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Introduction of Standing Bodies for Uninterrupted Environmental Clearance: Amendment to the EIA Notification, 2006

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Introduction

Obtaining an Environmental Clearance is critical for infrastructure, real estate, and manufacturing sector. Historically, project proponents have faced issues in getting Environmental Clearance not because there is an issue with their project but because the State Level Appraisal bodies have become non-functional due to expired tenures resulting in bulk transfer of pending applications to an already overburdened Central Authority. The present ERGO will deal with the amendment to the Environment Impact Assessment Notification, 2006 introduced by Ministry of Environment, Forest & Climate Change (MoEF&CC) vide notification dated 13 July 2026.

EIA Regime and Need for Amendment

The Environment Impact Assessment Notification dated 14 September 2006 (EIA Notification, 2006) was issued by the Central Government under the Environment (Protection) Act, 1986 (EPA, 1986). Under EIA Notification, 2006 prior environmental clearance is required for building and construction projects. It remains, the foundational regulation governing the manner in which projects are assessed for their impact on the environment. The EIA Notification, 2006 provides for project appraisal in a two-tier structure. Category A Project which are appraised centrally through Expert Appraisal Committees (EAC), while Category B Projects are appraised by States. State Level Environment Impact Assessment Authorities (SEIAAs) are constituted under sub-section (3) of Section 3 of the EPA, 1986 to enable clearance at the State Level for Category B projects and State Level Expert Appraisal Committees (SEACs) are constituted by the MoEF&CC in consultation with the State Governments to assist the SEIAAs. This is aimed to ensure that the burden of appraisal on the Centre is reduced, and clearances are granted in an effective manner.

The SEIAAs and the SEACs are constituted for a fixed tenure, and the State Governments have continuously delayed constituting these committees which has resulted in delay in grant of clearance for several projects. The delay in constitution of the committees was attributable to incomplete nominations, long list of vacancies, delay in sending proposals, etc. As a result of non-functioning of State Bodies under the pre-amendment regime of EIA Notification, 2006, the pending Category B proposals have to be transferred to the MoEF&CC for appraisal. This resulted in an overburdened central authority and an administrative bottleneck which have resulted in delays in several projects.

To ensure the continuity of SEIAA and SEAC, on 13 July 2026, MoEF&CC notified the amendment to EIA Notification, 2006 S.O. 3862(E). The amendment forms part of package to keep the decision-making process decentralised, and to not have to transfer large numbers of Category B proposals to the Central Government, which had been causing a strain on the capacity of Central appraisal and had been delaying the processing of both Category A and Category B projects.

Key Changes Introduced

New Standing Bodies:

The amendment to EIA Notification, 2006 aimed at addressing the backlog of projects and delay in constitution of SEIAs and SEACs. The most significant amendment is the creation of a Standing Authority on Environment Impact Assessment (SAEIA) and a Standing Committee on Environment Impact Appraisal (SCEIA) for each State and Union Territory. The SAEIA and SCEIA will be constituted by the Central Government and will comprise of ex-officio members. These standing bodies will automatically assume function of SEIA and SEAC whenever they are non-functional because of expiry of tenure or "any other circumstances". The SAEIA will functions as SEIAA, while SCEIA will evaluate the appraisal functions as done by the SEAC. The SAEIA and SCEIA will operate for a maximum period of 6 months, which can further be extended by another 6 months. This will ensure a functional arrangement while the State Government finalises its nomination for the SEIAA and SEAC.

Extension of Tenure: The tenure of the SEIAA and SEAC has been extended from three years to four years along with the conditions attached to the tenure of the Chairman, who may serve for maximum two terms of four years all taken together in either of the bodies comprising EAC, SEAC or SEIAA. Furthermore, the amendment imposes a strict obligation on the State Governments to initiate the process of reconstitution of SEIAA and SEAC six months prior to the expiry of the ongoing term which in effect will minimise the likelihood of administrative vacuum.

Revised Qualifications and Accountability: The amendment also revised the eligibility criteria and governance standards of the appraisal bodies. The members must now possess specific qualification along with 10 to 15 years of domain experiences. The revised eligibility criteria will also ensure that the committees are multidisciplinary and have a broader area of expertise. The composition of the bodies has been capped at 15 members. The Government has also tried to fix accountability to the working of these committees as the Chairperson or members of these bodies may be removed on proven charges which include any delay in processing proposals for the grant or rejection of an EC beyond the prescribed timeline.

Critical Concerns

The Amendment ensures administrative continuity; however, it introduces certain legal and regulatory grey areas that stakeholders must navigate carefully. For instance, the standing bodies will assume power when regular bodies are non-functional due to tenure expiry or "any other circumstances." The lack of a clear definition for "any other circumstances" leaves room for subjective interpretation which may result in further jurisdictional disputes. It is also to be noted here that Amendment does not create any provision for capacity building, establishing transparent process for empanelment of the experts, among other measures which could have address the underlying issues.

Further, the ground of failure to meet the prescribed timelines for processing EC proposals is however an unsettling feature to include as a ground for removal. A careful and thorough appraisal may in some cases demand further time for a good appraisal of the circumstances. If a member requests further research, insists on a new public hearing or delays a decision because of inadequate information, they can essentially be living under the threat of removal. The particular provision does not indicate any matching risk if and when an EC is granted without proper precautions.

Impact on the Market

The amendment is well intentioned and aims at the two things which affect the project planning in India i.e. certainty of timeline and confidence in the clearance system. By extending the tenure of the SEIAA and SEAC, the frequency of transition has been reduced. More importantly the creation of standing bodies will ensure that the system is never at a complete halt which previously resulted in delay in clearance system.

The project proponents can consider this amendment to hope for a predictable clearance timeline and correspondingly improved investor confidence which the notification seeks to protect.

Taken together these changes account for a continuous and well-staffed appraisal system which aims at reducing the regulatory uncertainty that has always impacted the project planning in India.

Conclusion

The EIA Notification dated 13 July 2026 is an administrative reform aimed at strengthening the appraisal process rather than a change to the substantive standards of environmental clearance. By increasing the tenure and creating dedicated standing bodies, the MoEF&CC has aimed to close the gaps or administrative vacuum that previously arose during transitions between successive SEIAAs and SEACs. However, this administrative efficiency comes at the cost of potential regulatory vulnerability. The reliance on ex-officio members without mandated environmental expertise, and the threat of removal for delayed decision may create a situation where projects are approved without the required rigour of an environmental impact assessment.

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