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Environmental Protection Authority

# Guidance for the Assessment of Environmental Factors

(in accordance with the  
Environmental Protection  
Act 1986)

**Guidance to assist  
proponents in  
understanding the EPA's  
requirements in relation to  
the environmental  
condition on Environmental  
Management Systems**

No. 43

Interim

March 2000

Western Australia

## FOREWORD

The Environmental Protection Authority (EPA) is an independent statutory authority and is the key provider of independent environmental advice to Government.

The EPA's objectives are to protect the environment and to prevent, control and abate pollution. The EPA aims to achieve some of this through the development of environmental protection Guidance Statements for the environmental impact assessment (EIA) of proposals.

This document is one in a series being issued by the EPA to assist proponents, consultants and the public generally to gain additional information about the EPA's thinking in relation to aspects of the EIA process. The series provides the basis for EPA's evaluation of, and advice on, development proposals subject to EIA. The Guidance Statements are one part of assisting proponents in achieving an environmentally acceptable proposal. Consistent with the notion of continuous environmental improvement and adaptive environmental management, the EPA expects proponents to take all reasonable and practicable measures to protect the environment and to use this Guidance as representing the minimum necessary process required to achieve an appropriate level of environmental protection.

This Guidance Statement explains the EPA's requirements in relation to the Environmental Condition on Environmental Management Systems.

This Guidance Statement has the status "**Interim**" which means that it has been reviewed by stakeholders and is considered by the EPA to be sufficiently advanced in its development that it can be released for a 12 month test period.

I am pleased to release this document and encourage you to comment on it.



**Bernard Bowen**  
CHAIRMAN  
ENVIRONMENTAL PROTECTION AUTHORITY

24 March 2000

**ENVIRONMENTAL PROTECTION AUTHORITY  
GUIDANCE FOR THE ASSESSMENT OF ENVIRONMENTAL  
FACTORS**

**INTERIM GUIDANCE STATEMENT No. 43:  
GUIDANCE TO ASSIST PROPONENTS IN UNDERSTANDING THE  
EPA'S REQUIREMENTS IN RELATION TO THE ENVIRONMENTAL  
CONDITION ON ENVIRONMENTAL MANAGEMENT SYSTEMS.**

**How to comment on this document**

This document is released for a test period of 12 months. Your comments are welcome.

Please send your comments by 23 March 2001 to:

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## Guidance Statement No. 43

### Guidance Statement to Assist Proponents in Understanding the EPA's Requirements in Relation to the Condition on Environmental Management Systems

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**Key Words:** environmental management system, EMS Condition, environmental management program, environmental impacts, environmental issues and factors, environmental outcomes, certification, environmental auditors.

#### 1. PURPOSE

- 1.1 Guidance Statements generally are developed by the EPA to provide advice to proponents and the public generally, about the minimum requirements for environmental management which the EPA would expect to be met when the Authority considers a proposal during the assessment process.

This Guidance Statement is termed Interim and should be viewed as a specific guide to current decision-making for EIA. While the content of the Guidance Statement has not yet been signed-off by the EPA it should be regarded as the latest thinking in the mind of the EPA if it is asked to consider the issue for assessment.

- 1.2 This Guidance Statement specifically addresses:

- (i) the use of systematic, documented and consultative environmental management procedures that address the environmental issues and factors identified during environmental impact assessment (EIA).
- (ii) to need to provide information to assist proponents to demonstrate compliance with the Environmental Condition which may be set on a proposal by the Minister for the Environment requiring an environmental management system.

The EPA considers that the environmental management procedures are similar to the requirements formalised as an environmental management system (EMS) by the national standards agency, Standards Australia.

This Guidance Statement will assist proponents during both the EIA process under section 38 of the *Environmental Protection Act, 1986* (EP Act), and also during the implementation of proposals under section 47 of the EP Act. The Guidance Statement describes what the EPA will do during the EIA process and, if the EMS Condition is set, what the Department of Environmental Protection will do, on behalf of the Minister for the Environment and the EPA, during the auditing of the proposal (Appendix 1).

- 1.3** This is a Guidance Statement and proponents are encouraged to consider their proposals in the light of the guidance given. A proponent who wishes to deviate from the process set out in this Guidance Statement would be expected to put a well researched and clear justification to the EPA arguing the need for that deviation.

## **2. THE ISSUE**

Historically, the EPA has encouraged proponents to adopt a systematic, documented, disciplined and consultative approach to environmental management because it is believed to result in more satisfactory environmental outcomes.

Since 1996, the EPA has recommended to the Minister for the Environment that, for particular proposals, an Environmental Condition be set that the proponent implement a systematic management approach, requiring that an EMS be formalised for the proposal.

The EPA's principal aim is to have satisfactory environmental outcomes for both the environmental issues and factors identified during EIA and for the management of the proposal. The outcomes are best monitored by periodic performance reviews and an EMS establishes the procedures which should deliver those outcomes.

The EPA believes that an EMS is a useful management tool for particular projects and makes a considered decision on whether to recommend the placement of the EMS Condition on a proposal. The reason for recommending an EMS is:

- to ensure that the proper procedures are in place to manage all the environmental impacts of a proposal;
- to ensure the Environmental Conditions and Procedures set by the Minister for the Environment are properly addressed; and
- to ensure the proposal is implemented with quality environmental management and within a system that facilitates continuous improvement.

The hierarchy of terms used by the EPA is:

- Environmental Management System - which includes the commitment, planning, implementation, monitoring and feedback loop which leads to continuous improvement.

- Environmental Management Program - which is an overview document that identifies the links between the five elements (or principles), listed below, within an environmental management system. These elements identify the environmental outcomes to be achieved, define the management procedures to address the environmental impacts, identify resources, training and communication procedures, and either include or refer to the specific environmental management plans. The program is a key requirement of an EMS.
- Environmental Management Plan - a detailed plan to address a specific environmental factor or issue (often a specific requirement of the Minister's Statement). It details the specific operational procedures to manage the factor or issue to achieve the environmental outcome identified in the Environmental Management Program

The difference between an environmental management system, an environmental management program and an environmental management plan is, in simple terms, a hierarchy as shown in Figure 1 below:

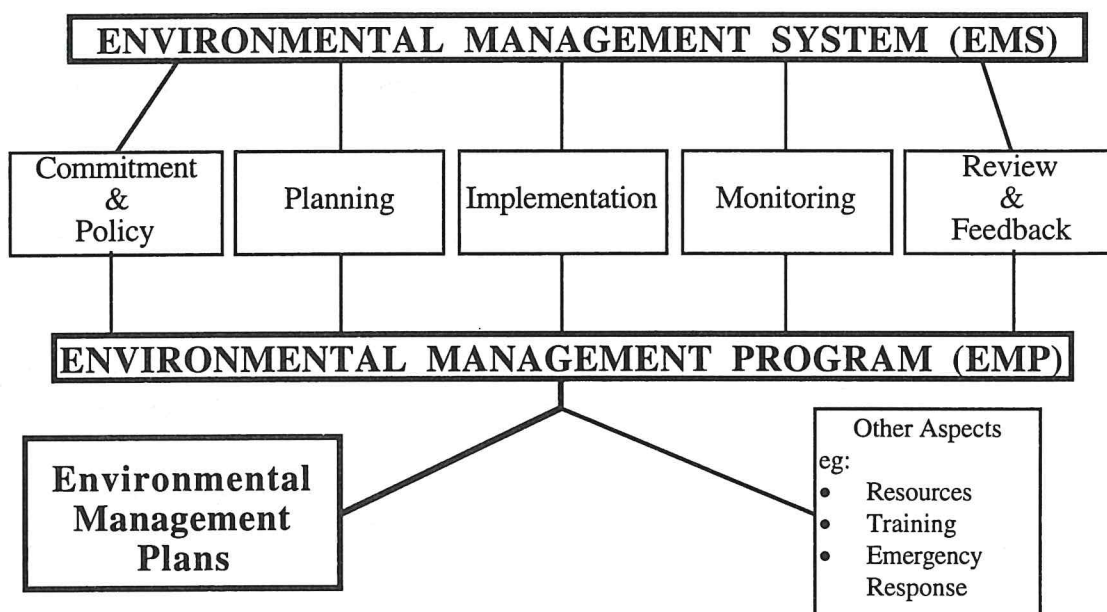


Figure 1: Hierarchical relationship between an EMS, an EMP and Environmental Management Plans

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### **3. THE GUIDANCE**

#### **3.1 Application of the Guidance to Assessment**

For the purpose of implementing the environmental objective, the following will be used by the EPA during the assessment of proposals and, subsequently, by the DEP in the audit of the EMS Condition.

In preparing environmental review documentation for EIA, proponents should seek to demonstrate that it is proposed to implement an environmental management system that would achieve satisfactory environmental outcomes. The following statements are to assist proponents understand the EPA's views on environmental management systems.

For particular projects, the EPA will recommend a Condition that requires the proponent demonstrate that there is an environmental management system in place that includes the following elements:

1. an environmental policy and corporate commitment to it;
2. mechanisms and processes to ensure:
  - 2.1 planning to meet environmental requirements;
  - 2.2 implementation and operation of actions to meet environmental requirements;
  - 2.3 measurement and evaluation of environmental performance; and
3. management review procedures with the aim of improving environmental outcomes.

When developing an environmental management system, proponents should initially refer to the above elements of the EMS Condition and show that the environmental management system for the proposal incorporates all these elements.

The EPA will take account of the proponent's environmental review documentation in considering whether an EMS Condition should be recommended. Other criteria may include:

- the type of project with regard to potential emissions that can degrade the environment;
- the scale in areal extent and complexity;
- the proposed duration of the project;
- the sensitivity of the environmental setting; and
- the nature of existing corporate management systems.



Small, short-term projects which are not in environmentally sensitive areas would not normally be subject to the EMS Condition. The types of projects which would normally warrant consideration of the EMS Condition include mining, petroleum and industrial proposals and some land use proposals.

### **3.2 Approaches for Achieving Desired Outcomes**

1. The EPA considers that there are ten requirements which form a sound basis for an environmental management system. These should be developed either partially or wholly during the EIA process, or should subsequently be documented prior to the start of ground disturbance (construction); the requirements of an environmental management system are:
  - environmental policy (specific to the proposal) and corporate commitment to it;
  - environmental review (identification of environmental impacts);
  - environmental management program (with specific plans to address the environmental impacts);
  - setting of appropriate objectives and targets;
  - creation of appropriate management structures and responsibilities (including human, equipment and financial resources);
  - training (including induction) in environmental management procedures;
  - development of communication procedures;
  - development of performance monitoring and measurement procedures;
  - development of corrective and preventative procedures; and
  - development of management review and feedback procedures.
2. The EPA accepts that existing or proposed management systems for operations quality, occupational health and/or safety can be used as the basis for incorporation of environmental management. Proponents should note that there should be a separate environmental policy and that any integrated system developed should clearly address the expected environmental outcomes.
3. The EPA encourages proponents to give due consideration to the benefits of certification to AS/NZS ISO 14001 or equivalent because a proposal from a company so certified would not require the EMS Condition.

## **4. APPLICATION**

### **4.1 Application to new proposals**

This Guidance Statement applies to mining, petroleum and industrial development proposals and some land use development proposals undergoing environmental impact assessment. It is unlikely that the Guidance would be applied to planning

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schemes or scheme amendments being assessed under Division 3 Part IV of the EP Act at the scheme level, but the EMS Condition may be applied to specific proposals which are being assessed as a scheme amendment proposal.

For proposals on which the EMS Condition is set, Appendix 1 describes the approach that will be used by the DEP or EPA in auditing compliance with the Ministerial Statement (of Environmental Conditions and Procedures).

#### **4.2 Application to existing proposals**

For those proposals which were assessed before the EMS Condition was applied, the EPA encourages proponents to adopt a systematic environmental management approach. In providing annual compliance reports and/or six-yearly performance reviews, demonstration that there is an environmental management system in place could be used by the proponent as a means of showing that satisfactory environmental outcomes are being achieved or can be achieved.

### **5. RESPONSIBILITIES**

#### **5.1 Environmental Protection Authority Responsibilities**

The EPA will apply this Guidance Statement during the assessment of proposals under Part IV of the EP Act and in assessing compliance with the Minister's Statement containing the EMS condition, where determining compliance is required of the EPA in that Statement.

#### **5.2 Department of Environmental Protection Responsibilities**

The DEP will assist the EPA in applying this Guidance Statement in environmental impact assessment, in the auditing of compliance with the Minister's Statement containing the EMS Condition and in carrying out its responsibilities under Part V of the EP Act.

#### **5.3 Proponent Responsibilities**

Where proponents demonstrate to the EPA that the statements of advice in this Guidance are clearly incorporated into the proposal at the EIA stage (demonstrated environmental commitment provided by the proponent), the assessment of the proposal is likely to be assisted and the Condition requiring an environmental management system may not then be required.

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## 6. DEFINITIONS AND ABBREVIATIONS

<b>EMS.</b>	environmental management system which includes the commitment, planning, implementation, monitoring and feedback loop which leads to continuous improvement.
<b>EIA</b>	environmental impact assessment.
<b>certification</b>	a documented public declaration, verified by an accredited certification body, that a proponent has in place an environmental management system that conforms with the guidelines of an EMS standard.
<b>EMS Condition</b>	Environmental Condition set by the Minister for the Environment in the Statement of Approval following environmental impact assessment which requires an EMS to be implemented.
<b>Environmental Management Program</b>	an overview document that identifies the links between the five elements (or principles) within an environmental management system. It identifies the environmental outcomes to be achieved, defines the management procedures to address the environmental impacts, identifies resources, the training and communication procedures, and either includes or refers to the specific environmental management plans. The program is a key requirement of an EMS.
<b>Environmental Management Plan</b>	a detailed plan to address a specific environmental factor or issue (often a specific requirement of the Minister's Statement). It details the specific operational procedures to manage the factor or issue to achieve the environmental outcome identified in the Environmental Management Program.
<b>environmental auditor</b>	means a person who is registered or able to be registered by the Quality Society of Australasia.
<b>first-party, second-party, third-party system audits</b>	respectively: internal EMS audit; company to regulator EMS audit (eg. proponent/DEP); independent EMS audit (eg. certification audit).
<b>self declaration</b>	a declaration by the proponent that the environmental management system in place meets the relevant standard but has not been subject to certification.

## **7. LIMITATIONS**

This Guidance Statement has been prepared by the Environmental Protection Authority to assist proponents and the public. While it represents the contemporary views of the Environmental Protection Authority, each proposal which comes before the EPA for environmental impact assessment will be judged on its merits. Proponents who wish to deviate from the Guidance provided in this document should provide robust justification for any proposed departure.

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**Index**

Draft Guidance	December 1997
Preliminary Guidance	Not required by EPA
<b>Interim Guidance</b>	<b>March 2000</b>
Final Guidance	

**Status**

Signed-off by the EPA at this stage for 12 month test period.

**Citation**

This document can be cited as an Interim Guidance Statement to Assist Proponents in Understanding the EPA's Requirements in Relation to the Condition on Environmental Management Systems.

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# Appendix 1

## Auditing of the EMS Condition by the DEP

After environmental impact assessment by the EPA the Minister for Environment may approve the proposal and the setting of the EMS Condition allowing the proponent to commence the implementation of the proposal. At that time, the Department of Environmental Protection (DEP) commences auditing of the proposal under sections 47 and 48 of the EP Act, on behalf of the Minister for the Environment, the EPA and the Chief Executive Officer's responsibilities under the EP Act.

In seeking to demonstrate compliance with the EMS Condition, proponents should note the following approach used by the Environmental Audit Branch of the DEP which manages the compliance audit process on behalf of the Minister for the Environment, EPA and Chief Executive Officer of the DEP.

1. The Environmental Audit Branch takes a flexible and pragmatic approach to the fulfilment of the requirements of the EMS Condition. Proponents are encouraged to liaise closely with the DEP to explain the environmental management system for the specific proposal and, therefore, the documentation and evidence required to demonstrate compliance.
2. In auditing the EMS Condition, the environmental auditors of the DEP generally refer to the requirements and procedures of the published standards AS/NZS ISO 14001, 14004 and 14011 and the Environmental Management Systems Guidebook (CPD, 1997; Figure 2). However, the approach is primarily focussed on the EPA's environmental outcomes and the reference to the standards is mainly to provide advice and guidelines to proponents based on an acknowledged framework.
3. Certification to AS/NZS ISO 14001 or equivalent (eg. BS7750, EMAS) which incorporated the environmental outcomes and environmental management plans of the Ministerial Conditions would be considered by the DEP as clearly demonstrating compliance with the EMS Condition. Proponents would submit the certification documents signed by the accreditation body as evidence.
4. Self-declaration to AS/NZS ISO 14001 standard or equivalent, would need to be verifiable, and proponents would need to provide first-party (internal) system audit reports to demonstrate an EMS is in place. To provide external or independent evidence of compliance, a second-party (DEP) or third-party (independent) system audit report may be required depending on the environmental performance of the proposal.
5. To demonstrate compliance without certification or self-declaration, the proponent would need to submit EMS documentation for assessment by the Environmental Audit Branch. On-going implementation of the EMS could then be demonstrated by observations during site environmental compliance audits and/or information in the proponent's periodic performance and compliance reports.
6. An environmental management system has a requirement for an environmental management program (EMP) and this, along with environmental management plans, are usually key products arising from the EIA process. To clarify the DEP's view on the difference between an EMP and an environmental management plan, the EMP is considered to be an overview document that describes the framework for the environmental management of the project whereas a plan is a detailed description of the specific operational procedures to address an environmental factor or issue. The EMP incorporates information about the other requirements of an environmental management system; for example, the staff responsibilities, quality assurance process, training

procedures, communication procedures; and management review and feedback procedures.

7. The DEP considers that the ten requirements which the EPA believes form a sound basis for an environmental management system would need to be supplemented to a varying degree by other requirements as detailed in the AS/NZS ISO 14001 standard and the Environmental Management Systems Guidebook. The DEP would not necessarily seek documentation nor audit those requirements depending on the nature of the particular project. The requirements are:
  - identification of legal and other requirements (eg. Codes of Practice);
  - development of operational control procedures;
  - maintenance of an EMS manual;
  - development of document control procedures;
  - development of emergency response procedures;
  - development of records procedures for the operation of the EMS and the recording of the extent to which objectives have been met; and
  - implementation of periodic system audits.
8. In evaluating integrated environmental management systems for compliance with the EMS Condition, the DEP would refer to the relevant standard (SAA HB 97) and liaise with the proponent to ensure that the integrated system is addressing the expected environmental outcomes.

## References to the Appendix

AS/NZS ISO 14001:1996, *Environmental Management Systems - Specification with guidance for use*. Standards Australia, Homebush, NSW.

AS/NZS ISO 14004:1996, *Environmental Management Systems - General guidelines on principles, systems and supporting techniques*. Standards Australia, Homebush, NSW.

AS/NZS ISO 140011:1996, *Guidelines for environmental auditing - Audit procedures - Auditing of Environmental Management Systems*. Standards Australia, Homebush, NSW.

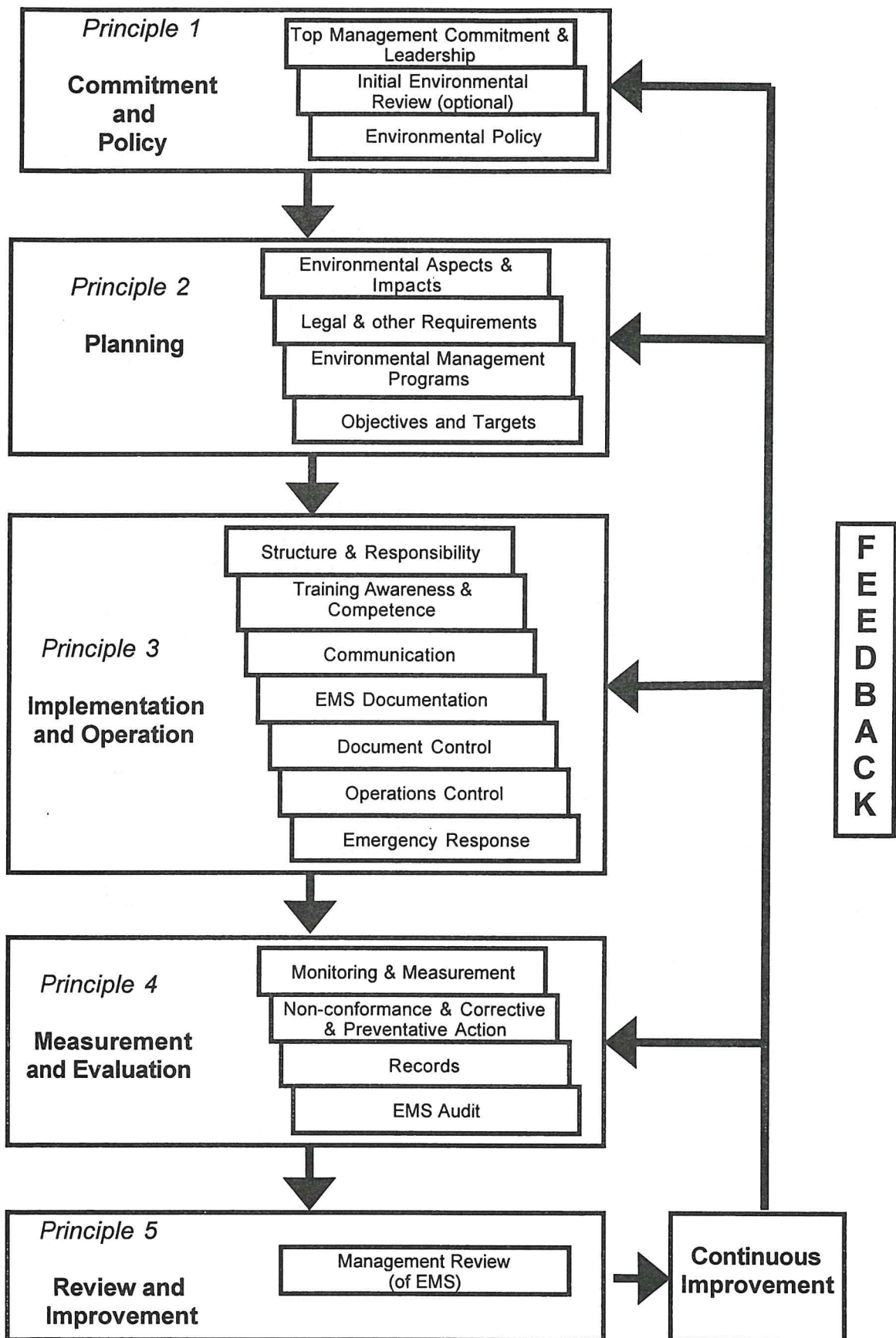
British Standards Institution: BS 7750:1994 - *Specification for Environmental Management Systems*, London, UK. Now officially withdrawn, but referencable.

Council Regulation (EEC) No. 1836/93, Eco-Management and Audit Scheme (EMAS), Journal of the European Communities, No. L168/1, pp 1-18, 10 July 1993, Luxembourg.

CPD, 1997. - *Environmental Management Systems Guidebook*, Centre for Professional Development, Kew, Victoria.

SAA HB97-1997, *Integrating Quality and Environmental Management Systems, ISO 9001 and ISO 14001*. Standards Australia, Homebush, NSW.

**Figure 2. Principles and Requirements of an EMS**

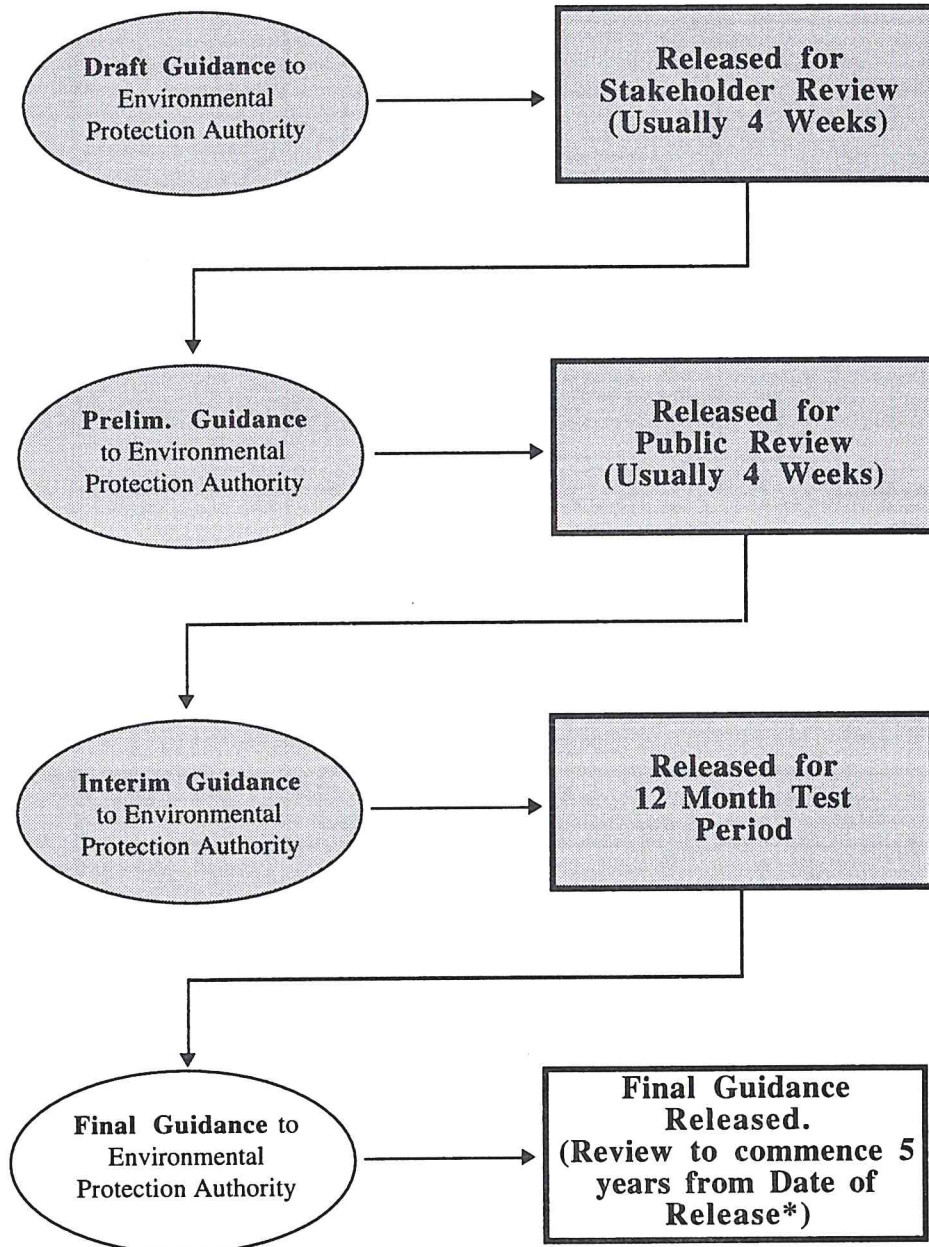




## Appendix 2

### Generic Flow Diagram for the Guidance Statement Process

(Note: Guidance Statements will usually progress through the stages shown below. The number of stages required for each Guidance Statement will be determined by the EPA on a case by case basis. The EPA will take stakeholder and public views into account when making this decision.)



\* Guidance may be reviewed earlier if circumstances require it.

Note: Shaded areas denotes those parts of the process completed