Green Credit Programme (GCP)

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Why in News?

The Union Government identifies 4,391 hectares of degraded forest land across multiple states for eco-restoration under the Green Credit Programme.

- **GCP –** It is a *first-of-a-kind market-based instrument* designed to incentivise individuals, industries and local bodies for their *voluntary environmental actions* across different sectors.
- **Launched in** – It is a *Central Sector Programme* launched in 2023.
- **Stakeholders –** Like individuals, communities, private sector industries, and companies.
- **Aim –** To incentivise environmentally positive actions through the issuance of Green Credits, thereby promoting the Lifestyle for Environment (LiFE) Movement.
- **Notified through –** *Green Credit Rules, 2023* under the Environment Protection Act 1986.
- **Objectives**
    - Increase green cover & restore degraded forest lands.
    - Enhance carbon sequestration & promote eco-restoration and afforestation.
    - Encourage environment-friendly technologies and reduce carbon footprint through sustainable lifestyle changes.
- **Nodal Ministry –** Ministry of Environment, Forest and Climate Change.
- **Administrator –** Indian Council of Forestry Research and Education (ICFRE), responsible for implementation, management, monitoring, and operation.
- **8 activities**
    - Tree plantation;
    - Water conservation
    - Sustainable agriculture;
    - Waste management;
    - Air pollution reduction;
    - Mangrove conservation and restoration;
    - Ecomark (a government scheme to identify environment-friendly products)
    - Sustainable building and infrastructure.

Features

- **Green Credit Portal –** A *dedicated digital platform* has been created for registration,

monitoring, and issuance of Credits.

- **Working Mechanism –** Green Credits are issued to participants for ecological restoration; they can be used for compliance or sold to another entity.
- **Credit Generation –** Credits are generated through tree plantation & eco-restoration of degraded forest lands.
- **Indigenous Species –** Afforestation must involve a mixture of indigenous tree species suitable for the local ecological conditions.
- **Minimum Restoration Requirement –** Credits can be claimed only after 5 years of restoration and achieving a minimum canopy density of 40%
- This corresponds to moderately dense forest classification.

Category	Canopy Density
Very Dense Forest	>70%
Moderately Dense Forest	40–70%
Open Forest	10–40%

- **Land Identification –** State Forest Departments identify degraded forest land parcels & verification by the Divisional Nodal Officer (DNO) and the State Nodal Officer (SNO) confirms suitability.
- **Conditions**
  - Land should not already be under a plantation.
  - Land must not be earmarked for other afforestation schemes (e.g., compensatory afforestation) to avoid double-counting.
- **Verification Mechanism** – A designated agency verifies the restoration activities and submits a report to the Administrator (ICFRE) before issuance of credits.

References

1. [PIB | Green Credit Programme](#)
2. [PIB | Green Credit Program (GCP)](#)
3. [Down to Earth | Green Credit Programme](#)

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