

6. Green Clearances Waived for Onshore and Offshore Oil Exploration

Prelims Level: Environmental Impact Assessment

Mains Level: GS-III Conservation, environmental Pollution and Degradation, Environmental Impact Assessment

Why in News?

- The Environment Ministry has exempted oil and Gas Firms, looking to conduct exploratory drilling, from seeking an Environmental Clearance.

Highlights:

- Until now, even exploratory surveys have required the highest level of environmental Scrutiny, called category 'A', that needed project proponents to prepare an environment Impact Assessment (EIA) plan, have it scrutinised by a Centrally constituted committee of experts and subject the proposal to a public hearing involving the local residents of the proposed project site.
- The clearance is for both on-shore and offshore drilling explorations and the process is an ecologically-intensive exercise that involves digging multiple wells and conducting seismic surveys offshore. Even category A projects are frequently exempted if they are offshore. The new amendments demote exploratory projects to the category of 'B2'.
- This means it will be conducted by the States concerned and will not require an EIA. The move is part of a larger process of 'decentralisation' by the Centre in that it seeks to farm more regulatory actions to State and local units.
- Developing an offshore or onshore drilling site as a hydrocarbon block will however continue to merit a "category A" treatment. Environmentalists argue that offshore drilling operations can possibly effect fish, lead to a build-up of heavy water contaminants, disorient whales and sea life that rely on sonar for navigation and exacerbate the risk of oil spills.
- The government in 2019 relaxed rules that incentivises companies conducting oil exploration surveys in less-explored oil fields to keep a greater share of revenue if they chance upon viable hydrocarbon blocks.
- This has led to a rise in interest in oil and gas exploration with the Cauvery basin registering a boost in activity.