

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

Vayu Wing, 6th floor,
Indira Paryavaran Bhawan,
Jor Bagh Road, Ali Ganj,
New Delhi - 110003
Dated: 24th November, 2016

The Principal Chief Conservator of Forests,
Department of Forests,
All States/UTs Forest Department

Re: notification of Wood Based Industries (Establishment and Regulation) Guidelines, 2016- regarding.

I am directed to say that the Wood Based Industries (Establishment and Regulation) Guidelines, 2016 have been published in the Gazette of India. A copy of the notification is available on the site www.egazette.nic.in. A copy of the notification has also been uploaded on www.ifs.nic.in.

This is for your kind information and necessary action.

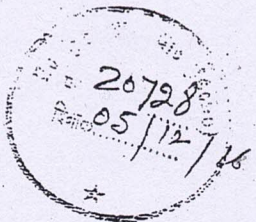
Yours faithfully,


(Anand Krishna)

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MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

(Survey and Utilization Division)

RESOLUTION

New Delhi, the 11th November, 2016

S.O. 3456(E).—In compliance of directions contained in the Order dated October 5th, 2015 of the Hon'ble Supreme Court of India in Writ Petition (Civil) No. 202 of 1995 in the matter of T.N. Godavarman Thirumulpad versus Union of India and others, the Ministry of Environment, Forest and Climate Change, Government of India is pleased to make the following guidelines, namely—

1. Short Title and commencement.

- (i) These guidelines shall be called the Wood-Based Industries (Establishment and Regulation) Guidelines, 2016
- (ii) These shall extend to whole of India.

These shall come into force from the date of their publication in the official gazette.
States/UTs shall conform their rules according to these guidelines.

2. Definition.

(i) In these guidelines, unless the context otherwise requires—

(a) 'Furniture unit' mean plants and machinery and the premises including the precincts thereof in which or in any part thereof wood based finished products are manufactured using sawn timber, cane, bamboo, reed, plywood or any other wood based product, except a round log, outsourced from licensed wood based industrial units or other legitimate sources and operating without a band saw or re-saw or circular saw of more than thirty centimeter diameter.

(b) 'Industrial Estate' means areas notified by the State Government or Union territory Administration for establishment of wood based industrial units.

(c) 'License' means a license granted under these guidelines.

(d) 'Principal Chief Conservator of Forests' means the Principal Chief Conservator of Forests (Head of Forest Force) in the State and it will also include an officer designated as Head of Department in State/UT where no post in the rank of Principal Chief Conservator of Forests exists.

(e) 'Round log' means a piece of wood in its natural form, having mid girth of thirty centimeter or more under bark and it will include such round log even after its bark has been removed or its surface has been dressed, manually or by using a band saw or any other machine or equipment to make its cross section square or near to square for the purpose of ease in its transportation and or storage.

(f) 'Saw Mill' means plants and machinery in a fixed structure or enclosure, for conversion of round logs into sawn sizes.

(g) 'Sawn Timber' means beams, scantlings, planks, battens and such other product obtained from sawing of a round log.

(h) 'State Level Committee' means a Committee Constituted by the State Government under para 3 (2) of these guidelines.

(i) 'Net Inter-State Import of a timber for Wood Based Industries' means three years moving average of the net quantity of such timber actually imported in the State during the latest three calendar years.

(j) 'Veneer Mill or Plywood Mill' means plants and machinery and the premises in which or in any part thereof, conversion into required size, slicing, peeling, fashioning or seasoning of timber/wood, including preservation and treatment thereof either by mechanical or chemical process with the aid of electrical or mechanical power or manually is carried out.

(k) 'Wood Based Industry' means any industry which processes wood as its raw material (Saw mills/veneer/plywood/pulp or any other form such as sandal, katha wood etc.). It includes a mill but does not include a furniture unit.

(l) 'Year' means a financial year from 1st day of April to 31st day of March of the following year.

(ii) Words and expressions used but not defined under these guidelines and defined in the Indian Forest Act, 1927 or the relevant local Forest Act as applicable in a State, and the rules framed thereunder shall have the meaning assigned to them in such Act or Rules.

case of any dispute regarding interpretation of any word or expression, the decision of the Ministry of Environment, Forest and Climate Change shall be final.

Constitution of the State Level Committee:

Each State shall constitute a State Level Committee to perform the functions stipulated in these guidelines.

The State Level Committee shall consist of the following:

Principal Chief Conservator of Forests/Head of Forest Department	Chairperson
A representative of the Regional Office of the Ministry of Environment, Forest and Climate Change	Member
A representative of the State Forest Department not below the rank of a Conservator of Forests dealing with preparation of Working Plans/Working Schemes	Member
Director/Additional Director of Department of Industries	Member
Representative of the each Autonomous District Council constituted in accordance with the provisions of the Sixth Schedule to the Constitution, in case any such Council exists in the State	Member
Representative of the Forest Development Corporation, in case any such Corporation exists in the State.	Member
An officer not below the rank of Conservator of Forests working in the Forest Head Quarters	Member
	Secretary

(b) The State Level Committee may nominate any other officer working in territorial wing of the Forest Department not below the rank of CF.

(c) Such State where the composition of State Level Committee already constituted is different from as stipulated in these guidelines, shall, within one year from the date of publication of these guidelines, re-constitute the State Level Committee. The reconstitution of the State Level Committee will be without any prejudice to the recommendations made or the decisions taken by the existing State Level Committee till its re-constitution.

(d) The State Level Committee shall meet at least once in three months.

(e) The quorum of the State Level Committee meeting shall be at least fifty percent of permanent members.

(f) SLC will invite one representative of the industry nominated by the saw-mill association as a special invitee to each and every meeting of the State Level Committee.

4. Powers and functions of the State Level Committee.

The State Level Committee shall:-

- Assess the availability of timber for wood based industrial units in the State/UT every five years.
- Assess quantity of different raw material requirement for wood based industrial units which may be sustainably harvested from trees outside forest areas in the State/UT.
- Assess annual requirement of timber and other forest produce in the domestic markets in the State.
- Maintain a database of timber and other raw materials utilized by each wood based industrial unit permitted to establish and operate in the State/UT during each financial year.
- Approve appropriate locations for setting up of wood based industrial units.
- Approve the name of wood based industrial units which may be considered for grant of fresh license or enhancement of the existing licensed capacity in case the committee is satisfied that timber is available legally for the said new Wood Based Industries (such as Trees outside forest, Forests etc.).
- The State Level Committee will ensure that the amount lying with the respective State Forest Departments recovered from Wood Based Industries) will be utilized for the purpose of afforestation only.
- Examine and make appropriate recommendations on any other matter referred by the State Government or the Ministry of Environment, Forest and Climate Change.

5. Assessment of the availability of timber for Wood Based Industrial Units:

- The quantity of timber likely to be available for utilization of Wood Based Industries of different types in a State/UT shall be assessed as by commissioning study, preferably in collaboration with institutes/ universities of repute, once in five years. The study will take into account the following:-

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[PART II—SEC. 3(ii)]

The quantity of such raw material that may be sustainably harvested from the forest areas as per the working plans/working schemes/ management plans duly approved by the competent authorities.

(b) The quantity of such raw material that is available from the trees outside forest areas, including the private plantations, agro-forestry plantations and plantations raised on non-forest government lands etc.

(c) Net inter state import of such timber; and

(d) Net international import of such timber.

6. Estimated annual consumption of timber by wood based industries. (i) For the purpose of assessing the timber requirement of the Saw mills, they may be divided into (a) Saw mills upto 10 HP (b) Saw mills between 10 and 20 HP (c) Saw mills between 20 HP to 40 HP (d) Saw mills between 40 to 60 HP and (e) Saw mills above 60 HP.

The annual requirement of round log for Saw mills of different capacities may be fixed by the committee based on the technical data or as per the formula given below

(a) Saw mills of 10 HP and below: 540 cu.mt. (base value)

(b) Saw mills between 10 to 20 HP: 810 cu.mt. (1.5 time the base value)

(c) Saw mills between 20 to 40 HP 1080 cu.mt. (2 times of the base value)

(d) Saw mills between 40 to 60 HP 1620 cu.mt. (3 times of the base value)

(e) Saw mills above 60 HP 2160 cu.mt. (4 times the base value)

(ii) The Timber requirement for various units as assessed by Indian Plywood Industries Research and Training Institute (IPRIT), Bangalore is given in Annexure I.

7. Restriction on location of wood based Industries.

(i) In the North Eastern States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim the wood based industries shall be permitted to be established within the industrial estates,

(ii) In the States other than the afore-mentioned North Eastern States, wood based industries shall ordinarily be not allowed to be established within ten kilometers aerial distance from the boundary of nearest notified forests and protected areas. The State Level Committee for the reasons to be recorded in writing and after obtaining prior approval of the Central Government in the Ministry of Environment, Forest and Climate Change may permit to establish/operate a wood based industry at an aerial distance less than 10 kilometers from the boundary of a notified forest or a protected area.

8. Grant, renewal and revocation of a license to a wood based industry:

(i) No license to a wood based industrial unit shall be granted or renewed without obtaining prior approval of the State Level Committee.

(ii) No wood based industrial unit shall be established/ operate in a State except under and in accordance with the license granted by an officer authorized by the State Government in this regard (Preferably DCF/DFO or equivalent).

(iii) The State Level Committee may maintain a separate list of wood based industries working solely on the timber imported from international market. The license to such industries shall specifically contain a condition to the effect that such units shall not be allowed to use timber produced in country. If in future, the said units want to use timber produced in the country on account of abundant availability they will seek specific permission from SLC to do so.

The SLC will ensure that the interests of the units using domestic produce are protected. Fresh licenses can be granted by the Committee for units which operate solely on imported raw material irrespective of the result of wood availability assessment in the State/UT.

(iv) The license granted to a wood based industry shall remain valid for five years, from the date of such issue or renewal of license. However, notwithstanding anything contained in these guidelines, the Licensing Authority may, where there are reasons to believe that the licensee is operating the wood based industry in contravention of the provisions of these guidelines or conditions of license or any Rules framed by the State Government or is in activities prejudicial to the interest of forest conservation or public interest, at any time after giving one month notice, revoke the license granted to such wood based industry.

(v) Application for renewal of license granted to a wood based industrial unit shall be made atleast three (3) months before the expiry of validity period.

(vi) Transfer of license on sale/succession etc shall be done only with the approval of State Level Committee.

