

Guidelines for Preparation and Implementation of Corporate Environment Responsibilities (CER) Proposals

Background

Chairman, SEIAA Kerala has asked for the opinion of SEAC on the guidelines of CER to be adopted by SEIAA/SEAC as part of the environment clearance process. This note was based on the discussion in the 140th, 141st and 142nd meetings of SEAC, previous notes on CER prepared by SEAC and perusal of the relevant notifications of MoEF&CC and the minutes of some of the meetings of the EAC and SEACs in Kerala and in few other states.

MoEFF & CC Notifications on CER

OM (F.No.22-65/2017-IA.III dated 1-5-2018 of MoEF&CC had laid down certain guidelines regarding CER. The OM states that the “activities proposed under CER shall be worked out based on the issues raised during the public hearing, social need assessment, R&R Plan, EMP etc”. It further states that “the proposed activities shall be restricted to the affected area around the project”. It also suggests that the proponent shall spent a certain percentage of the capital investment for CER activities. The maximum percentage to be earmarked by the proponent for the CER was stipulated in the OM. Following table provides the details.

Maximum Fund allocation for CER as percentage of Capital Investment as per OM (F.No.22-65/2017-IA.III dated 1-5-2018 of MoEF&CC)

Investment	Greenfield projects	Brownfield projects
Less than or equal to Rs. 100 Crore	2	1
Rs 100-500 crore	1.5	0.75
Rs 500-1000crores	1	0.5
Rs 1000-10000 crores	0.5	0.25
Above 100000crores	0.25	0.125

The OM also listed the activities that can be carried out under CER which are given below:

- Infrastructure creation for drinking water supply and sanitation
- Health
- Education
- Skill development
- Roads
- Cross drains
- Electrification including solar power
- Solid waste management facilities
- Scientific support and awareness to local farmers
- Rain water harvesting
- Plantation in community areas

Followed by this OM, MoEF&CC issued a new OM on 30th September 2020 (F.No.22-65/2017-IA.III dated 30-9-2020). The OM states that the EAC/SEAC shall deliberate on the commitments made by the project proponent to address the concerns raised during the public consultation and prescribe specific condition(s) in physical terms while recommending the proposal, for grant of prior EC instead of allocation of funds under CER. Further, it was directed that all activities proposed by the project proponent or prescribed by the EAC/SEAC shall be part of EMP.

The Ministry further clarified through OM dated 25-2-2021 that in cases where Public Hearing is not applicable, the project proponent will be bound to take up all activities proposed by them in the EMP as well as any additional activities that may either be committed by them before the EACs/SEIAAs/SEACs or the same have been prescribed by the EACs/SEIAAs/SEACs.

The implications of the above referred OMs are the following:

1. SEAC can prescribe CER activities suitable to the locality and the proponent is bound to undertake activities committed before SEAC/SEIAA.
2. The SEAC/SEIAA shall not accept CER proposals earmarking a fixed percentage of the project cost as CER commitment. All CER activities recommended by the SEAC should specify the physical targets with details necessary to monitor the compliance.
3. CER Plan should be included in the EMP and the compliance of the commitments under CER should be included in the compliance report.
4. CER commitments have to be made even if public hearing is not mandatory.

Considering the above, the following guidelines are prescribed for the preparation and implementation of CER proposals.

GUIDELINES ON CER PROPOSALS OF EC APPLICATIONS SUBMITTED TO SEIAA KERALA

A. Identification of CER activities by the Project Proponent

1. The CER proposal shall be based on an assessment of the environmental and social impact of the project and an assessment of the needs of the population in the surrounding areas.
2. To identify CER interventions, the key stakeholders must be consulted. The details of the person(s)/institution undertaking the need assessment and the contact details of the stakeholders consulted have to be mentioned in the CER proposal. A more detailed need assessment study is required as the project area increases.
3. In case of large projects (say, when the project cost is more than Rs. 25 crores or mining projects with an area more than 5 hectares), a more detailed need

assessment study involving elected representatives of the local government, key public institutions and a cross section of the public shall be undertaken and the details shall be furnished in the EIA report. Methods such as Focus Group Discussions and depth interviews with stakeholders such as heads of local institutions, elected representatives, members of the biodiversity management committee, people in neighbourhoods, institutional surveys, transect walk etc. can be employed. A study report has to be submitted along with CER Plan in such cases detailing the major issues in the locality (not only the ones addressed by the proposed interventions), felt needs of the community and why the interventions are proposed. This would facilitate a better decision making by SEAC.

4. While preparing the CER proposal, the Project Proponent shall take into account the issues raised in the public hearing, if applicable. The public hearing, therefore, should also focus on the socio-economic and environmental problems faced by the people in the locality with a view to identify CER interventions that are useful for the community.

B. CER Activities and Implementation

5. Proposals to improve the socio-economic condition of the people by augmenting the public infrastructure and facilities and natural resources in the locality are acceptable. The activities accepted by SEAC in the past include: rejuvenation of rivers, installation of well recharging structures, rainwater harvesting structures, renewable energy systems, restoration of ecosystems, enhancement of carbon sequestration, measures for the conservation of endemic species, soil moisture conservation works, infrastructure creation for drinking water supply etc.. Projects such as roads, cross drains, waste management facilities, building toilet blocks and provision of class room facilities in government schools, infrastructure for education and awareness on environment in government institutions, infrastructure/facilities in government hospitals and anganwadis and institutions for persons with disabilities such as BUDS schools, plantation in community area etc. are also considered. The above list is only indicative.
6. The proposed activities shall be restricted to the affected area around the project. As far as possible, the CER interventions shall be undertaken in the local body where the project is located. In exceptional cases, especially in the case of large projects, CER activities shall be proposed outside the local body if there is sufficient justification for the same. In such cases, the need assessment study should cover all the local bodies in the impact area of the project. Also if the project cause global impacts, for example, emission of gaseous pollutants and hazardous chemicals, cutting down of large number of trees etc. then the CER can be extended to outside of the local body
7. Project Proponent shall provide sufficient justification for the proposed interventions.

8. The CER activities shall be undertaken in the first two years of the validity of the EC and there shall be provision for its maintenance for the remaining period of the project life.
9. Donations are not allowed to be included in the CER.
10. Necessary budget provision shall be made in the EMP. The cost of CER is to be in addition to the cost envisaged for the measures for pollution control, environmental protection and conservation, R&R, wildlife and forest conservation/protection measures including the NPV and compensatory afforestation, required, if any, and any other activities, to be derived as part of the EIA process.
11. If planting activities are taken up in community areas and if it involves avenue plantation, the tree guards shall be used for protection and survival of planted seedlings. The design and prototype of tree guard are available in the website of SEIAA. The species used should be native to Kerala. Further, the Project Proponent shall take adequate measures to ensure the survival of the seedlings planted during the project period. The mechanism to be followed for the same shall be detailed in the CER Plan.
12. Necessary details to quantify the work planned as part of the CER will have to be furnished by the Project Proponent in the CER Plan. Few examples are given below to provide an idea on the details required in the CER proposal.
 - If the Project Proponent proposes solar panel installation in public places or public institutions, the following details will have to be furnished:
 - Where will it be installed?
 - What is the capacity in kilowatt?
 - When is it going to be installed? i.e., year of installation.
 - Which agency will do the implementation?
 - What is the provision for its maintenance during the subsequent years?
 - Demand letter from the institution or the local body
 - Support received from local bodies, if any
 - Cost estimate
 - Assurance of local bodies for the maintenance of same.
 - If a river/canal rejuvenation is proposed under CER, the following details are sought for:
 - Stretch of river/canal proposed to be rejuvenated
 - Starting point and end point with geo-coordinates
 - Activities included in the rejuvenation plan

- In which year, the activity will be undertaken
 - Who will do the implementation?
 - Plan for its maintenance during the project period
 - Demand/consent from the responsible authority
 - Cost estimate
 - Support received from local bodies, if any
 - Assurance of local bodies for the maintenance of same, if any.
- If the proposal is for building a toilet complex in government school/hospital, the following details are to be furnished:
 - Number of units in the complex
 - Number of students in the school and the number of toilets already available (to understand the need for additional facilities)
 - Whether there are any non-functional toilets in the facility. If yes, any possibility of renovating the existing facility (to avoid wastage of resources)
 - Provision for water
 - In which year, the activity will be undertaken
 - Demand letter from the institution
 - Who will do the implementation?
 - Cost estimate
 - Support received from local bodies / school authorities, if any
 - Assurance of school authorities for the maintenance of same.
- If the provision is for computers, the following details have to be provided:
 - Number of computers to be provided with specifications
 - Number of computers currently available in the school/institution
 - Whether the installation charges including the additional electric wiring etc. will be met by the Project Proponent. Whether computer tables are already available or the Project Proponent will provide the same.
 - Whether the maintenance and repair costs will be met by the Project Proponent and whether a maintenance contract will be executed to ensure regular maintenance
 - In which year, the activity will be undertaken

- Period for which the facilities will be maintained by the Project Proponent
- Demand letter from the institution
- Which agency will do the implementation?
- Cost estimate
- Support received from school/ institutions, if any
- Assurance of school / institution authorities for the maintenance of same.

13. Interventions targeting individual beneficiaries shall be allowed only if there is sufficient justification for the same. For instance, if the Project Proponent proposes the improvement of housing condition of a few poor households in the neighbourhood of the project, it may be approved if sufficient information is provided. In such cases, the following details shall be called for:

- Personal details and address of the beneficiaries
- The socio-economic profile of the beneficiary households- Whether living below poverty line, Whether SC/ST, number of earning members etc.
- Photographs of the house before intervention
- Geo coordinates of the intervention sites
- Details of the construction/maintenance work required in each house
- Detailed budget estimates
- Which agency will do the implementation?
- Support received from local bodies / beneficiararies/ any other agneces, if any

14. The activities proposed for CER shall be implemented in a time bound manner and compliance report of implementation of the same along with documentary proof viz. photographs, purchase documents, latitude & longitude of infrastructure developed & road constructed needs to be submitted to Regional Office MoEF&CC annually.

15. Project Proponent shall keep the funds earmarked for environmental protection measures in a separate bank account and refrain from diverting the same for other purposes. The proof of housing deposited CER fund should be provided with the first half yearly compliance report.

GUIDELINES TO REVIEW CER PLAN BY SEAC/SEIAA KERALA - 2023

1. Before accepting the application for EC, the SEIAA may ensure that the CER Plan is given with year-wise physical targets. However, the acceptability of the proposals is not to be considered at this stage.
2. To avoid delay in the EC process, the CER Plan proposed by the proponent shall be discussed in detail in the first meeting in which the application is considered by SEAC.
3. The comments and suggested modifications in the CER Plan proposed by the proponent shall be given in detail. If the proponent is asked to revise the CER Plan, SEAC shall give specific instruction as to whether only additional details of the interventions already proposed are to be furnished or the proponent needs to change the activities proposed. If the CER Plan includes more than one activity, changes required (if any) of each activity shall be provided by SEAC. For instance the recommendation can be "The Project Proponent needs to revise the activity for promotion of education in a more specific and in a monitorable and actionable manner along with the timeline for the completion of the said activities." This is required when other interventions which are acceptable to SEAC have also been proposed.
4. SEAC shall ensure measurable year-wise physical targets for CER activities and to include the same in the EMP.
5. SEAC shall insist on undertaking the CER activities in the first two years of the validity of the EC and to make provision for its maintenance for the remaining period of the project life.
6. The costing norms given in OM dated 1-5-2018 can be followed as a guideline depending upon the nature and magnitude of the project.
7. SEAC, while finalising the interventions, shall ensure that necessary budget provision is made in the CER Plan to undertake the proposed intervention meaningfully. For example, a proposal to complete the construction of a classroom at a cost of Rs. 80000 is not a feasible estimate and therefore needs to be revised.
8. SEIAA may include the CER commitments as special condition so that future field visit/monitoring teams can examine this by referring the EC certificate. Stating that the proponent has to follow the OM of MoEFF&CC dated 30-9-2020 is not sufficient. Physical targets and financial commitments as approved by SEAC shall be followed.

9. The final CER plan approved by the SEAC/SEIAA shall be activity wise, time bound action plan with budgetary provision for each activity. The SEIAA shall insist that the approved CER Plan shall be uploaded in the website of the project.
10. The Standard EC conditions as per Ministry's OM No. 22-34/2018-IA.III, dated 08.01.2019 given below shall be modified by replacing "O.M No 22-65/2017-IA. II (M) dated 01.05.2018" with "O.M. No.22-65/2017-IA.III dated 30-9-2020".

The activities and budget earmarked for Corporate Environmental Responsibility (CER) as per Ministry's O.M No 22-65/2017-IA. II (M) dated 01.05.2018 or as proposed by EAC should be kept in a separate bank account. The activities proposed for CER shall be implemented in a time bound manner and half yearly completion / implementation report of the same along with documentary proof viz. photographs, purchase documents, latitude & longitude of infrastructure developed & road constructed needs to be submitted to Regional Office MoEF&CC annually along with audited statement.