made in the XI Plan (2007-08 to 2012-13), as against Rs 595 billion (approximately US\$ 1.2 billion) made under 10th plan (2002-03 to 2006-07) allocations. Sector wise provisioning of available funds under 10th Plan is shown (Figure 1).

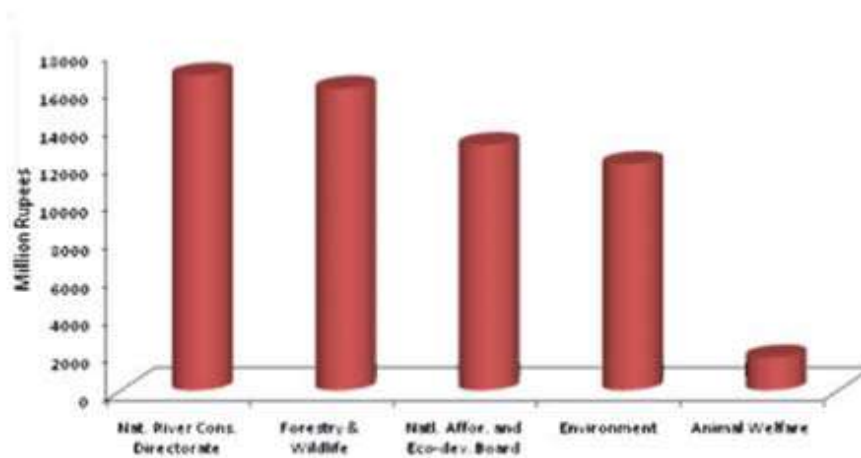


Figure 1: 10th Plan Outlay for different sectors of the MoEF

In order to promote excellence and outstanding contributions in environmental conservation, the MoEF provides for incentives in the form of various awards (Box 1).

Box 1: Incentives: fellowships and awards

- Indira Gandhi Priyadarshini Puraskar: to organizations/individuals in recognition of significant contribution in the protection of environment.
- Pitamber Pant National Environment Fellowship: to encourage excellence in any branch of environmental sciences.
- Amrita Devi Bishnoi Wildlife Protection Award: to individuals/institutions pertaining to rural communities for significant contribution in wildlife protection.
- Rajiv Gandhi Wildlife Conservation Award: for significant contribution in protection and conservation of wildlife.
- The Janaki Ammal National Award on Plant/Animal Taxonomy: for outstanding contribution in the field of plant/animal taxonomy.
- Indira Priyadarshini Vriksha Mitra Award: for outstanding contributions in afforestation and wasteland development in eight categories.

Considering another important sector agriculture, the eleventh plan strategy of inclusive growth rests upon substantial increase in public sector outlay. The XI plan allocation is projected at Rs 5,48,010 million (approximately US\$ 1.1 billion) as against Rs 2.05 billion (approx. US\$ 4.1 billion) for Xth plan.

The MoEF provides financial assistance to State/UT Governments for the implementation of the various central programmes relating to biodiversity conservation including several cross-cutting priority programmes. An overview of one such sector is given in Box 2.

Box 2: NRCP, NLCP and NWCP- An overview

- NRCP: A sewage treatment capacity of 869 million litres per day (mld.) and 753 mld has been undertaken under Ganga Action Plan and Yamuna Action Plan, respectively. Likewise, under various river action plans, pollution abatement works have been undertaken in 14 states covering 30 rivers and 68 towns.
- NLCP: Over 33 projects for conservation of 49 lakes have been approved in 13 states and conservation works for 11 lakes have been completed.
- NWCP: Number of wetlands under the programme increased from 27 in 2004 to 115 in January 2009. A number of regional workshops are held to sensitize people about values and functions of wetlands.

Recognizing that the entire nation has the responsibility to maintain forests as a national wealth, the recommendations of the 12th Finance Commission providing a grant of Rs 10 billion (approx. US\$ 0.2 billion) spread over a period of 2005 – 2010, are being implemented. This is in addition to the regular Plan allocations.

The functional needs for wildlife and PA management have been identified at the Central as well as State levels. These have been articulated in the planning process also. For the XI Five Year Plan the total projected requirement for the Wildlife Sector at the Central level is Rs. 3660.30 crores (840 million US \$). However, the actual allocation provided is only half of this.

For most PAs in India, almost all funds come from the Central and State Governments only, as other sources of funds are non-existent or minimal. A few NGOs provide small funding support to some Pas but in the national context, this support is negligible. Consequent to the 2006 amendment to the WPA, 1972, a few TRs in the country has established conservation foundations for augmenting the resources of the PA.

There is need to develop a comprehensive sustainable financing strategy for PAs so as to plug in gaps in PA funding.

2012 Submission

India provided domestic funding information in a submission to the Convention Secretariat³. Biodiversity conservation is ingrained in Indian ethos. Strategies and plans for conservation and sustainable use of biological resources based on local knowledge systems and practices and are enshrined in the Constitution of India [Article 48A and Article 51 A(g)] in the form of environment protection. Government of India (GoI) has undertaken strong legal, policy and participatory measures including Biological Diversity Act (BDA), 2002, National Wildlife Action Plan (NWAP) (2002-2016), National Environment Policy (NEP) 2006, National Biodiversity Action Plan (NBAP), 2008 and National Action Plan on Climate Change (NAPCC), 2008. Being a signatory of the Convention on Biodiversity (CBD), India is also committed to contributing towards achieving three objectives of the Convention.

The key feature of any comprehensive environmental strategy is that the objectives require action in several areas, which typically lie in the purview of different ministries of the Central Government. The Ministry of Environment and Forests (MoEF) in India has the important role of monitoring the development process and its environmental impact in a perspective of sustainable development and to devise suitable regulatory structures to achieve the desired results. While this role is crucial, environmental objectives can only be achieved if environmental concerns are internalized in policymaking in a large number of sectors. This would require sharing of responsibility at all levels of government and across sectors with respect to monitoring of pollution, enforcement of regulations, and development of programmes for mitigation and abatement (XIth Plan, Planning Commission India, 2002).

This report provides a financial overview of schemes of MoEF from 1992 onwards. It also presents an assessment of funding for core (direct and immediate biodiversity impact), net non-core (pollution, hazardous substances management etc. which facilitate biodiversity conservation of river streams, wetlands), and net peripheral funding flows (from biodiversity relevant schemes of Ministries other than MoEF) from Government of India, alongwith core funding by the State Governments, for the year 2010-11. The concept of net non-core and net peripheral flows has been worked out on the basis of a multiplicative probability factor. Care has also been taken to remove Centrally Sponsored Schemes (CSS) of MoEF from the core budget of State Governments, in order to avoid double counting.

Trends in MoEF funding

There has been a steady increase in the budgetary allocation of MoEF since 1992 under all major headings. From an average annual outlay of Rs. 2,800 million in 1992-93 (US\$96.55 million at April 1992 exchange rate), the outlay in the 2010-2011 budget was Rs. 22,000 million (US\$492 million at April 2010 exchange rate)(Figure 1). The Xth Plan (2002-2007) budgetary support for MoEF was Rs. 56,000 million with a projection of Rs. 100,000 million for the XIth Plan (2007-2012). This is approximately an increase of 78.57%. Estimating a conservative increase of 50% in outlays between five year Plans for MoEF, the Ministry's budget for the next 5 years under the XIIth plan is projected to be Rs. 150,000 million approximately. This does not include fund flows from Compensatory Afforestation Fund Management

³ India (2012). Report on Assessment of Funding support for Biodiversity Conservation in India, 9 pp.

and Planning Authority (CAMPA) which amounts to an average of Rs. 9,900 million based on 2010-2011 figures.

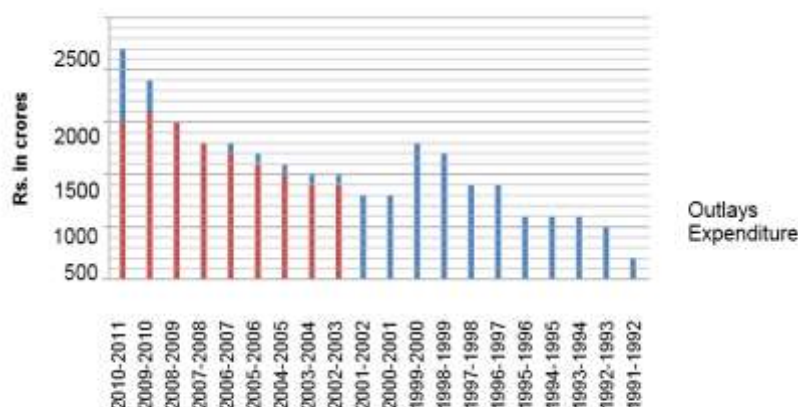


Figure 1. Annual Budget Outlays of MoEF from 1991 to 2011

The variations in annual budget outlays of the MoEF calculated as the percentage change in budget outlays in that year and the previous year is depicted in Fig. 2.

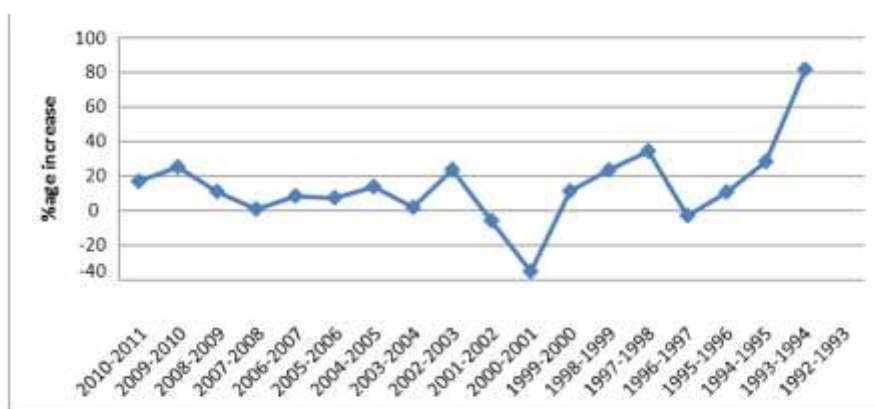


Figure 2. Variations in annual budget outlays of Ministry of Environment and Forests

There has been a consistent increase in outlay on schemes targeting five broad areas: environment, river conservation, forestry & wildlife, afforestation and eco-development and animal welfare over the past three five year plans.

The 'Environment' segment includes all major pollution abatement initiatives, EIA and specific projects such as Taj protection etc. Ganga Action Plan I which was followed by schemes aimed at cleaning major rivers such as Yamuna and Gomti under the 'National River Conservation Directorate' (NRCD). These schemes also attracted considerable foreign aid such as 13.33 billion Yen (2003-2011) from Japan Bank of International Cooperation.

The 'Forestry and wildlife' segment includes expenditure for major conservation schemes such as Project Tiger (National Tiger Conservation Authority), Project Elephant and creation and maintenance of Biosphere Reserves and National Parks. The 'National Afforestation and Eco-development' segment focussed on increasing the forest cover in the nation along with seeking opportunities for rural livelihoods in forestry sector. Animal welfare was also included as a separate focus area since 2002-2003.

Aside from these primary schemes, Compensatory Afforestation Fund Management and Planning Authority (CAMPA) released Rs.9,828.092 million in 2009-2010 and Rs.9,987.119 million in 2010-2011 for forestry related plans to the States. CAMPA is a 'Fund' that is not a part of the Consolidated Fund of India, and its corpus base comprises of contributions made by private and public agencies to compensate for diversion of forest lands for development and infrastructure projects.

Status of MoEF core funding for biodiversity during 2010-11

Out of the MoEF's aggregate budget of Rs. 22000 million (Rs. 2200 crores) for the year 2010-11, the amount of core funding for biodiversity, i.e., funding for schemes which are directly relevant to biodiversity conservation, was Rs. 10780 million (Rs. 1078 crores). The break-up of core funding on biodiversity by the MoEF for the year 2010-11 is given in Table 1.

Table 1. Core funding for biodiversity for 2010-11

Schemes	Outlay
Forestry and Wildlife	793.24
Survey (Botanical Survey of India + Zoological Survey of India)	46.69
Conservation Programme	29.2
Research and Ecological Regeneration	48.6
Taxonomy Capacity Building Project	2.75
Biodiversity Conservation: Programme Component	6.79
National Coastal Management Programme	151
Total	1078.27

Source: Notes on Demands for Grants (Ministry of Environment and Forests), 2011-12

Status of MoEF non-core funding for biodiversity during 2010-11

Out of the MoEF's total budget of Rs. 22000 million (Rs. 2200 crores) for 2010-11, after excluding the funds for schemes directly relevant to biodiversity, the remaining amount i.e., Rs. 11217 million (Rs. 1121.7 crores) was for schemes such as pollution control, hazardous substance management, impact assessment etc. As these programmes contribute to biodiversity conservation only indirectly, a multiplier approach has been applied, wherein 30% of the allocation under these schemes i.e., Rs. 3365.1 million (Rs. 336.51 crores) have been considered to be attributable to biodiversity at this stage. It is expected that in our attempt to further mainstream biodiversity, the leveragable non-core funding for biodiversity from these schemes would gradually increase.

Biodiversity related programmes of allied Ministries (peripheral funding)

Several Ministries/Departments of the Central Government, other than MoEF fund and implement biodiversity related programmes. These Ministries and Departments include: Ministry of Rural Development(in particular its Mahatma Gandhi National Rural Employment Guarantee Act scheme (MGNREGA)), Ministry of Urban Development, Ministry of Earth Sciences, and Department of Agriculture, Department of Animal Husbandry, Department of Agricultural Research, Department of Ayurveda Yoga, Unani, Siddha and Homeopathy (AYUSH).

As in the case of non-core funding for biodiversity under MoEF's schemes, a multiplier approach has been applied to assess the biodiversity component of leveragable peripheral funding of these schemes implemented by other Ministries, since the entire amount allocated to them cannot be attributed to biodiversity. Accordingly, depending on the potential ability of a scheme to contribute to biodiversity, an amount of 5-10% of the allocations have been considered to be attributable to biodiversity at this stage.

Using this calculation, an amount of Rs. 10687.1 million (Rs. 1068.71 crores) can be considered as net leveragable peripheral funding on biodiversity during 2010-11 under relevant schemes of Ministries/Departments of Government of India other than MoEF.

It is expected that as in the case of non-core funding, in our attempt to further mainstream biodiversity, the leveragable peripheral funding for biodiversity under these schemes would gradually increase. Table 2 depicts the peripheral funding on biodiversity from relevant programmes of other Ministries/Departments of the Government of India for the year 2010-11.

Table 2: Peripheral Funding by Government of India on Biodiversity Conservation (during 2010-11) (Rs. in crores)

Ministry	Programme and Multiplicative factor (in parentheses)	Total Allocation of Fund	Probable Biodiversity component
Ministry of Rural Development- MGNREGA scheme	Flood Control and Protection (0.05)	5990.19	299.50
	Water Conservation and Water Harvesting (0.05)	4590.95	229.54
	Drought Proofing (0.05)	1290.08	64.50
	Land Development (0.05)	1585.92	79.29
	Total	13457	672.83
Ministry of Rural Development – Other schemes	Integrated Waste lands Development Programme (0.10)	328.70	32.87
	Drought Prone Areas Programme (0.10)	296.34	29.63
	Desert Development Programme (0.10)	224.33	22.43
	Integrated Watershed Management Programme (0.10)	390.50	39.05
	Total	1239.87	123.98
Ministry of Urban Development	Solid Waste Management (0.05)	151.55	7.57
	Preservation of waterbody (0.05)	15.16	0.75
	Prevention of soil erosion/Soil Conservation (0.05)	1.51	0.075

	Total	168.22	8.39
Ministry of Earth Sciences	Integrated Coastal & Marine Area Management (0.10)	4.00	0.4
	Rain-fed area development Programmes (0.10)	10.00	1.0
	Natural Resource Management (0.10)	80.00	8.0
Department of Agriculture	Plant Protection (0.10)	34.50	3.45
	Soil/Water Conservation (0.10)	136.00	13.6
	National Programme for Organic Production (0.10)	195.00	19.5
	Total	455.50	45.55
Department of Animal Husbandry	Development of inland fisheries and Aquaculture (0.10)	43.50	4.3
Department of Agricultural Research	Crop Sciences (0.10)	328.82	33.88
	Horticulture (0.10)	121	12.1
	Animal Sciences (0.10)	108	10.8
	Natural Resources Management (0.10)	123	12.3
	Fisheries (0.10)	550	55
	Agril. Engg.(0.05)	520	26
	Eco. Statistics & Management (0.05)	3	0.15
	Agril. Education (0.05)	465.5	23.27
	NAIP(0.05)	293.97	14.69
	Agricultural Extension (0.05)	400	20
	Total	2913.29	212.49
Department of Ayurveda Yoga, naturopathy, Unani, Siddha and Homeopathy (AYUSH)	National Mission on Medicinal Plants (0.10)	7.70	0.77
Grand Total			1068.71

Outlays at the State level

Apart from MoEF, each State and Union Territory (UT) in India also allocates part of its budget for expenditure on environment. On an average, this budget allocation varies from 1 to 13.5% of the aggregate budget of the State, as per the Budget Document of States 2011-12.

The outlay for ecology and environment for States and UTs for the VIIIth Plan (1992-1997) was Rs. 2,495.856 million. The outlay for forestry of different States for the same plan period was Rs. 731.852 million. Thus, the total funding for biodiversity related activities by States for this plan period was Rs. 3,227.708 million. For the IXth Plan period (1997-2002), the outlay for States' Environment and Forest sector was Rs.73,505 million. The Xth Plan (2002-2007) outlay of States for Environment & Forests sector was Rs. 94,975.437 million. Under the Xth Plan, the agreed outlay for States and UTs was Rs. 88,930 million for Forestry & Wildlife. The Five-year Plan budget for States has increased by 102.19% in the XIth Plan over the Xth and 29.21% in Xth Plan over the IXth Plan.

The outlay of the State Governments during 2010-11 was Rs. 87640.5 million (Rs. 8764.05 crores). In order to avoid double counting, the component of Centrally Sponsored Schemes (CSS) worth Rs. 10078

million (Rs. 1007.8 crores) funded and administered by MoEF for the year 2010-11 was excluded, to get the core funding at State level, that works out to Rs. 85936.4 million (Rs. 8593.64 crores).

Aggregating the States and MoEF budgets, the total core outlay is thus estimated to be Rs.96719.7 million or 9671.97 crores (Rs. 1078.27 crores from MoEF and Rs. 8593.64 crores of State funds after deducting CSS) for the year 2010-11.

The multiplicative probability factor for State Governments peripheral funding has not been assessed, as information about the components of the peripheral schemes administered by State Governments could not be gathered.

Total estimated funding for biodiversity during 2010-11

For the year 2010-2011, the core funding for biodiversity (on MoEF's biodiversity related programmes) is Rs. 10782.7 million (Rs. 1078.27 crores); the net leveragable non-core funding (on MoEF's other schemes) is Rs. 3365.1 million (Rs. 336.51 crores). The core funding by State Governments (after deducting centrally sponsored schemes to avoid double counting) is Rs. 85936.4 million (Rs. 8593.64 crores) taking the combined core and non-core funding by MoEF and States to Rs.100084.2million (Rs. 10008.42crores). The peripheral funding on biodiversity (on schemes of other Ministries/Departments relevant to biodiversity by working out percentage of leveragable peripheral fund flows that may be attributed to biodiversity) is Rs. 10687.1 million (Rs. 1068.71 crores); thereby taking the core + non-core + net peripheral funding on biodiversity during 2010-11 to Rs. 110771.3 million (Rs. 11077.13 crores).

Table 3 depicts the broad break-up of core, non-core and peripheral funding for biodiversity for the year 2010-11.

Table 3: Funding for biodiversity for the year 2010-11(Rs. In crores)

Governments	Core and Noncore Funding	Net Peripheral Funding	Total
Central Government	2200	1069	3269
State Governments	8594	Cannot be estimated	8594
Total	10794	1069	11862

Source: Notes on Demands for Grants (Ministry of Environment and Forests), Annual Reports and Budget Document of States, 2011-12.

2012 second submission

India⁴ responded to the preliminary reporting framework by stating:

⁴ India (2012). Submission on the Preliminary Reporting Framework, 24th September 2012

Information on availability of financial resources in each country (2010 – 2011)

Year: 2010 - 2011	Currency: Indian Rupees (all figures in crores) – ('00,00000)					
Type of financial flows	Activity categories					
	Directly related		Indirectly related		Total	
2.1 Government budgets	Amount	Confidence	Amount	Confidence	Amount	Confidence
2.1.1 Central	891.76	Medium	25.99	Medium	917.75	Medium
2.1.2 State/ Provincial	X	X	X	X	X	X
2.1.3 Local/ Municipal	X	X	X	X	X	X
2.2 Private/Market	992	Low	X	X	992	Low
2.3 Other (NGOs, foundation and academia)	X	X	X	X	X	X
Comments: These figures represent core funding on Forests and Wildlife, Afforestation and Eco-development and Special Conservation Programmes. Figures exclude Externally Aided Projects in these areas.						