

ANNEXURE - 2

NEW NATIONAL FOREST POLICY ,1988.

Forest -based industries :

The main considerations governing the establishment of forest - based industries and supply of raw materials to them should be as follows :-

- As far as possible, a forest- based industry should raise the raw material needed for meeting its own requirements, preferably by establishment of direct relationship between the factory and the individuals who can grow the raw material by supporting the individuals with inputs including credit, constant technical advice and finally harvesting and transports services.
- No forest-based enterprise, that at the village or cottage level, should be permitted in the future unless it has been first cleared after a careful scrutiny with regard to assured availability of raw material. In any case, the fuel, fodder and timber requirements of local population should not be sacrificed for this purpose.
- Forest-based industries must not only provide employment to local people on priority but also involve them fully in raising trees and raw-material.
- Natural Forests serve as a gene pool resource and help to maintain ecological balance. Such forests will not, therefore, be made available to industries for undertaking plantation and for any other activities.
- Farmers, particularly small and marginal farmers would be encouraged to grow, on marginal / degraded lands available with them, wood species required for industries. There may also be grown along with fuel and fodder species on corporations on degraded forests, not earmarked for natural regeneration.
- The practice of supply of forest produce to industry at concessional prices should cease. Industry should be encouraged to use alternative raw materials. Import of wood and wood products should be liberalised.

The above considerations will, however, be subject to the current policy relation to land ceiling and land-laws.