

Latest

ENVIRONMENTAL CLEARANCE

FOR

CONSTRUCTION PROJECTS

S.O. 1533 - September 14, 2006



Cholamandalam MS Risk Services Limited



Earlier Notification for Construction Projects

Earlier notification S.O.-801 (E) by the Ministry of Environment and Forests (MoEF), New Delhi of July 7, 2004 had brought new construction projects like hotels, office / commercial and residential complexes, etc. (and Industrial Estates) under the purview of Environmental Clearance.

The criteria for the applicability of this notification for new construction projects were:

- ✓ Meant for 1000 persons or more OR
- ✓ Discharging sewage more than 50 KL/day OR
- ✓ Investment more than Rs. 50 crores



Environmental Clearance for Developmental Projects

Now Governed by

**ENVIRONMENT IMPACT ASSESSMENT NOTIFICATION S.O. 1533 dated
14/09/2006**

supersedes

Earlier notification S.O.60(E), dated 27/01/1994 and various amendments thereafter (upto July 4, 2004)

Applicable to

New projects – Greenfield, Expansion or modernization projects

8 categories of industrial/developmental activities have been identified in the Schedule. The criteria are generally based on capacity/area/scale of operations



Environmental Clearance for Construction Projects

Category 8 is for Construction/Building/Townships/Area development projects and is subdivided as:

8a – Building and Construction Projects

8b – Townships and Area development Projects

Project or Activity		Category with Threshold Limit		Conditions, if any
8	Building/Construction Projects/Area Development Projects and Townships	Category A	Category B	
8 (a)	Building and Construction Projects		≥ 20000 sq. m. and < 1,50,000 sq. m. of built-up area #	# (built-up area for covered construction; in the case of facilities open to the sky, it will be the activity area)
8 (b)	Townships and Area Development projects		Covering an area ≥ 50 ha and or built-up area ≥ 1,50,000 sq. m.++	++ All projects under Item 8 (b) shall be appraised as Category B1



Environmental Clearance for Construction Projects

All projects classified under two categories:

Category A: Will require clearance from MoEF based on recommendations by the Environmental Appraisal Committee (EAC)

Category B: Will require clearance from the State EIA Authority (SEIAA) based on the State Environmental Appraisal Committee (SEAC)

The SEIAA will be constituted by Central Government based on nominations from State

As earlier, no site development as well as construction can begin until EC is obtained



Broad Steps in Environmental Clearance

Steps involved in obtaining the Environmental Clearance are:

- Application for Prior EC has to be made in Form 1 (and Form 1A for construction projects). Form 1A is for Item 8 construction projects. Conceptual Plan to be provided
- Screening – Category B projects (SEAC), whether EIA is required or not. Category B1 and B2. MoEF to issue guidelines for this. **All projects under Item 8b classified as Cat. B1** (Cat. B1 projects would require EIA – so all construction projects may not escape EIA entirely!)
- Scoping – For Category A and B1 projects – TOR for EIA to be issued by EAC/SEAC. **Scoping not required for Item 8 Cat. B projects.** Appraisal based only on Form 1 & 1A
- Public Hearing – **Not applicable** to all projects under Item 8 (even Cat. B1)



Broad Steps in Environmental Clearance

- Appraisal – For Item 8 projects – based on Form 1 & 1A (Cat. B2) + EIA Report for Cat. B1.
 - To be done by SEAC **Within 60 days** of receipt of complete application
 - To be placed before **Competent Authority** within next 15 days
- Issue of Prior Environmental Clearance
 - Decision to be communicated to applicant within 45 days of receipt of recommendations from SEAC
 - Total period – **105 days** from date of completed application (about 3.5 months)
 - Provision for **de-facto EC** has been made – **but** based on recommendations of SEAC (to made public documents after expiry of stipulated period)
 - Other clearances **NOT required for submitting application** (unless legally or technically required)



Environmental Clearance for Construction Projects

- ✓ Validity of EC – 5 years for completion of construction (extendable by another 5 years)
- ✓ Half-yearly compliance report (to EC conditions) to be submitted to regulatory authority (1st June and 1st Dec)
- ✓ Compliance reports to be Public documents
 - On application
 - Website of regulatory authority
- ✓ Pending cases – provisions may be relaxed by MoEF or continued upto 1 year. No relaxation in list of Schedule I



Departures from Earlier / Draft Notification

- ✓ The criteria have been **changed to Built-up area** instead of investment, quantity of sewage discharge and number of occupants
- ✓ Construction projects not required to go to MoEF/EAC – only at SEAC
- ✓ EIA not required if categorized as B2 project
- ✓ Public Hearing not required
- ✓ Upper limit of built-up area raised to 1,50,000 sq. m. (from 1,00,000 sq. m. earlier) under Item 8a.
- ✓ Construction projects in cities with population \geq 30 lakhs NOT required now to go to MoEF

For construction projects, appraisal can be done in the absence of other clearances. However, EC will be given only after submitting approved scheme / building plans and other statutory approvals to SEAC (or EAC if SEAC is not constituted?)



Major Conclusions

- Environmental Clearance not required for projects less than 20,000 sq. m. of built-up area
- All Environmental Clearances for construction projects from SEAC (State level)
- Category B1 (Townships and Area development – Item 8b) projects will require EIA study. All other projects will require only Form 1 and Form 1A
- Public Hearing not required for any construction project (Item 8)
- Form 1A is a detailed questionnaire, almost a mini-EIA based on secondary environmental data along with a detailed Environment Management Plan and Environmental Monitoring Plan and also a Disaster Management Plan.
- May not circumvent the need for professional and expert guidance in filling up the applications

General Note: Subject to General Conditions based on location of project. Please refer to the Notification.

Disclaimer: This presentation is for general guidance only and based on CMSRS' interpretation. CMSRS will not be liable for omissions or misinterpretations, if any.

