

6 September 2010

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Dear Mark

The Australian Sustainable Business Group (ASBG) welcomes the opportunity to provide comment on the scoping of the Environment Protection and Heritage Council's (EPHC) Review of the Harmonisation of Environmental Regulation.

ASBG is a business representative body with over 150 members, most of which are Australia's leading manufacturing companies. Further information about ASBG can be found on its website www.asbg.net.au.

Harmonisation can be defined as: *Adjustment of differences and inconsistencies among different measurements, methods, procedures, schedules, specifications, or systems to make them uniform or mutually compatible.* Using this definition there is a considerable task ahead to improve the multitude of current and developing environmental regulations, policies and its supporting documentation. Overall, while a commendable project, it is also one of complexity and considerable challenges. Therefore this will be a lengthy if no on-going project; indeed harmonisation should a processes used by jurisdictions when drafting new or amending regulations.

As this is a scoping exercise this response will focus on the range of issues rather than why they are an issue, which can be discussed during further consultation on this important issue. In summary the main areas in scoping this project includes but is not limited to:

1. Environmental reporting; streamlining, duplication reduction and harmonisation
2. Standardisation of: measurement, monitoring, accounting, verification across the following areas:
 - a. Greenhouse emissions
 - b. Air emissions (other than greenhouse)
 - c. Water
 - d. Waste
 - e. Land
3. Harmonisation of waste issues including: measurement, data collation, waste management type and improving the design of waste levies
4. Improvements to licenses, authorities and permits
5. National recognition of specific processes and systems which are Nationally recognised as best practice to assist in controversial projects.
6. Pathways and timetables to address these issues

Each of the above areas are dealt with below in more detail.

Environmental Reporting

The majority of complaints ASBG receives from members is their increased workload associated with the expanding multitude of environmental reporting obligations. Time taken to complete these often duplicative and repetitive reports detracts from the environmental managers main goal, to protect and improve the environmental performance of the organisation in which they work. Some of the main issues affecting environmental reporting are linked with other harmonisation actions. Hence, solving one issue can lead to improvements in another area. Key areas where environmental reporting can be made more efficient across state and territory jurisdictions includes:

- Removal of duplication in reporting — EEO and ESAP reports are considered duplicative in content and outcomes
- Standardization of measurement policies, methods, accounting and verification (see below)
- Collection and collation of such data under one (perhaps two at most) centralised data base/s
- Standard national reporting formats be prepared and recognized across all jurisdictions for common types of environmental reporting, including but not limited to: energy, emissions, waste and water.
- Limited public access⁵ to centralized data bases —limited to OSCAR for greenhouse emissions and the NPI for other emissions. Where new databases are to be used they should be attached to the NPI such as for waste.
- Permitting reporting entities to change their reporting times to better suit or align these with other reporting obligations.

Monitoring and Measurement

Ease of compliance and lower costs can be realised by increased standardization of monitoring, measurement, accounting and verification practices across Australia. However, ASBG does not wish this to become a ridged process, but reflect good monitoring practices (e.g. NPI and the LBL Protocol). Under this approach more accurate testing methods can be substituted in place of a minimum standard for certain common pollutants. Note this should lead to further harmonisation on related areas such as water management and its use etc. Improvements in the efficiency of the management of the regulation of monitoring and measurement, which should be considered under the scope of the project include:

- Preparing National Standards on monitoring, measurement and collection of environmental data – especially common emissions. These standards would cover:
 - Water contaminants
 - Air emissions
 - Noise measurement
 - Odour measurement
 - Contaminated land assessment and measurement (This is somewhat in development under the NEPM)
 - Waste types, parameters and measurement methods
 - Greenhouse emissions
- These National Standards to establish a common minimum accuracy level and provide flexibility to include alternative methods which achieve similar or better accuracy than those cited.

⁵ Limited to prevent breach of commercial in confidence issues for companies – i.e. the data is provided in a collective manner similar to that of the Australian Bureau of Statistics.

- A panel, or panels based on independent selection of experts, to assess and approve on the merit of proposed alternative test methodologies where necessary.

ASBG stresses that greenhouse and climate change must be included within the scope of this review. There is concern, that at a Commonwealth level, climate change is not under the overall stewardship of the EPHC, and may by default, not be considered within this review. Originally, the collection of greenhouse emissions was to be under the National Pollutant Inventory (NPI), but this was later allocated to other departments. Streamlining of climate change reporting has already been investigated in 2006. Despite this four year old review, there has been an increase in the reporting load and increased inefficiency across jurisdictions. Many members report the duplication has increased under state energy reporting and assessment processes. Nevertheless, this project is being undertaken from a COAG level and therefore its scope should not be limited merely by the areas in which the EPHC operates.

Waste

Waste, as discussed above, would benefit from standardisation of environmental reporting, monitoring and measurement.

A lack of planning in waste levies is creating perverse environmental outcomes for waste treatment and disposal. Overall there are many issues with waste levies. The overall design and structure of waste levies requires reform, which can benefit from some level of agreement across jurisdictions to prevent perverse outcomes and improve the efficiency of waste transport and reduce greenhouse emissions.

Licensing Review

There are many issues associated with the ways in which jurisdictions prepare and enforce environmental licenses, authorities, permits and associated documents. Some jurisdictions have made improvements in this area such as the Victorian Corporate Licence model. Issues include:

- Need for CEO sign off on all matters relating to the licence
- Streamlining the variation process that can affect licences
- Reduce the numbers of licences operated by multi-sited organisations

ASBG also promotes a risk approach to environmental compliance, such as compliance with Environmental Authorities and other licence types. An example of this approach is [Sydney Water's Risk Index](#) for industrial customers discharging to their sewers. Under this approach the frequency of inspections, monitoring and sample numbers is established by a risk index. A company with a poor history, high flow rates and more hazardous activity are assigned a higher risk than others. Calculation of the risk rank is publically available so the company can determine which areas it can improve on to lower its risk rank.

ASBG recommends using a similar approach for environmental licences. A well designed risk index, which is publically available and which can be calculated by those affected by it to promote improvement, rewards the better performing and lower risk sites and comes down harder on poorer performers. More efficient use of the agencies resources also result as the higher risk sites are better overseen and resources are not overused on lower risk sites.

National Recognition of Processes

In highly controversial environmental issues, such as cleaning up contaminated sites or managing certain wastes, a list of Nationally Approved Technologies can assist in smoothing the planning approvals process. ASBG considers that a National List of Approved Technologies, citing economically achievable best practice technologies, can provide increased certainty in the establishment of environmentally controversial projects. This practice is already used under the Stockholm Convention for the management of POPs.

Pathways Forward

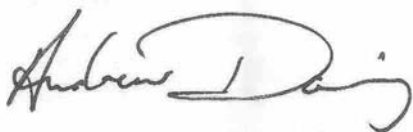
To ensure that a harmonisation program progresses the scope should consider how efficiency and harmonisation improvements will be achieved. ASBG considers there are four levels of increasing difficulty to improve the efficiency of environmental enforcement and data collection including:

1. Internal procedures, advice to reporting entities and minor internal policies
2. Environmental authority conditions and major policy documents
3. Legislative changes commencing with subordinate legislation to environmental Acts of Parliament
4. Inter-jurisdictional agreements and streamlining of State legislation to meet any national standards on environmental data

Use of such a hierarchy of difficulty should assist in developing a timetable and on-going program of actions to improve the harmonisation of environmental regulation and its implementation.

Should further details or explanation regarding this submission be required please contact Andrew Doig on (02) 9453 3348.

Yours sincerely



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