



PROJECT CATEGORIZATION FRAMEWORK

For Strengthening Environmental
Impact Assessment



Centre for Science and Environment

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Impact Assessment**



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1 INTRODUCTION

Environmental Impact Assessment (EIA) was introduced so that potential adverse impacts associated with a development project could be minimized. It has since proved to be an efficient and effective tool in predicting environmental impacts at an early stage in project planning and design, exploring means and techniques to reduce adverse impacts, customizing projects according to the local environment, and presenting better options to decision-makers.

An EIA should not be used just as a means for obtaining an environmental clearance; rather, project proponents should use it as a management tool to assess the soundness of a project plan. On the other hand, competent authorities must ensure that a project causes minimal adverse environmental impact and generates maximum social and economic benefits. In many countries, EIA is also used as a tool to monitor compliance with promises made at a project inception.

Although there are a number of benefits associated with the process of EIA, it also presents several challenges. Many of these challenges stem from the fact that the process is still evolving in developing countries.

It has been noted that in many countries EIA is considered a roadblock to development as it consumes a lot of time and resources to obtain environmental clearances. This is far from being true, the root cause of delay in getting environmental clearance is inadequate categorization of projects under laws and regulations. This categorization has been done without proper rationale in several countries, being simply based on:

- Type, with respect to impact from global experience
- Scale of operation and sensitivity of the impact area

As a result, most low-impact projects are also required to undertake EIA studies when such projects can be easily removed from the purview of EIA and treated under a separate category. A Preliminary Environmental Assessment (PEA) or a scoping report or an Initial Environmental Examination (IEE) or only an Environmental Management Plan (EMP) might be enough to grant such projects environmental clearance (EC).

EIA processes adopted by many countries resemble each other but the administrative time requirements for giving ECs vary from country to country. The time requirement for granting an EC can be reduced substantially by revisiting the categorization of listed activities or projects under various laws and regulations.

This report by Centre for Science and Environment (CSE) is an attempt to provide a better rationale for categorizing projects based on scale, potential impact, generation and characterization of waste, potential impact on natural resources

etc. The rationale can also be used as a screening tool to decide whether an EIA is needed at all. Apart from this, we are also providing siting criteria which can help define go and no-go areas. It is hoped that this report will help in making the deliberations regarding clearance processes of developmental projects faster and encourage ease of doing business.

2 ANALYSIS OF CATEGORIZATION OF PROJECTS OR ACTIVITIES IN DIFFERENT COUNTRIES

The approach adopted by different countries for categorization has been analyzed in *Table 1: Categorization done in different countries*. A close examination of the approaches reveals that, except in a few countries such as Ghana, Mozambique and Nigeria, project categorization has been done without following any proper rationale. It was found that in many cases even very low-impact projects or activities have been put under the mandatory list requiring EIA. The sole motive of conducting EIA is, thus, deterred and people start viewing EIA as a roadblock to development, which consumes significant amounts of time and resources.

Table 1: Categorization done in different countries

Country	Categories	Legal mandate	Observation in project categorization	Recommendations
Tanzania	EIA mandatory for Type A projects. Type B projects require PEA and may or may not require EIA	Environmental Management Act, 2004 EIA and Audit Regulations, 2005	The Regulations provides the type of projects for which EIA is mandatory and projects for which preliminary environmental assessment (PEA) is required. For projects where PEA is required, there is ambiguity regarding the need to conduct an EIA study, since no threshold is provided (the list simply mentions small-scale activities). Some of the very low-impact projects such as basket weaving, wood carving, rain water harvesting etc. are also mentioned in the list (requiring EIA). They can be removed from this list. For projects where EIA is mandatory, scale and location criteria are not provided, only the term large-scale finds a mention. This can be anything, for example, cultivation, livestock movement, fish farming, and manufacturing of plywood. No basis or threshold has been provided for categorizing projects under the two categories. A rationale to measure a project's impact on natural resources is missing.	Project categorization urgently needed. Need to introduce siting criteria to decide go and no-go areas.

<p>Namibia</p>	<p>List of activities that need to obtain environmental clearance certificates (ECCs) has been provided</p>	<p>Environmental Management Act, 2007 EIA Regulations, 2012</p>	<p>A list of activities for which EIA is required is appended in the Regulations.</p> <p>The demarcation or categorization of projects does not provide any threshold or siting guidelines for projects. For example, construction of hospitality facilities is mentioned in the list but the scale or capacity is not mentioned. As per the list, for construction of even small composting pits, an EC is a prerequisite. All mining activities irrespective of scale need ECs. For mining projects, go and no-go areas are not defined.</p> <p>Some very low-impact project activities are also included in the list. The list includes projects such as construction of cemeteries, camping etc., which could be cleared at the EMP-level.</p>	<p>Need for project categorization.</p> <p>Need to introduce siting criteria to decide go and no-go areas.</p>
<p>Ethiopia</p>	<p>Every project which falls in any category listed in any directive issued pursuant to the 2008 Proclamation shall be subject to an EIA</p>	<p>Environmental Impact Assessment Proclamation, 2008</p>	<p>A list of project types requiring EIA has been given. The list specifies threshold limit for a few project types such as dams, reservoirs, power generation, irrigation development, construction of roads, storage of petroleum products and metallurgical factories but for other projects, no threshold has been provided. In such cases, even if the project is of very low impact, it has to undergo an EIA study wasting time and money. For example, all kinds of textile factories have to undergo EIA studies as per the list. The textile industry contains within itself all kinds and scales of manufacturing and other units like integrated or standalone plants which include weaving, dyeing and garment manufacturing. Except dyeing, weaving and garment manufacturing plants are low-impact projects and may be considered for clearing through EMPs.</p> <p>Another example is of hospital construction. According to the list provided, an EIA is mandatory for the construction of all small, medium and large hospitals, since any threshold has not been provided, but in case of small hospitals, adverse environmental impacts do not match the benefits provided.</p>	<p>Need to amend the existing Regulations to categorize projects based on type, scale and location.</p> <p>Need to introduce siting criteria which can help in defining the go and no-go areas for the projects or activities depending on the sensitivity of the location.</p>
<p>Ghana</p>	<p>Schedule 1: Undertakings requiring registration and environment permit Schedule 2: Undertakings for which an EIA is mandatory</p>	<p>Environmental Assessment Regulations, 1999</p>	<p>The Regulations provide two schedules— Schedule 1 and Schedule 2—which enumerate the projects for which EIA is compulsory and the projects for which PEA is required.</p> <p>The process is slightly better as it takes into account location, scale and probable impacts at the very initial stage.</p> <p>The projects which require PEA are analyzed on submission of a report and the scope or extent of an EIA study, if needed, is provided.</p>	<p>Though environmentally sensitive areas have been specified in Schedule 5 of the Regulations, there is still a need to introduce siting criteria which will act as a tool to restrict polluting industries in residential areas.</p>

Kenya	Schedule 2: Projects requiring EIA	Environmental Management And Co-Ordination Act, 1999	<p>The Act provides a list of projects for which EIA is pre-requisite. The list is only activity-based but no threshold or scale is mentioned. The categorization roughly touches the location criteria and lists a few of the areas where EIA is mandatory, such as establishment or expansion of recreational township in mountain areas, national parks and game reserves.</p> <p>For projects under agriculture and mining, the scale is not provided and some of the low-impact projects are also listed in the schedule. For example, EIA is essential for clay mining, irrespective of the scale of operation.</p> <p>A proper rationale behind categorization was found missing and, thus, clearances for even small projects consume time and resources.</p>	Need to amend existing regulations to categorize projects based on type, scale and location. High and low impact projects should be categorized separately.
Botswana	Schedule enlists activities, locations and thresholds for which an environmental statement is required	<p>Environmental Assessment Act, 2011</p> <p>Environmental Impact Assessment Regulations, 2012</p>	<p>The Regulations clearly mention the type of projects for which EIA is prerequisite. The list is defined with respect to type, scale and location.</p> <p>But for most of the projects, the threshold limit is not mentioned. For example, extraction of clay, waste management facilities, and manufacture of charcoal, etc.</p> <p>Even low-impact projects like assembly of motor vehicles, and establishment of cemeteries and crematoria can be cleared by submitting proper EMP at the screening level.</p>	Need to amend existing Regulations so that a screening tool can be introduced which will help in identifying and categorizing high and low impact projects separately.
Mozambique	<p>Activities that fall into Category A require an Environmental Impact Study (EIS).</p> <p>Category B comprises activities for which a Simplified Environmental Study (SES) is required. This category includes all activities which do not fall in either A or C category.</p> <p>Activities included in Category C are exempted from an EIA or SES</p>	Regulations for Environmental Impact Assessment, 2015	<p>The Regulations provide an appended list of activities divided into Category A, B and C.</p> <p>Categorization has been done keeping in mind the type, scale and location of the project or activity. Further, activities that do not have significant impact on the environment have been put under Category C and such activities have been exempted from EIA requirement.</p> <p>Activities or projects that have not been placed either in A or C category need to have an initial environmental examination and, based upon the result, the extent of the assessment to be done is decided.</p>	

Uganda	The Third Schedule of National Environment Act, 1995 enlists projects to be considered for EIA	National Environment Act, 1995	<p>The schedule provided in the Act lists a few types of projects for which EIA is prerequisite. The list does not specify anything about the scale of operations. In certain cases, like shopping centers, clay mining, brick and earthenware manufacture, it is important to provide certain benchmark above which the EIA study should be mandatory.</p> <p>For a few project types, only the large scale has been mentioned, but again, no threshold has been provided. For example, large-scale agriculture, major change in land use, etc.</p>	<p>Need for project categorization.</p> <p>Need to introduce siting criteria to decide go and no-go areas.</p>
Nigeria	List of activities for which EIA study is mandatory provided	The Environmental Impact Assessment Act, 1992	In Nigeria, the categorization is a little better. The Act provides a list of activities for which EIA is mandatory, and project type, scale and location have been taken as criteria for the categorization.	
India	<p>Category A: List of projects for which EIA is mandatory.</p> <p>Category B: It is further divided into B1 and B2.</p>	The Environmental Impact Assessment (Notification), 2006	<p>Categorization has been done taking into consideration type, scale and location of the activity or project.</p> <p>For projects listed in Category A, EIA is mandatory. Category B projects are subject to screening and further categorized into B1 and B2. For B1 category, EIA is mandatory; B2 projects are cleared based on EMP.</p>	

3 PROPOSED FRAMEWORK FOR CATEGORIZATION

Currently, two kinds of approaches are followed in categorization of projects:

1. Project list approach
 2. Criteria approach
1. **Project list approach:** At present, most countries are using this approach as it is easier to implement and exhibits clarity. Usually, list of projects are grouped according to type and size to decide which ones need EIA and which don't. The main drawback of this approach is that it is inflexible and on-ground site considerations are rendered insignificant.
 2. **Criteria approach:** This approach is flexible and takes into account the potential negative impacts, in view of project type, scale, sensitivity of the location, and the nature and magnitude of its potential environmental impacts. This approach is more likely to capture outliers, but is subjective and at times can be confusing.

However, categorization in most countries has been simply done by direct listing of the type of the project or activity based upon its impact from global experience (see *Table 1: Categorization done in different countries*). As a result, most projects have been subject to EIA. Instead of adopting one of these approaches for categorization, it is recommended to develop a rationale which can help in categorizing projects into high, medium and low categories. The rationale has been explained in the next section.

Rationale for project categorization

Broadly speaking, categorization of projects should be done considering their impacts in terms of the following:

- Broad domain of activities
- Stress and risk on natural resources
- Pollution potential
- Scale of operation

The domain of an activity can be country-specific, depending on the topography, and climatic and meteorological conditions. Natural resources majorly include land and water, and the project's potential impact on water, air and waste generation must be taken into consideration. Both the quantum and the character of waste must be taken into account.

Following these broad guidelines, countries can formulate threshold limits and benchmarks, accounting for national and local factors like availability of land and water, socio-economic setting, assimilative capacity of an area, and demand for the project.

Rationale for determining stress on natural resources

Land

The three factors that determine stress on land resources are:

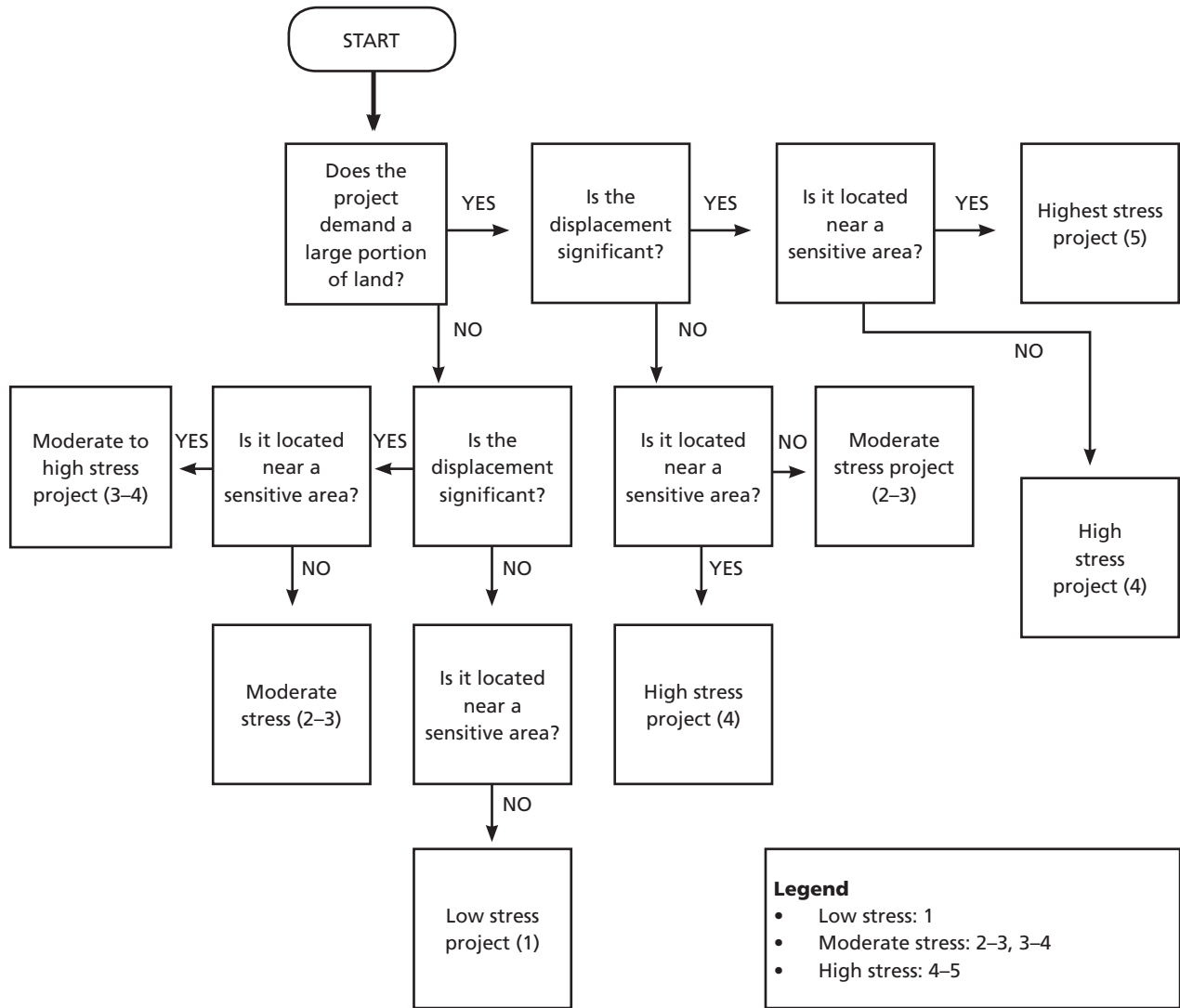
- Extent of land required (in terms of size, area and stretch)
- Eco-sensitivity of the area
- Scale of displacement of habitat

Combining the aforementioned three factors in a series of questions seeking answers in terms of “yes” or “no”, the outcome with various scales can be illustrated as given in *Figure 1: Environmental stress on land*.



Every detailed impact assessment of a project must include the stress on land in terms of the extent of land required, eco-sensitivity of the area and the scale of displacement of habitat

Figure 1: Environmental stress on land



Source: CSE analysis

Degree of stress can be identified on a scale of one–five as stated below:

- If all three factors are affirmative, stress is the highest
- If two factors are affirmative, stress is high
- If one factor is affirmative, stress is moderate
- If none of the factors is affirmative, the project impact is low

Water resources

The three factors that determine stress on water resources are:

- Extent of water withdrawn from natural sources
- Significant impact on aquatic resources and wholesomeness of water bodies (aquatic ecosystem)
- Significant displacement of people (due to dams, large-scale irrigation canals, etc.)

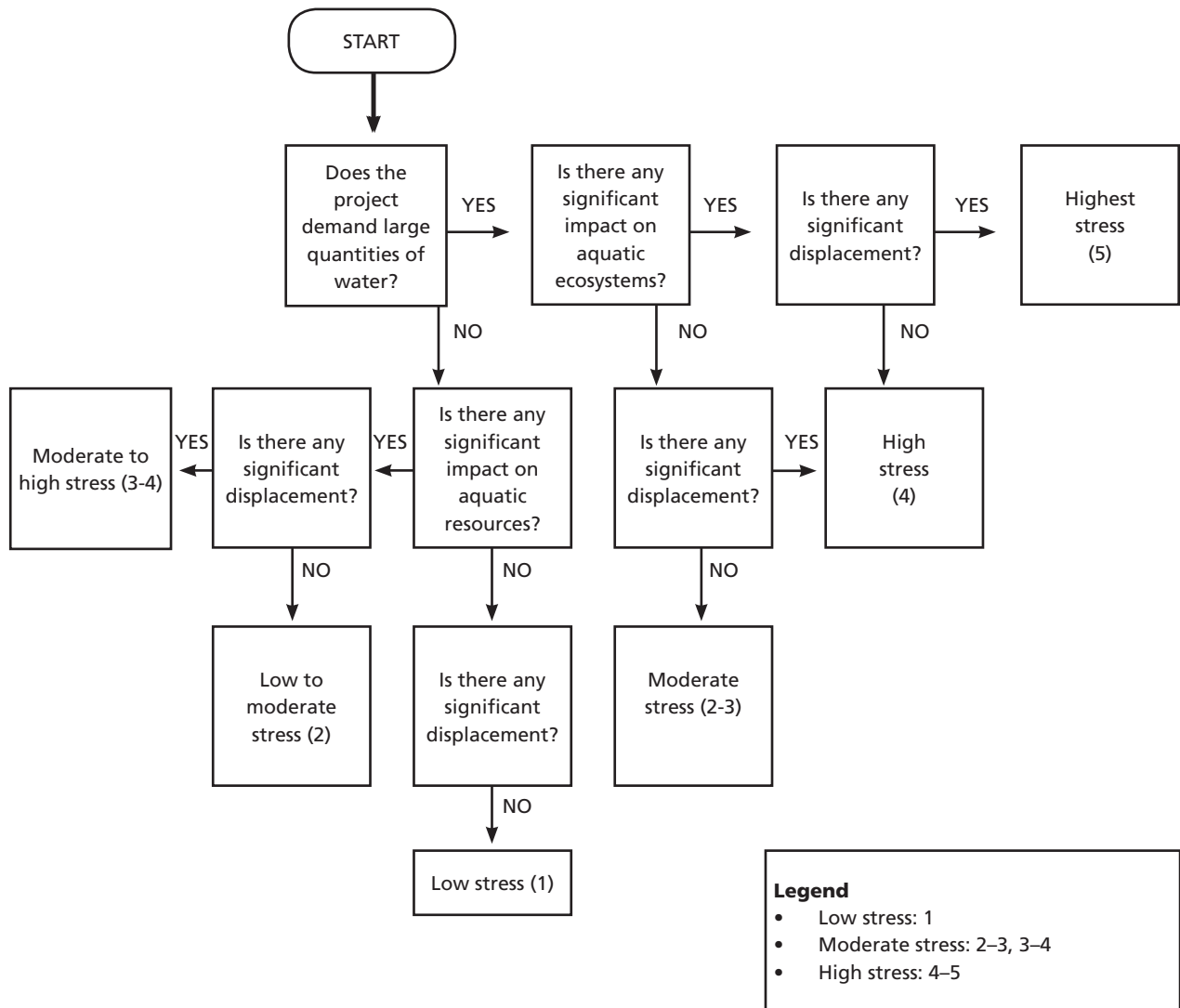
The logical structure evolved out of these factors is given in *Figure 2: Environmental stress on water.*



VIKAS CHOUDHARY/CSE

Many developmental projects have significant impact on water resources. This must be taken into account during project categorization

Figure 2: Environmental stress on water



Source: CSE analysis

Overall stress on environment resources

Cumulative stress of the two natural resources—land and water—can be seen by creating a matrix of the low-to-high scales.

A cumulative score of ten, i.e. the combination (five, five), means the highest stress on natural resources. Since four is also considered as high stress, a cumulative score of eight is also high. All combinations adding up to a score of eight–ten are, therefore, marked red (see *Figure 3: Matrix of environmental stress on natural resources*).

A cumulative score of five–seven is considered medium to high, i.e., tending towards high stress subject to other factors like size, magnitude, nature and pollution potential of the project.

Projects with low environmental stress have a cumulative score of two–four.

Figure 3. Matrix of environmental stress on natural resources

Land \ Water	5	4	3	2	1
5	10	9	8	7	6
4	9	8	7	6	5
3	8	7	6	5	4
2	7	6	5	4	3
1	6	5	4	3	2

- Category A projects for which EIA should be mandatory
- Recommended to put under Category B
 - Apply screening to decide the requirements of EIA
- Category C cleared at the EMP Level

Legend	
• High: 8–10	(Red)
• Medium to high: 5–7	(Yellow)
• Low to medium: 2–4	(Green)

- If the cumulative score is 8–10, the project shall be treated as a high-impact project and should be categorized under the list for which EIA is mandatory
- If the cumulative score is 5–7, i.e., medium to high impact projects should go for screening and based on the size, magnitude, nature, pollution potential and potential risk to people and environment, the requirement of EIA should be decided
- If the cumulative score is 2–4, the project shall be treated as a low-impact project and such projects can be cleared by submitting EMP plans

Source: CSE analysis

Rationale for impact on environment due to wastewater, air pollutants and solid waste

This portion discusses the impact of discharge of wastewater, emission of air pollutants, and solid waste collection, treatment and disposal on the environment.

Impact of wastewater discharge

The factors determining the impact of wastewater discharge are:

- Volume of wastewater discharged
- Wastewater characteristics like biodegradability or toxicity
- Nature of the receiving body in terms of sensitivity of the ecosystem it houses, and its uses (drinking water, fisheries, or water supply etc.)

Volume of wastewater discharged

If the volume of wastewater discharged is high, its collection and treatment is more complex and demands more investment. This principle is applicable to both industrial and municipal wastewater discharge.



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Impact of wastewater on river ecology

Wastewater characteristics

Biodegradability and toxicity are the two main characteristics of wastewater. Biodegradability generally refers to the biochemical oxygen demand and chemical oxygen demand ratio (BOD/COD) as shown in Table 2: *Classification with respect to biodegradability*.

Table 2: Classification with respect to biodegradability

BOD/COD ratio	Inference	Risk
> 0.6	Highly biodegradable	Low risk
>= 0.4 to =< 0.6	Biodegradable	Moderate risk
< 0.4	Non-biodegradable	High risk

Source: CSE analysis

LC₅₀ is a standard measure of toxicity of the surrounding medium that kills half of the sample population of a test animal in a specific period through exposure (see Table 3: *Classification with respect to toxicity*).

Table 3: Classification with respect to toxicity

LC ₅₀ Test	Inference
Low LC ₅₀	Highly toxic
Moderate LC ₅₀	Moderately toxic
High LC ₅₀	Low toxicity

Source: CSE analysis

Nature of the receiving body

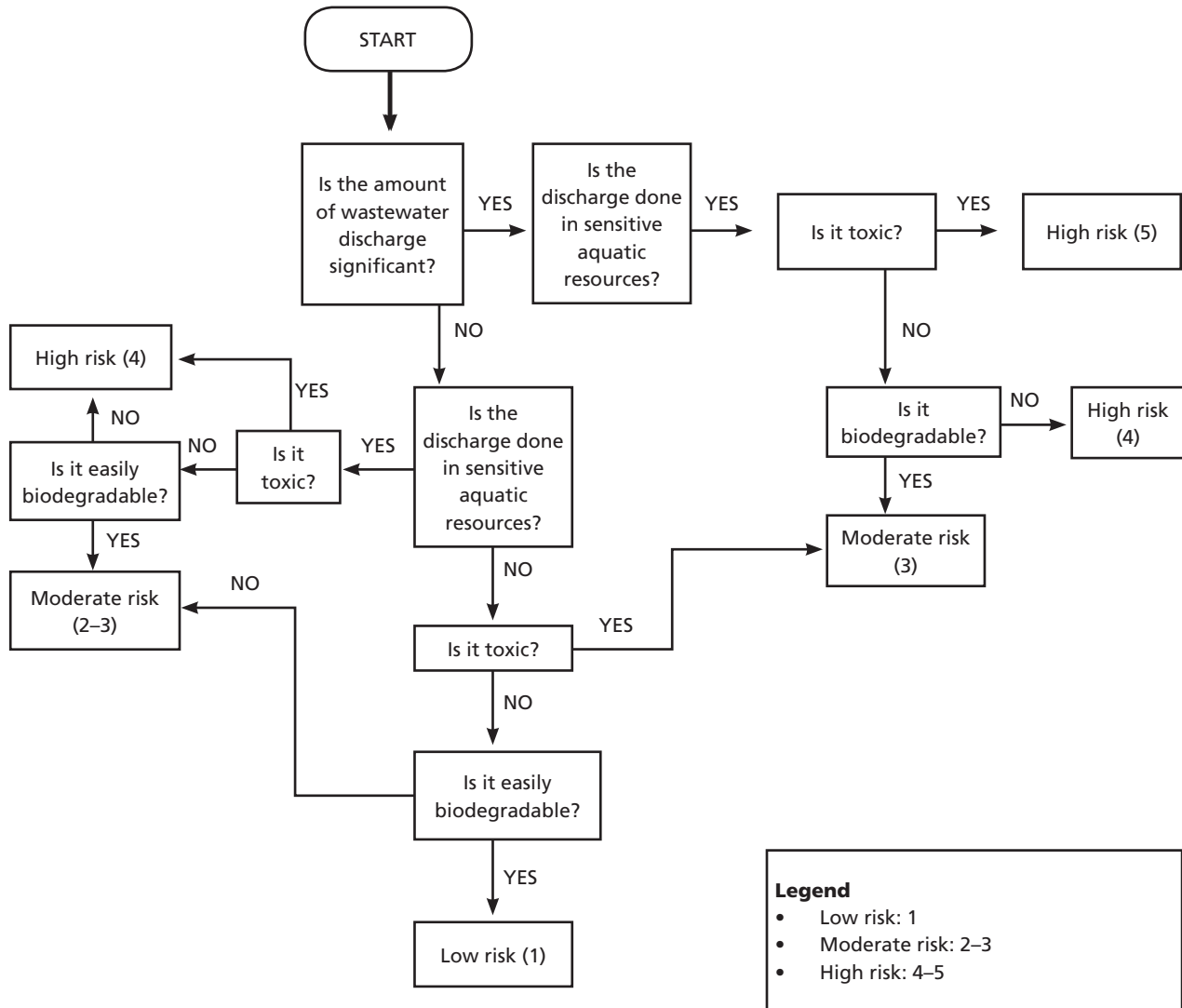
The third factor determining the impact of wastewater is the sensitivity of receiving water bodies in terms of their use pattern such as drinking water source, or importance for pisciculture or wildlife propagation.



Death of aquatic fauna due to toxic effluent discharge. Wastewater can significantly impact the receiving body



Figure 4: Impact of wastewater discharge



Source: CSE analysis

Combining the three factors in a series of questions seeking answers in terms of “yes” or “no”, the outcome with various scales is illustrated in *Figure 4: Impact of wastewater discharge*.

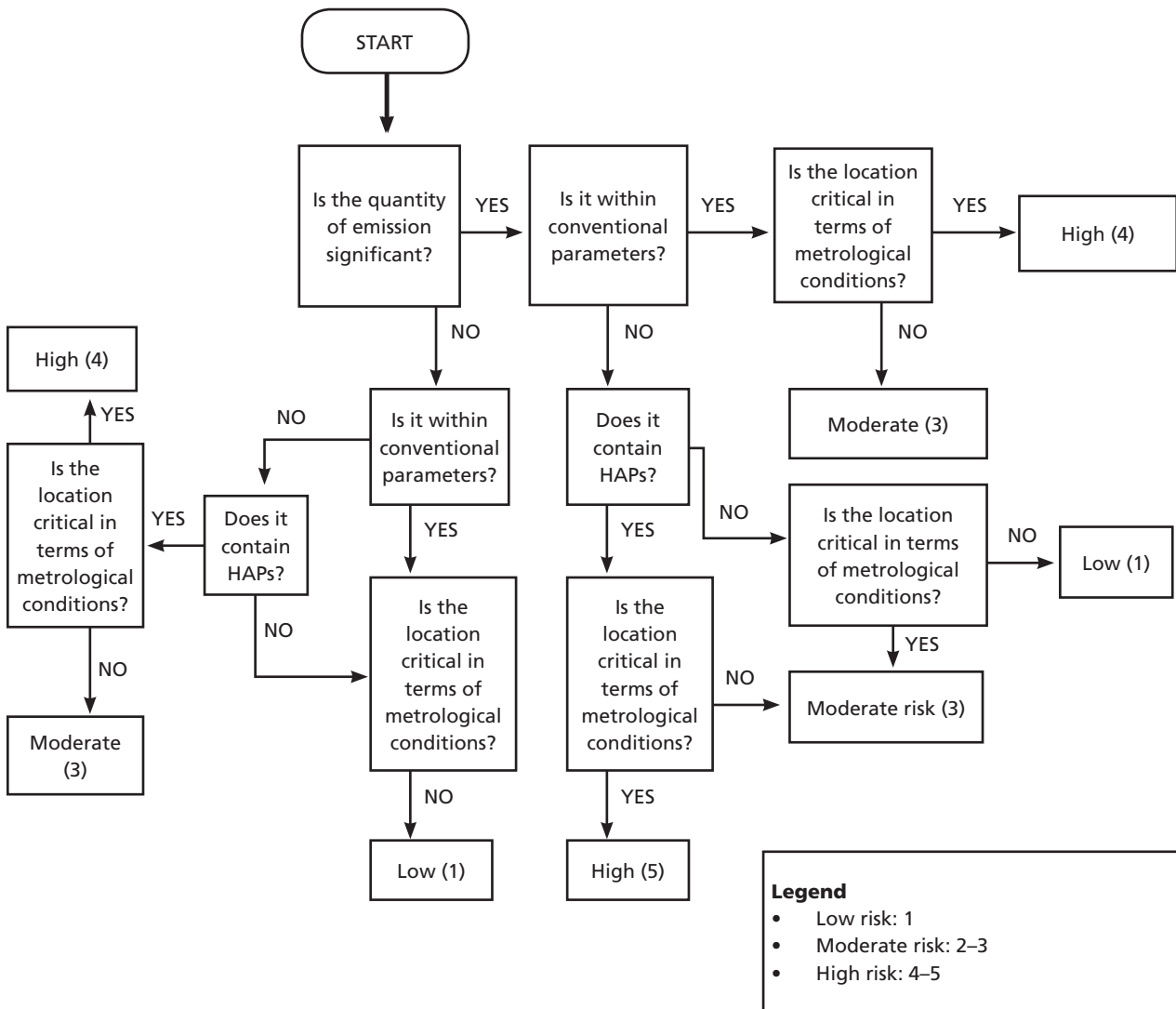
Impact of emission of air pollutants

The impact of emission of air pollutants is governed by the following factors:

- Quantity of emission
- Local meteorological conditions
- Characteristics of the air pollutants, and whether they are conventional pollutants (SO_x, NO_x or particulate matter) or hazardous air pollutants (HAPs) such as benzene, dioxin, furan and ammonia.

Combining the three factors in a series of questions seeking answers in terms of “yes” or “no”, the outcome with various scales is illustrated in *Figure 5: Impact of emission of air pollutants*.

Figure 5: Impact of emission of air pollutants



Source: CSE analysis



MEETA AHLAWAT/CSE

Air pollution potential of projects must be assessed in detail

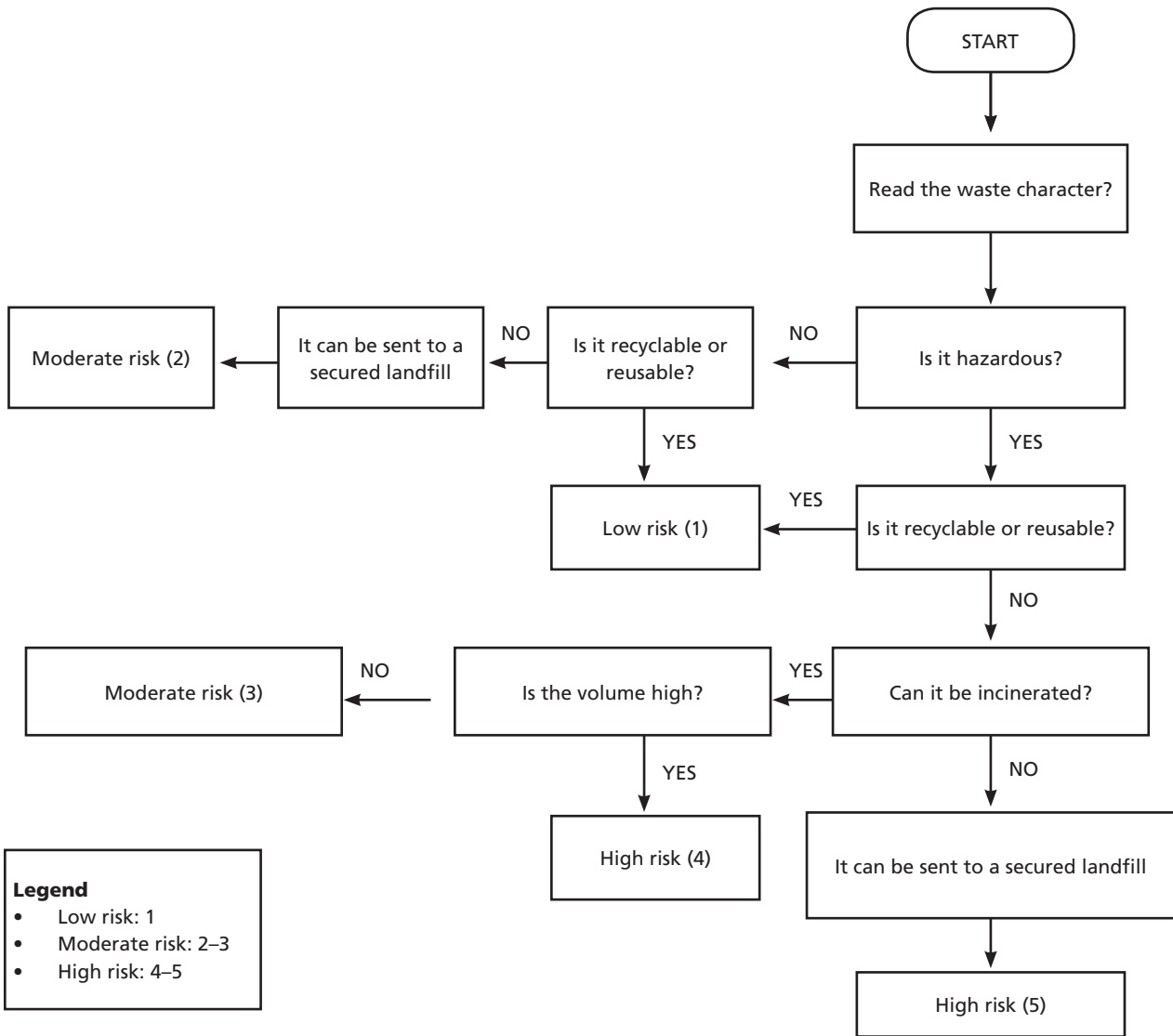
Impact of solid waste treatment and disposal

The prime factors governing the ranking of a project with respect to waste generation are the type of waste and quantity, and safe handling and disposal. Within safe handling and disposal of waste, priority is given to reuse and recycling. Disposal to a secured landfill is considered a last option as land is a limited resource. Incineration is prioritized over landfill disposal of waste. Preferential choices are recycling or reuse > incineration > secured landfill. Waste is classified into hazardous or non-hazardous streams.



Solid waste's negative potential—threat to water resource and nuisance for the local community

Figure 6: Impact of waste treatment and disposal



Source: CSE analysis

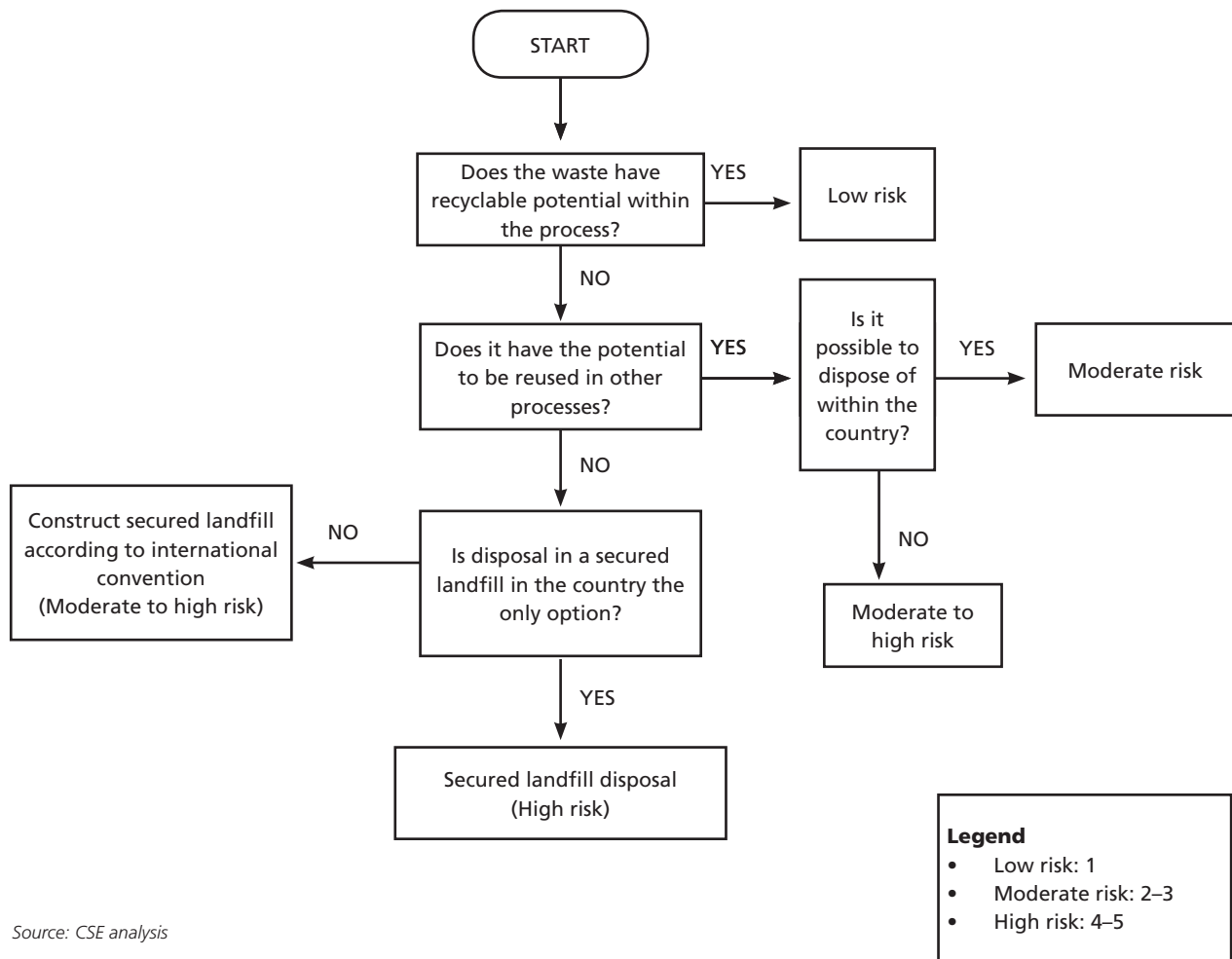
The logical structure for determining the impact of waste is provided in *Figure 6: Impact of waste treatment and disposal*.

Risks associated with handling, treatment and disposal of hazardous waste

To deal with waste identified as hazardous (as per the Basel Convention or local or country-specific laws), safest disposal is an absolute need. The three factors which need to be considered for safest disposal of such waste are as follows:

- Reuse and recycle potential
- Incineration
- Disposal to secured landfill

If the chance of environmental contamination is low, then the waste may be reused or recycled. If the chance of environmental contamination is moderate, the waste may be subject to incineration. The incinerator needs to be constructed according to proper norms and has to operate within strictly-defined parameters.

Figure 6A: Flowchart ranking solid waste treatment and disposal

Source: CSE analysis

The final option is to dispose of hazardous waste in secured landfills, taking every precaution to avoid leachates from contaminating soil and water. This option is a long-term environmental liability. The risks associated with various technological options are given enumerated in *Figure 6A: Flowchart ranking solid waste treatment and disposal*.

Overall stress on environment due to wastewater, air pollutants and solid waste

The overall stress on environment due to negative impacts of discharge of wastewater, emission of air pollutants and solid waste treatment and disposal is presented in *Figure 7: Impact of wastewater, air pollutants and solid waste*. The three contributors are given scores of one to five, five being the worst effect. Waste water discharge, air emission and solid waste disposal and treatment are scaled on 1 to 5. Wastewater discharge and solid waste disposal and treatment are given in row to the left and right and air emission is given in column.

Figure 7: Impact of wastewater, air pollutants and solid waste

Air pollutants Wastewater discharge	5	4	3	2	1	Solid waste displacement
5	15	14	13	12	11	5
4	13	12	11	10	9	4
3	11	10	9	8	7	3
2	9	8	7	6	5	2
1	8	6	5	4	3	1

Source: CSE analysis

Legend	
• High impact: 12–15	(Red)
• Medium to high: 8–11	(Yellow)
• Low: 3–7	(Green)

- If the cumulative score is 12 to 15, the project shall be treated as high impact.
- If the cumulative score is 8 to 11, based on the size, magnitude, nature and pollution potential, the project shall be treated as medium or high impact. For such projects screening will be applicable to decide the requirement of EIA.
- If the cumulative score is 3 to 7, the project shall be treated as low impact.

Cumulative impact of environmental stress on natural resources and impact of pollutant discharge

This is an attempt to finalize the overall impact with respect to environmental stress on natural resources and negative impact of pollutant discharge. The previous sections deal separately with the two aspects and arrives at the score qualitatively, viz. high (H), medium to high (or moderate) (M) and low (L). Keeping the impact in row and environmental stress in column, the cumulative scores are as follows:

- If both have the same impact, the overall impact is same—i.e., H, H as high; M, M as medium to high; and L, L as low.
- In case of different scores in terms of impact, the average value will be considered to be the overall impact, which will be rounded off to the higher value, i.e., while the cumulative impact of an H, L combo will be M, the cumulative value of an H, M combo will be H, and the cumulative impact of an M, L combo will be M, as given in *Figure 8: Ranking the overall impact of projects*.

Figure 8: Ranking the overall impact of projects

Pollution impact Natural resource stress	H	M	L
H	H	H	M
M	H	M	M
L	M	M	L

Source: CSE analysis

Legend	
• High impact:	Red
• Medium to high impact:	Yellow
• Low impact:	Green

- If the cumulative impact is high (red portion of the matrix), the project shall be treated as a category for which EIA is mandatory.
- For medium to high impact projects (yellow portion of the matrix), a preliminary assessment shall be carried out, ascertaining the size, magnitude, nature and pollution potential, on the basis of which the requirement of EIA can be decided.
- If the cumulative impact is low (green portion of the matrix), a project can be cleared by submitting EMP plan.

4

RECOMMENDATIONS

Based on an analysis of laws and regulations of different countries, CSE makes the following recommendations:

Categorization of a project

- Instead of direct listing of projects, categorization should be done on the basis of a proper rationale;
- There is a need for a mandatory list of activities for which EIA has to be a prerequisite.
- Projects should be categorized into three—A, B and C. Category B projects should be subject to screening to decide the requirement of EIA, if EIA is not required, then depending on the scale, location, sensitivity and potential risk to people, environmental clearance should be based on an IEE or a PEA or a scoping report or on an EMP only.
- A time limit should be fixed for granting environmental clearance to projects falling under the different categories.

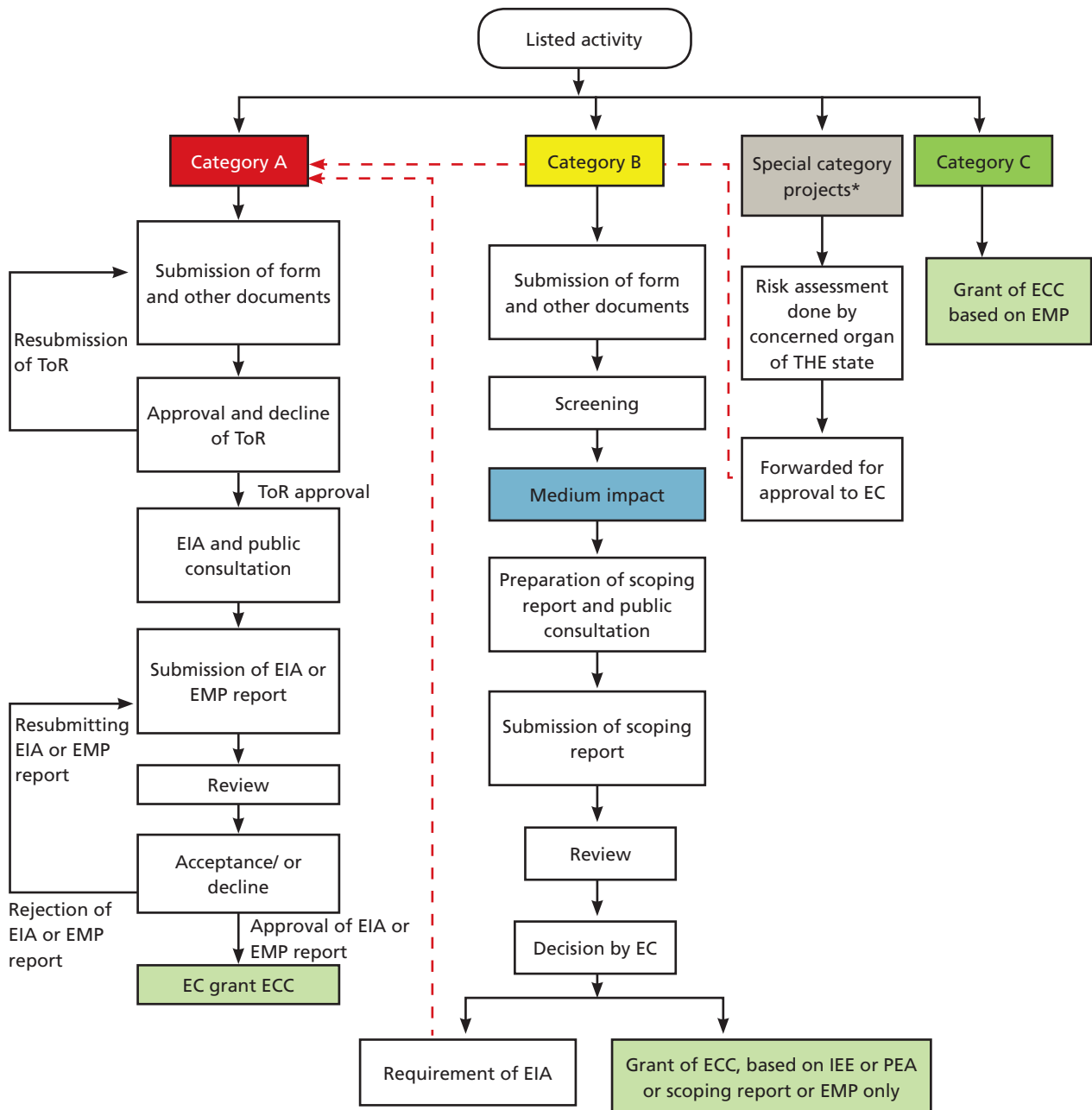
Need for siting criteria

- The concept of siting criteria should be introduced, to clearly determine the go and no-go areas.

CSE is also providing a siting guideline (see *Annexure 2*) to help countries to gauge the sensitivity of a location and to decide where polluting industries can be allowed.

Annexure 1: Flowchart explaining the categorization

Figure: Flowchart ranking solid waste treatment and disposal



Note: Projects to be treated as A category projects are denoted by: ← - - - - -

* Project under special category: For some projects, prediction of impact assessment is not possible based on precautionary principles due to incomplete scientific information. Such projects are generally left out of the purview of EIA, in the absence of comprehensive science-based information. However, such projects do have long-term implications which go beyond land and water issues and, therefore, need special attention and demand special regulations.

We suggest that a special category be created for such projects, with a separate appraisal committee comprising of ecologists, entomologists, agriculture scientists and geneticists. The projects identified under this category are introduction of:

1. New breeds of crops and plants
2. Genetically modified organisms (GMOs)
3. New breeds of livestock
4. New species in water bodies

Source: CSE analysis

Annexure 2: Project siting criteria

Justification for site selection

A proposed site for siting a project:

- (a) Shall pose minimum displacement and have minimum impact on the environment
- (b) Shall provide positive outcomes outweighing the potential negative impacts

(i) Category B projects:

- The site should maintain a “setback distance” as specified under different laws, regulations or guidelines for the protection and conservation of natural resources.
- No industrial projects shall be located in any residential area, the obvious exception being the building and construction sector.
- Any new industrial project that is going to produce high decibel sound, smoke, odour, water or air pollutants, or toxic emissions or discharges shall not be allowed in residential and commercial areas.
- Industrial projects shall preferably be located only in designated industrial areas and sites.

(ii) Category A projects:

- To ensure food security, no prime agricultural land shall be diverted for developmental projects except as a demonstrably last resort.
- No site should be located in areas protected under international conventions, and national or local legislation for their ecological importance.
- Every site should maintain a “setback distance” as specified under different laws, regulations or guidelines for the protection and conservation of natural resources. The benchmark for setback distance can be country-specific, depending on the local regulations.
- A minimum setback distance of 100 meter from the coast is desirable; no development activity ought to be allowed in this zone.
- Similarly, a setback distance of 100 meter from a floodplain is desirable, unless the project is located at an elevation which is not affected by floods, as proven by historical records. No development activity ought to be allowed in this zone.
- No industrial projects shall be located in any residential area, the obvious exception being the building and construction sector.
- Any new industrial project that is going to produce high decibel sound, smoke, odour, water or air pollutants, or toxic emissions or discharges (exceeding national standards) shall not be allowed in residential and commercial areas.

- Industrial projects shall preferably be located only in designated industrial areas.
- Land acquired shall be sufficient to provide adequate additional space for development of a “greenbelt”, a spacious parking area to avoid traffic congestion, setting up of wastewater treatment plant, storage of waste, etc.

Annexure 3: Screening criteria (applicable only for “medium to high” impact projects)

Questions for screening criteria	Response	Support “yes” or “no” with reasons	Remark
Is the area (project site) protected under local legislation, or national and international conventions?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Will the project substantially use natural resource(s) in a way that pre-empts the use, or potential use, of those resources for any other purpose?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Has the project potential to cause significant displacement? <i>Note: Concerned authority should define the benchmark</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Is the project located in environmentally sensitive areas and will it affect the environment? • Will the activity result in loss or damage to wildlife or valuable habitats or ecosystem services? • Will the activity result in loss or damage to rare or endangered or threatened or endemic flora or fauna? • Will the activity disturb wildlife migration, feeding or breeding? • Is the activity located in an area reliant on nature-based tourism? • Is the activity located in areas containing unique or outstanding scenery?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No		
Will the project impact following: Local livelihood? • Mountains or developments on or near steep hill-slopes? • Development in areas providing important resources for vulnerable groups such as fishing communities along the shoreline? • Prime groundwater recharge areas or areas of importance for surface run off of water?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No		
Is there a risk to the ecosystem due to introduction of new species, i.e., alien (exotic) plants or animals or genetically modified species?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Questions for screening criteria	Response	Support "yes" or "no" with reasons	Remark
Has the project potential to cause: <ul style="list-style-type: none"> • Adverse socio economic impact? • Significant land degradation, air and water pollution? • High risk to neighbourhoods? • Significant increase in traffic mobility on existing infrastructure? • Creation of by-products, residual or waste materials that will require handling and disposal in a manner that is not regulated by existing authorities? 	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No		
Does the project have potential to impact trans-boundary treaties and international cause international impact?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Are the potential residual impacts on the environment likely to be minor, of little significance and easily mitigated?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Do reliable means exist for ensuring that impact management measures can and will be adequately planned and implemented?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

Source: CSE analysis

Somehow, Environmental Impact Assessment (EIA) has come to be seen as a roadblock to development as it consumes a lot of time and resources to obtain environmental clearances. This is far from being true, the root cause of delay in getting environmental clearance is inadequate categorization of projects under laws and regulations. This categorization has been done without proper rationale in several countries, being simply based on type, with respect to impact from global experience, and scale of operation and sensitivity of the impact area. As a result, most low-impact projects are also required to undertake EIA studies when such projects can be easily removed from the purview of EIA and treated under a separate category.

This report is an attempt to provide a better rationale for categorizing projects based on scale, potential impact, generation and characterization of waste, potential impact on natural resources etc. The rationale can also be used as a screening tool to decide whether an EIA is needed at all. Siting criteria which can help define go and no-go areas is also provided.

It is hoped that this report will help in making the deliberations regarding clearance processes of developmental projects faster and encourage ease of doing business.



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