Regulatory standards must not bring back License Raj, says PM

New Delhi: Environmental standards and their enforcement should not lead to a License Raj regime, Prime Minister Manmohan Singh said on Thursday inaugurating the 11th Delhi Sustainable Development Sem..

initiated by The Energy Research Institute.

"It is also necessary to ensure that these regulatory standards do not bring back the License Permit Raj which we sought to get rid of in the wake of economic reforms of the early nineties," he said.

His statement, though a repetition of a concern voiced before too, gave credence to increasing noise from within the UPA cabinet that Jairam Ramesh's pro-active stance was beginning to hurt the investment climate and halt infrastructure development.

The Prime Minister also tempered the worth of the Forest Rights Act. While calling it a landmark legislation that would help communities protect common property resources, he said, capacity building remained a major issue in any such effort.

While the roll out of the act has been tardy, the legislation has also become a tough one for the UPA government to deal with. Its provisions requiring consent from the village level before parceling out forestlands to projects has been all but ignored by the centre and the states, he