

## Environmental Issues

7.60 Increased and efficient environmental vigilance is an absolute must for containing the negative environmental impact of industrialisation. Industrial pollution is concentrated in industries like petroleum refineries, textiles, pulp and paper, industrial chemicals, iron and steel and non metallic mineral products. Small-scale industries, especially foundries, chemical manufacturing and brick making, can also be significant polluters. In the power sector, thermal power, which constitutes bulk of the installed capacity for electricity generation, is an important source of air pollution.

7.61 In order to contain the damaging impact of industrialisation on environment, Government has initiated various steps (Box 7.7), for protection, conservation and development of the environment. The National Environment Policy (NEP) 2006, which was

approved and adopted in May 2006, intends to facilitate realization of sustainable development by mainstreaming environmental concerns in all developmental activities and describing key environmental challenges currently and prospectively facing the country. Another significant policy development was the Environment Impact Assessment (EIA) Notification, 2006 on September 14, 2006, which involved a complete re-engineering of the Environment Impact Assessment (EIA) process and made it more efficient, decentralized and transparent. A National Clean Development Mechanism Authority (CDM) has also been set up for the purpose of protecting and improving the quality of environment in terms of the Kyoto Protocol. The CDM Authority receives projects for evaluation and approval for carbon market. Till December 2006, host country approval has been accorded to 473 projects facilitating investment of more than Rs.36,408 crore.

### Box 7.7 : Major Initiatives to control Environmental Pollution

- Notification of general and source-specific standards for emissions and effluents.
- Regulating the siting of industries.
- Regular monitoring for compliance to environmental standards.
- Legal action for non-compliance.
- Setting up of clean technology mechanisms in polluting industries.
- Setting up of Common Effluent Treatment Plants (CETPs) in industrial estates.
- Establishing waste minimization circles (WMC) in clusters of small scale industries.
- Implementing recommendations of Charter of Corporate Responsibility for Environmental Protection (CREP) in 17 categories of highly polluting industries.
- Implementing an Eco-mark scheme to encourage production/consumption of environment-friendly products.
- Setting up of progressive emission norms at the manufacturing stage for controlling vehicular pollution and introduction of cleaner fuels like unleaded petrol, low sulphur diesel and compressed natural gas (CNG).
- Setting up National Clean Development Mechanism Authority (CDM) as per Kyoto Protocol.
- Promoting economic instruments to internalize the costs of pollution and fiscal incentives for pollution control equipments.