Third Party Evaluator's Opinion on Industrial Pollution Control Project

Subrata K Mandal Senior Economist National Institute of Public Finance and Policy, New Delhi

Relevance

The objective of the project was to promote the improvement of supervisory capacity and the law enforcement capacity of the staff of the West Bengal Pollution Control Board (WBPCB) by providing the necessary equipment for measuring environmental data and by conducting staff training, thereby contributing to the improvement of the environment in the state of West Bengal. The objective was also to promote capital investment by companies for environmental improvement by offering two-step loans through the Industrial Credit and Investment Corporation of India (ICICI) to companies that are sources of pollution, thereby contributing to prevention of pollution caused by companies in India nationwide.

These objectives were extremely relevant in the backdrop of problems related to environmental conservation faced by industries in India particularly after the introduction of New Economic Policy in 1991. These problems became evident especially in large cities and surrounding areas; in particular, the city of Calcutta and its surrounding areas in West Bengal encountered serious problems. The choice of the project area was therefore pertinent.

In India, although there was a systematic framework in place for environmental policies in the form of both central and state pollution control boards, and environment-related laws have been established in rapid succession, including a solid waste management law (2000) and a noise regulation law (2001), their supervision was far from sufficient due to these agencies' lack of ability to implement environmental studies and enforce laws and regulations. On the other hand, in spite of the declaration of the Policy Statement for Abatement of Pollution (PSAP, 1992) by the Indian Government for the promotion of introduction of environmental equipment in small and medium companies and prevention of pollution at its source, there has been very little progress because of the funding difficulties involved.

Since, this project endeavors to promote capital investment by companies for environmental improvements and also to promote improvement of the WBPCB's supervisory capabilities and law enforcement capacity, it can be said that it continues to be of high relevance and pressing urgency.

Impact

There has been a significant reduction in air and noise pollution during the project period. This has been possible due to training imparted by WBPCB for Traffic Department staff and police officers involved in actual enforcement of the regulations. To deal with the problem of noise pollution the WBPCB has endeavored to reinforce noise countermeasures, including training and implementation of a public campaign against indiscriminate usage of loudspeakers and firecrackers during festivals. With respect to water pollution although the BOD concentration has risen slightly, it is still within the environmental standard level (set at 3 mg/l).

With respect to usage of loans by companies for capital investment in environmental measures WBPCB and the Department of Environment and Department of Forest of West Bengal acted cooperatively to implement publicity activities. The environmental investment that was financed by this project in West Bengal was smaller than initially planned. However, companies in West Bengal are making progress in pollution prevention since there is a reduction of air pollution in Calcutta. Through seminars held by ICICI concerning this project, other companies are learning about the companies that have already invested capital in pollution measures, and themselves beginning to

make similar investment. So, pollution prevention measures are beginning to spread to other companies. Thanks to these publicity activities, more effects from pollution prevention can be expected in the future.