Ministry of Environment, Forest and Climate Change

Government brings Major Reform in Environmental Compliance in the form of Environment Audit Rules, 2025

The Rules to prevent Environment Degradation while promoting Sustainable Development and Ease of Doing Business

Posted On: 03 SEP 2025 8:29PM by PIB Delhi

In line with Government's commitment to **Ease of Doing Business** and the principles of **trust-based governance**, Union Ministry of Environment, Forest and Climate Change (MoEFCC) has introduced a major reform through the *notification of the **Environment Audit Rules, 2025*** on 29th August 2025. Drawing upon international best practices, these rules have been conceptualized to address the existing gaps in environmental compliance monitoring.

Compliance with statutes such as the Environment (Protection) Act, 1986, the Forest (Conservation) Act, 1980, the Wildlife Protection Act, 1972, Green Credit Rules, 2023 and other related regulations is essential to safeguard the environment from degradation while promoting sustainable development.

The overall framework for monitoring and compliance within existing environmental framework is presently supported by the Central Pollution Control Board (CPCB), the Regional Offices of the Ministry, and the State PCBs/Pollution Control Committees, which are facing significant constraints in terms of manpower, resources, capacity, and infrastructure. These limitations hamper their ability to comprehensively monitor and enforce environmental compliance across the vast number of projects and industries operating nationwide.

This scheme aims to bridge the manpower and infrastructure deficits faced by regulatory authorities, thereby strengthening the effective implementation of environmental compliance mechanisms. Furthermore, the scheme is designed to ensure greater transparency, accountability, and credibility in the compliance monitoring process, fostering trust among stakeholders and promoting sustainable environmental governance.

Main Features of Environment Audit Rules, 2025

i. Auditors to be **Certified and Registered by MoEFCC notified Environment Audit Designate Agency (EADA).**
ii. **EADA to be responsible for** certification and registration of EAs, monitoring their performance, take disciplinary action, facilitating capacity building, maintaining online register.
iii. **Certification** of Environmental Auditors to be based on **either scrutiny of their qualification and experience or by conducting an exam.**
iv. **Auditing to be undertaken only by Registered Environment Auditors.**
v. The assignment of REAs to specific project entities **shall be done by a random assignment method.**
vi. REAs **responsible for compliance evaluation and related activities of sampling, analysis, compensation calculation, verification** under Green Credit Rules, **audit under waste management rules**, and under various other environment and forest related legislations.

vii. REAs may also undertake auditing assignment by the PP **including for verification of self compliance report.**

Key Regulatory Stakeholders under the Rules:

i. **Certified Environment Auditor**: Individuals who qualify through either Recognition of Prior Learning (RPL) or the National Certification Examination (NCE).
ii. **Registered Environment Auditor**: Those certified individuals officially registered to perform audits.
iii. **Environment Audit Designated Agency (EADA)**: The body responsible for certification, registration, oversight, and training of auditors.
iv. **Ministry of Environment, Forest and Climate Change**; Oversee the implementation of the Rules and issue necessary guidelines from time to time.
v. **CPCB/SPCB/ROs**: To continue with their existing role of inspection and verification, as and when required and to assist MoEFCC in overseeing the implementation of the Rules.

Oversight Mechanism:

A **Steering Committee**, led by an Additional Secretary from MoEFCC, along with representatives from relevant divisions and regulatory bodies, monitors progress, addresses implementation challenges, and suggests reforms.

Expected Outcome from the Initiative:

i. **Strengthening Environmental Compliance-** These rules aim to ensure **independent third-party verification** of environmental performance, making compliance more credible, measurable, and enforceable.
ii. Aligning with Emerging Environmental Frameworks- **The rules are designed to support and integrate with various other environmental instruments like** Green Credit Programme, Eco-mark Certification **and** Extended Producer Responsibility under waste rules**.**
iii. **Enhancing Regulatory Capacity-** By creating a pool of **trained and certified professionals**, the burden is shared, allowing the government to focus on high-risk enforcement and policy improvement.
iv. **Improving Transparency, Accountability and Ease of Doing Business-** By introducing a **certified and randomly assigned auditor system**, the government aims to eliminate conflicts of interest, promote unbiased assessments, and build public and institutional trust in audit outcomes, while promoting Ease of Doing Business.
v. **Data-Driven Environmental Governance-** Regular audits will provide **systematic, verifiable, and digitized data** on emissions, discharges, waste, and resource use. This supports **better decision-making, public disclosure**, and targeted interventions.
vi. **Proactive Risk Management-** Audits help **detect non-compliance early**, enabling **timely corrective action** and **preventing** environmental damage**.**

*****

VM

(Release ID: 2163488)