

**Comments of the Centre for Science and Environment, New Delhi
On the
Ministry of Environment and Forests draft notification, issued on 19th January
2009, making certain amendments in the Environment Impact Assessment
Notification, 2006**

The Ministry of Environment and Forests (MoEF), draft notification S.O. 195 (E) dated 19th January 2009, proposes to make certain changes in the Environment Impact Assessment Notification, 2006.

The changes proposed are wide ranging and will have implications on the environmental security of the country. Though the changes have been projected as a way towards making the notification more comprehensive, increase societal vigil of projects, simplify procedure and enhance powers of states with respect to certain types of clearances, in reality, these changes will dilute the process of environmental clearance further and making EIA an ineffective tool. It is also important to understand that we need a strong EIA as it is better to scrutinise a project, before key decisions are taken. A weak and inconsequential EIA, we believe, will also lead to more conflict and more delays in implementing the project.

The detailed comments of the Centre for Science and Environment on the proposed amendments are given below:

A: Amendments proposed in the draft notification, January 19, 2009

1. (I): Requirements of prior Environment Clearance :

To insert in para 2, after sub para (iii) (sic):

“Modernisation or expansion proposals without any increase in pollution load and or, without any additional water and or land requirement are exempted from the provisions of this notification.

Provided that, a self-certification, stating that the proposal shall not involve any additional pollution load, waste generation, or water requirement, be submitted to the regulatory authority by the project proponent”.

Comments: This proposed amendment will completely destroy the provisions of the EIA, as companies will be allowed, through a ‘self certificate’ to literally get away with all projects as expansion projects. We strongly reject this amendment for the following reasons:

a. The draft notification takes a myopic view of the environmental and social impacts of modernisation and expansion projects. Any modernisation/ expansion projects will necessarily entail increase in production, increase in transportation, increase in the pressure on the local infrastructure and local natural resources and increase in the pollution load during the construction phase. So, even if a modernisation/ expansion project does not lead to an increase in the pollution load or water or land requirement within the factory premises during the operation phase, it will lead to an increase in environmental and social impact outside the premises.

b. The other problem with this proposed change is that though the Ministry is going to rely on ‘self-certification’ mechanism, it is silent on how it intends to

deal with the issue of 'fraud'. Also, given the weak capacities of the regulatory institutions, it will be more or less impossible to scrutinise and validate the self-certification.

c. The term 'expansion' is open to misuse by project proponents. We know that in power plant projects, separate and new units are being installed in the guise of expansion and modernisation. By doing this, companies circumvent the provisions of the law, by simply passing all new projects, on the same site as expansion and modernisation. These projects have a massive environmental impact and lead to tensions with local communities. This provision will defeat the very purpose of the EIA notification. We strongly believe this draft provision should be deleted.

2. (II) State Level Environment Impact Assessment Authority:

In para 3, for sub-para (7), the following shall be substituted namely:
"All decisions of the SEIAA shall be taken in a meeting by majority".

Comments: Following points need to be considered:

- The SEIAA comprises of just three members, member-secretary who is a serving officer of the concerned State Government/Union Territory administration, Chairman and non -official member.
- The SEIAA is supposed to base its decisions on the recommendations of the State or Union Territory level Expert Appraisal Committee (SEAC). It is not supposed to take decision on its own.
- An analysis of the SEIAA of the different states show that in many states either the chairman or the non -official member or both are retired IAS or IFS officers (For example in Maharashtra, Andhra Pradesh, Karnataka, Gujarat, Meghalaya, Himachal Pradesh etc.).

With the above points in background, it is quite clear that making the SEIAA decision a 'majority' decision places too much power in the hands of 'official' members. Also, if a three-member committee cannot take a unanimous decision, then there is a problem with SEIAA. In this case, the draft amendment will make this body ineffective.

We would suggest deletion of this provision and amendment of the 2006 notification as follows:

Substitute para 3, sub-para (1) (3), (4), (7) as follows:

(1) A State Level Environment Impact Assessment Authority hereinafter referred to as the SEIAA shall be constituted by the Central Government under sub-section (3) of section 3 of the Environment (Protection) Act, 1986 comprising of **seven** Members including a Chairman and a Member-Secretary to be nominated by the State Government or the Union territory Administration concerned.

(3) The other six Members shall be either professionals or experts fulfilling the eligibility criteria given in Appendix VI to this notification **or eminent environmentalists/conservationists/tribal experts.**

(4) One of the specified Members in sub -paragraph (3) above who is an expert in the Environmental Impact Assessment process/ **and or an eminent environmentalist** shall be the Chairman of the SEIAA.

(7) All decisions of the SEIAA shall be taken in a meeting by majority.

3. (III) Categorization of projects and activities:

In para 4, in sub-para (iii) substitute as follows:

“In the absence of a duly constituted SEIAA or SEAC, a Category B project shall be considered at the central level. However, Category B projects are exempt from scoping for three years from the date of issue of this notification”.

Comments: This amendment appears to have been proposed in order to ease the burden at the Central Expert Appraisal Committees (EAC) and also to speed up project clearance. We do not believe that exempting this category of projects from scoping will lead to better decision-making.

1. By exempting Category B projects (actually category ‘B1’ projects) from scoping means that the project proponent and the EIA consultant is free to choose their own Terms of Reference (TOR) and make EIA report as they want. Naturally, they will make the TOR in such a way that critical environmental and social issues will not be cover or will be ‘marginalised’.

2. If an EAC is to make decision on a poor/ misleading EIA report, it will either keep asking for more information, thereby delaying the project further as well as increasing its own workload or clear the project without considering critical environmental and social issues.

3. This change is most damaging also because more and more projects are being shifted to Category B. So a large number of environmentally destructive projects are likely to get environmental clearance without a TOR. As most states are already in the process of constituting an SEIAA and SECA, this amendment seems infructuous. We would suggest you hold this amendment and instead ask states to constitute the bodies.

4. (IV) Public Consultation :

In para 7(i) in sub -para (III) relating to stage (3) – Public Consultation in clause (i) Following projects are not required to undertake public consultation:

(i) “Dredging provided the dredged material shall be disposed or dumped within port limits”.

Comments: Exempting “*dredging, provided the dredged material shall be disposed or dumped within port limits*” from the process of public consultation is puzzling, as it is unclear as to why dredged material would be dumped back into port limits. The entire point of dredging is that it allows for ports and waterways to be cleared from silt and sediments. What exactly would be achieved if such material were deposited back within the port limits? Or is the plan for port authorities to ask for larger amounts of land for the port project, so that they can dump dredged material, within the port limit, without public consultation? This, in turn, will lead to only more conflict with local communities as their land will have to be acquired or with forest agencies as this land will be needed by the port authorities.

(ii) “All building or construction projects or area development projects (which do not contain any Category A projects and activities) and townships (item 8)”.

Comments: As per EIA notification 2006, the building/construction projects/area development projects and townships are categorised as B projects, based on the

built up area of the project. The notification also exempts these projects (III (i) (d)) from holding public consultation. We therefore, understand that the amendment proposes that any project, within this category B township of area development, contains a category A project, it will also require public consultation. We have no serious objection to this amendment, however, we would revise it as follows:

“All building or construction projects or area development projects or townships, which contain any Category A projects and activities will be automatically classified as category A projects”.

4. (V). Prior Environmental Clearance process for Expansion or Modernization or Change of product mix in existing projects:

The following shall be inserted:

“In case of expansion projects involving enhancement of production by more than 50% holding of public consultation shall be essential and no exemption in this regard shall be granted”.

Comments: This is a positive amendment. However, this amendment will only work, if the proposed amendment in para 2, after sub -para (iii) is deleted as we have proposed.

5. (VI) Post Environmental Clearance Monitoring:

The following shall be inserted:

“It shall be mandatory for the project proponent to make public the environmental clearance granted for their project along with the environmental conditions and safeguards at their cost by advertising it in at least two local newspapers of the district or State where the project is located. The Ministry of Environment and Forests and the State or UT Environmental Impact Assessment Authorities (SEIAAs), as the case may be, shall also place the environmental clearance in the public domain on Government portal. Further, copies of the environmental clearance shall be endorsed by the Heads of local bodies, Panchayats and Municipal Bodies in addition to relevant offices of the Government”.

Comments: It is a positive change because the conditions on which environmental clearance have been granted will now be available to the public. But it is not likely to make any major improvements in the compliance of the environmental conditions. We say this because even if the clearance condition is made available to the public, we will still need a properly functional regulatory authority to ensure that clearance conditions are complied with. Also, we will need a prompt regulatory authority to address public complain. The regional offices of the MoEF will not be able do this job because of the sheer lack of capacity. Unless and until, we strengthen the regulatory capacity, this condition will not be effective in improving the compliance of the environmental conditions.

Like some previous notification on disclosure, this proposed disclosure is also likely to become inconsequential, without the added effort to increase scrutiny and compliance. For instance, in the 2006 notification, it is clearly stated that all the latest compliance report on environmental conditions shall be displayed on the website of the concerned regulatory authority. The fact of the matter is that no “concerned regulatory authority” displays the latest compliance report on their website.

7. (VII) Changes proposed in the Schedule:

(i). Schedule 1(a) – Mining of minerals

Comments: Major changes have been proposed in mining projects, which are likely to have far reaching implications on the environment and on local communities. Firstly, it is proposed that coal mining projects with lease area of up to 150 hectares will be appraised by the SEIAA as Category 'B' Project (against the previous limit of 50 hectares). No such relaxation has been made for non-coal mining projects. This is completely unscientific and illogical as it is not clear, why coal should be given such an exemption.

In fact, in our recent study of mining projects in the country (see our book, *Rich Lands, Poor People: Is sustainable mining possible*) we have found that coal-mining projects have the most adverse environmental impact, as compared to other mining projects. From mine fires to land subsidence; from water pollution to air pollution and solid waste generation, coal mining comes out worse on all environmental parameters. Today, all major coal mining areas of the country have been declared as "critically polluted areas". It is also a fact that of all mining projects, coal mining has displaced the largest number of people and has destroyed the largest amount of forest land. With these facts in background, putting coal mining projects of up to 150 hectare in Category 'B' would be most unwise and destructive for the environment. We seriously object to this relaxation (Category 'B' projects are supposed to be projects with less environmental impacts) and this proposal should not be entertained.

The other damaging proposal is that all mineral prospecting is being exempted from the EIA notification. This again shows the limited view that the notification has taken on the scope of environmental impact. It is well known, that large mineral prospecting with the use of invasive technologies like drilling etc. have significant environmental impacts. They can destroy forest, pollute water bodies with chemicals and oil and even fracture geological structures. By exempting all mineral prospecting from the EIA notification, the ministry is actually losing the chance to direct the prospectors to undertake even the basic safeguards and mitigation measures. We strongly suggest that mineral prospecting should not be exempted. Instead, we propose that in place of a full-fledged EIA, mineral prospecting should be screened and based on the scale of prospecting and the findings of the screening exercise, the prospectors should be asked to implement a proper Environmental Management Plan.

One positive change that has been proposed in the mining projects is that slurry pipelines passing through national parks/ sanctuaries/ coral reefs, ecologically sensitive areas have been bought under the ambit of the notification. However, there is confusion on whether these projects will fall in Category 'A' or Category 'B'. As is currently written in the draft notification, it seems that these projects have been linked with the mine lease area, which is completely illogical. We suggest that like oil and gas transportation pipeline (6(a) in the schedule), all slurry pipeline projects should be considered as Category 'A' project.

But there is also a question about those pipeline projects that are not passing through national parks/ sanctuaries/ coral reefs, ecologically sensitive areas. Currently, they are exempted from the EIA notification. We suggest that these projects, which are no different than any linear project as far as environmental impact is concerned, should be bought under the ambit of the EIA notification.

(ii) Schedule 1(c) - River Valley Project

Comments: It is being proposed that "Irrigation projects not involving submergence or inter-state domain shall be appraised by the SEIAA as Category 'B' projects".

In EIA 2006 notification, there is no separate category for irrigation projects. It is important to realise that a river valley project, may or may not be an irrigation project. This amendment will add to confusion and transaction costs. However, it is clear that even if a river valley project does not involve submergence, it could have environmental impact because of the lack of flow in the river. In other words, it should not be exempt.

(iii) Schedule 1(d) - Thermal Power Plants

Comments: Major changes have been proposed in the categorisation of Thermal Power Plants (TPP) and most of them are regressive.

a. Fossil fuel based projects: It is completely unscientific to assume that a 500 MW TPP based on coal or lignite has lower environmental impact than a 50 MW TPP based on pet coke and diesel. Therefore, categorising a coal/lignite TPP of 500 MW in 'B' and more than 50 MW pet coke/ diesel based TPP in category 'A' is illogical. We suggest that this should be modified as follows:

- Category A: More than 50 MW Coal/ Lignite/ Naptha/ Gas/ Pet Coke/ Diesel based Thermal Power Plants
- Category B: 5-50 MW Coal/ Lignite/ Naptha/ Gas/ Pet Coke/ Diesel based Thermal Power Plants.

b. Biomass projects: The amendment proposed for the biomass based TPP is also illogical. The proposal is to exempt TPP up to 50 MW, based on biomass and using auxillary fuel such as coal/ lignite/ petroleum products (up to 15%) from the EIA notification and more than 50 MW biomass based TPP under Category 'A' project. This essentially means that till 50 MW a biomass based TPP has no environmental impact and just above 50 MW, the impact becomes so dangerous that it need to be assessed at the Central level.

A biomass-based TPP more than any other TPP has huge impact on land and water. To sustain a 50 MW biomass-based TPP, as much as 30,000 hectares of plantation will be required. So to assume that a biomass project with less than 50 MW will have minimum impact on the environment is erroneous. Also, consider the land intensity of biomass-based TPPs, in all likelihood, we should not expect biomass project with more than 50 MW capacity to come up in the country. This essentially means that all upcoming biomass based TPPs in the country will be exempted from the EIA notification. Or companies will misuse this provision to claim exemption under the biomass projects, but misuse the auxillary fuel condition – use coal, lignite or petroleum products to run the plant. We have found instances where this practice is prevalent in the CDM certified projects.

We propose the following for the biomass-based TPPs based on their land and water intensity:

- Category A: More than 20 MW TPP based on biomass and using auxillary fuel such as coal/ lignite/ petroleum products up to 15%
- Category B: 5-20 MW TPP based on biomass and using auxillary fuel such as coal/ lignite/ petroleum products up to 15%.

c. Municipal waste based projects: The amendment proposes to exempt power plants up to 50 MW, based on 'non -hazardous' municipal waste from the EIA

notification. This amendment cannot be accepted because:

- Firstly, there is nothing called as 'non-hazardous' municipal waste in our statutes. Power plants based on municipal wastes will use whatever they can get – whether hazardous or non-hazardous. And, this is a major reason why we should approach municipal waste -based power plants with caution.
- Secondly, most municipal waste-based power plants will come up within our city limits – next to people's homes, schools and playgrounds. These projects will potentially affect the lives and health of far larger number of people.
- Thirdly, we should not expect even 20 MW capacity municipal waste -based power plant at one location. A 10 MW municipal waste-based power plant will require at least 1500 tonnes of municipal waste everyday. This means that the daily municipal waste generated in Delhi is sufficient to sustain just about 50 MW power plant. This essentially means that all future municipal waste-based power plants will go through without any environmental and health assessment.

We suggest following changes to draft notification considering the potential environmental and health impacts of the municipal waste-based power plants:

- Category A: More than 5 MW TPP based on municipal wastes
- Category B: Up to 5 MW TPP based on municipal wastes.

d. Waste-heat recovery based projects: We should promote waste heat recovery and exempting power plants using waste heat boilers is a positive move and one, we do not see will have deleterious environmental impact.

(vi) Schedule 4(d) – Chlor-Alkali industry

Comments: In 2006 notification, in column (5), it is mentioned that: "Specific condition shall apply. No new mercury cell based plants will be permitted and existing units converting to membrane cell technology are exempted from this notification". However, in the proposed amendment, column (5) has been substituted with: "General as well as specific conditions shall apply".

If the proposed amendment intends to allow new mercury cell based plants then it is a truly regressive step.

We hope that the amendment will read the following: "General as well as specific conditions shall apply. No new mercury cell based plants will be permitted and existing units converting to membrane cell technology are exempted from this notification".

(xi) Schedule 5(k) – Induction/ Arc/ Cupola furnaces

Comments: This schedule has been omitted in the proposed notification and has been put as part of the conditions (column (5)) in Schedule 3(a), which deals with Metallurgical industries (ferrous and non -ferrous). However, this change has brought in some confusion regarding the EIA of Induction/ Arc/ Cupola furnaces.

In the 2006 notification, Induction/ Arc/ Cupola furnaces of more than 5 tonne per hour (TPH) capacity was put under Category 'B' project. In the proposed amendment following has been mentioned: "In case of secondary metallurgical processing industrial units only those projects involving operation of furnaces such as induction and electric arc furnace, submerged arc furnace, pre heating furnace, cupola and crucible furnace with capacity more than 5 tonne per heat (*sic*) would require environmental clearance". From this statement it is not clear whether these projects will fall under Category 'A' or Category 'B'.

(xii) Schedule 7(a) – Airports

Comments: In the 2006 notification, all airport projects were put under Category 'A'. In the proposed amendment, modernisation of airport is exempted provided 'there is no increase in pollution load'.

The very reason for modernisation is to allow more aeroplanes to operate and to increase the traffic flow. This will consequently increase the air and noise pollution. So there cannot be any modernisation project with 'no increase in pollution load'. If this proposal is allowed then it will invariably lead to situation wherein developers will use fudged data and self-certification to show that there is no increase in pollution load. We suggest that this proposal should be done away with.

(xvii) Schedule 8(a) – Building and Construction projects

In the 2006 notification, projects between 20,000 sqm and 150,000 sqm built up area were put under Category 'B' and were assessed by the SEIAA. The proposed amendment relaxes the limit for all projects – now only project between 50,000 sqm built up area will require environment clearance from SEIAA.

Schedule 8(b) – Townships and Area Development Projects

In the 2006 notification, projects more than 50 ha were put under Category 'B' and were assessed by the SEIAA. This has been relaxed and under the proposed amendment, projects more than 100 ha will require environment clearance from SEIAA.

Comments: We believe that we will have to take a pragmatic view on building, construction, township and area development projects. India is going to build more homes, more malls, more townships and more commercial buildings in the future. By 2050 more than half of India's population is likely to live in urban areas. Our track record in managing urban areas has been quite poor. Not even one-third of wastewater from our cities is treated to acceptable levels. The energy and water efficiencies of our buildings are very poor. Our cities are choking with pollution and congestion. If we want to make our urban areas habitable, then we will have to ensure that our new building, construction, township and area development projects are designed in an environmentally-sound manner.

The proposed relaxation is only going to make the matter worse. Currently, environmental clearance is the only process in which the regulator can put conditions on water and energy efficiency, water harvesting, waste management, wastewater treatment etc. on new projects. The municipal authorities/ town planning departments in most cities are ignoring these issues while granting the building/ site clearance. We know that the currently process of granting clearances to building, construction, township and area development projects by SEIAA is not satisfactory. But instead of relaxing the conditions, we need to strengthen the condition and the clearance process and make it better.

We believe that the built-up area/ land area criteria are not sufficient to capture the true environmental impact of these projects. We need to add criteria on water consumption, wastewater generation, solid waste generation etc. to decide the extent of environmental appraisal required.

We also believe that we need to make differentiation between projects coming up within a city limit and those being constructed outside of the city limit. For the projects outside the city limits, where there is no land use plan or zoning regulation, much stricter conditions should be imposed in terms of water, waste and energy and much

more rigorous assessment should be done.

Lastly, we believe that the proposed amendments in building, construction, township and area development projects will be counter-productive and should be done away with.

8. Appendix 4: Procedure for Conduct of Public Hearing

We have reviewed the procedure for conduct of public hearing in the draft notification of January 2009. On the whole, the procedure laid down in the draft notification is the same as the EIA notification of 2006. Furthermore, we welcome the changes that have been proposed regarding the use of local language/ official state language for recording the proceedings of public hearing and other such provisions, which will increase the reach and availability of information to the affected communities.

But we have the following observations regarding two critical changes proposed:

1. Unlike the 2006 notification, the summary of the EIA report and the draft EIA report will now not be available with the Ministry of Environment and Forests (MoEF). MoEF is also not required to put the EIA summary on its website and provide access to the draft EIA report to the public in Delhi. This proposed change will inevitably lead to a situation, where information will get disaggregated, disorganised and difficult to access. If the state agency is remiss in putting up the information it will not even be available.

We need a centralised repository of all EIA reports in the country to track the performance of the environmental clearance process in long run; to improve decision-making; to improve public access and scrutiny; to enable research on regional and cumulative environmental impact and finally, to develop baseline data on environmental and social parameters for different parts of the country (a good EIA report can be an excellent source of primary data).

We also need to ensure that all information regarding the process of EIA – from the time the application is made, till the final clearance, is available on a web-enabled system. The database must be centrally organised, even if the data is fed through state agencies.

In addition, all the public hearing proceedings – from the minutes of the meeting to the video of the meeting – must be available on the website. This will increase public scrutiny as well as the credibility of the process.

We would suggest the following:

1. Restore the earlier provision for (2.2) for “copies, hard and soft of the EIA report along with the summary of the EIA report to the Ministry of Environment and Forests.”
2. Include a new provision, which stipulates that all minutes of the public hearing and the video, will also be put on the website.
3. Include a new provision, which stipulates that all conditions laid down by the clearance authority and safeguards will also be put on the same website, so that affected communities can track the project and its compliance.

2. The proposed amendment (**Appendix 4/7.2**), allows the regulatory authority to engage other agency of authority to complete the process of public hearing. This amendment, we understand is based on the recommendation of the Expert

group to examine the schemes of statutory clearances for industrial and infrastructure projects in India. We do not believe that regulatory functions can be outsourced. It will lead to lack of accountability and increase public conflict.

B. Additions proposed in the draft EIA notification, January 2009

In addition we would like to make the following proposals. However, we are not clear how these changes can be incorporated in the notification and would welcome the opportunity to discuss these further.

1. Cancellation of project if data found not to be correct

The 2006 notification includes a provision (8.vi) that action will be taken against the applicant for deliberate concealment and/or submission of false or misleading information. This provision is rarely implemented and as a result is leading to fraudulent practices and delays in project clearances.

We would like the following para substituted in place of 8.vi:

“Deliberate concealment and/or submission of false or misleading information or data which is material to screening or scoping or appraisal or decision on the application shall make the application liable for rejection, and cancellation of prior environmental clearance granted on that basis. Rejection of an application or cancellation of a prior environmental clearance already granted on such ground, shall be decided by the regulatory authority, after giving a personal hearing to the applicant, and following the principles of natural justice. The decision of the regulatory authority will be made public and the company (applicant) will be blacklisted for further projects for the next 2 years or longer, based on the nature of the concealment. In addition, the agency or company, which has conducted the EIA will be blacklisted and no further projects done by this agency/company will be appraised by the regulatory agency. A list of all blacklisted companies will be prominently displayed on the website of the regulatory authority.”

2. We need a process of regional/cumulative EIA's because individual EIA's do not address the assimilative capacity of the region – for instance, mining in Goa or hydroelectric projects in the Ganga, where a large number of single projects are cleared but the total impact of these projects is not factored in the environmental clearance process.

3. We need to ensure that project proponents link, through the application form and its assessment, the different clearances that they are seeking from different authorities or agencies. For instance, the forest clearance or the clearance required for groundwater. For this, perhaps, a unique number could be assigned to each project, which would help different agencies track progress. The application form (Form 1) already includes information on the clearances required. We would propose the following additional information:

- a. Clearance from groundwater authorities
- b. Date of application and file number

In addition, we would propose, that this Form 1 should be digitised and used to track the project through its EIA lifecycle.

4. Public hearings must be treated as vital testimonies. Projects are cleared even if people have given a unanimous decision against the project, which leads to tensions in the area. This is bad for the proponent and destroys the integrity of the EIA process. While a veto may be difficult to implement in all cases, it is important that the public hearing decision is taken seriously and considered in all respects. One

interim approach could be to ensure that the expert committee must visit the area before giving clearance. They should listen to the concerns of the people and justify each issue raised by people in their complaint to explain the basis of clearance and the provisions for monitoring.

5. There should be increased public disclosure of all documents, proceedings of meetings; decisions, public hearing proceedings, film of the public hearing and final decision and conditions/safeguards for granting clearance. All EIA documents must be available online.

6. Rainwater harvesting is currently being used as an excuse to exploit groundwater in critical areas. It is important to tighten the provision regarding water use and to incorporate the role of the Central Groundwater Board/Authority in the clearances.