

Green regulation must not mean lapse into licence raj: Manmohan

Advocates carrot and stick formula to ensure compliance

Special Correspondent

NEW DELHI: In the midst of the raging debate on environment versus development, Prime Minister Manmohan Singh has warned that the enforcement of environmental standards must not signal a return to the licence permit raj era.

Addressing the Delhi Sustainable Development Summit organised by The Energy and Resources Institute (TERI) on Thursday, Dr. Singh emphasised a carrot and stick formula.

On the one hand, he urged economic incentives to en-

courage environmentally responsible decisions, while on the other he advocated the "polluter pays" principle, as well as the enforcement of regulatory standards.

"The central principle that must be enshrined in any sustainable development strategy is that incentives facing all economic decision makers must encourage them to act in a manner that is environmentally benign," he said.

A structure of regulatory policies could prevent potentially damaging behaviour. "I must emphasise that standards are not enough. They

must also be enforced, which is often difficult," he admitted. "It is also necessary to ensure that these regulatory standards do not bring back the licence permit raj which we sought to get rid of in the wake of economic reforms of the nineties."

His comments come in the wake of several high-profile projects falling foul of the Union Ministry of Environment and Forests' implementation of green norms.

The Ministry, headed by Jairam Ramesh, has come under fire from industrialists for hindering growth with his en-

forcement policies. On the other hand, activists have accused him of selective enforcement, and a "flip-flop" approach, especially since he accorded a conditional clearance to Posco's Rs. 54,000 crore steel project recently, while ignoring the advice of several government committees, reportedly under pressure from the Prime Minister's Office.

On the issue of sharing forest rights and access to other common natural resources with local communities, Dr. Singh said that capacity building was the key.