(COP 22) ENVIRONMENTAL MANAGEMENT

A *Definitions and applicability*

The Environment is the surroundings in which the Facility operates, including air, water, land, natural resources, flora, fauna, habitats, ecosystems, biodiversity, humans (including human artefacts, culturally significant sites and social aspects) and their interaction. The Environment in this context extends from within an operation to the global system.

Environmental management is the process of regulating and administering environment-related risks and aspects. It may involve directly managing the environment itself, but more often is about controlling an organisation's activities, products and services which interact with the natural environment. These are controlled to minimise adverse impacts and where possible, have a positive effect on the environment.

Sources:

- *Summarised from the RJC Code of Practices (2013)*
- *ISO14000 Terms and Definition*

The **Environmental Management** section of the COP is applicable to all Members.

The **Environmental Management** provision of the COP should be read and implemented alongside the **Hazardous Substances**, **Wastes and Emissions**, **Use of Natural Resources**, and for Members in the Mining Sector, also the **Impact Assessment** provisions.

B *Issue background*

Companies of all sizes and sectors are increasingly able to achieve tangible business benefits from taking environmental protection seriously. Bottom-line business benefits of environmental protection initiatives can include reduced operating costs, reduced material use, increased worker commitment and enhanced brand values. Leading companies now aim for effective integration of environmental considerations into planning, operation and decommissioning of all industrial activities. Companies looking at and defining their commitment to environmental performance have harnessed the same business systems and management approaches that make their overall enterprise successful.

Developing an approach to environmental protection depends on the governing laws and regulations, aspects and impacts of the industry, and interests of stakeholders such as investors, consumers, communities and environmental organisations. Careful evaluation of a business' activities and processes should always be undertaken to avoid serious or irreversible damage to the environment. Where several options are under consideration, preference should be given to the option which offers the greatest likelihood of avoiding irreversible damage to the environment and is cost-effective. This should include consideration of the effects of the "do nothing" option.

At the landscape level, reducing adverse impacts to the environment can be measured through the protection of ecosystems, such that they are capable of performing all essential ecological processes and maintaining their evolutionary potential in the long term. When the ecological integrity of an ecosystem is reduced, the capacity of the system and its genetic and species diversity to survive the changes associated with development is also reduced. People are dependent upon the integrity of ecosystems and the services they provide, particularly the poor and vulnerable. Businesses large and small can all play a part in contributing to sustainable development in the management of their environmental impact.

C Key regulations

INTERNATIONAL STANDARDS

A number of standards for environmental management have been developed. Voluntary initiatives for industry include the United Nations Global Compact and the International Finance Corporation (IFC) Performance Standards. The Global Compact states that businesses should 1) support a precautionary approach to environmental challenges; 2) undertake initiatives to promote greater environmental responsibility, and 3) encourage the development and diffusion of environmentally friendly technologies. IFC Performance Standards are required of IFC clients, but are increasingly referenced in other standards initiatives such as the Equator Principles.

The most commonly referenced management standards are those developed by the International Standards Organisation, which are designed to be applicable to all types of organisations. The ISO 14000 series aims to provide organisations with a risk based management framework for the implementation of systems for the management of environmental issues. In particular, it provides specifications and guidance for the key elements of an effective environmental management system.

NATIONAL LAW

The concept of environment, in legislative terms, has traditionally focussed on human surroundings, both man-made and natural. Most countries have legislation and regulation regarding environmental protection, pollution control and environmental management. Many national and state jurisdictions require additional specific conditions that need to be met especially in relation to air and water quality, biodiversity and land management, noise, and waste disposal. Some kinds of industrial operations must be licensed under environmental protection laws and these licences must be valid and complied with at all times.

D Suggested implementation approach

The Suggested implementation approach provides general guidance for implementing the mandatory requirements of the Code of Practices. The guidance is not normative and should be seen as a starting point for information and support.

COP 22.1: RISKS, IMPACTS AND PERFORMANCE:

Members shall identify environmental Risks, significant environmental impacts, and opportunities for improving environmental performance.

Points to consider:

- All business processes and activities should be reviewed to identify any that have the potential to cause significant adverse impacts on the environment, such as through the emission of large volumes of wastes, or through the use of hazardous materials or process. Risks and impacts may involve pollution of air and water, use of materials and energy, noise and visual effects.

- Sensitive and surrounding environmental receptors should be identified, such as natural waterways, vegetation, fauna and fauna habitat, and nearby communities that may be affected.

- Opportunities to improve environmental performance should focus on eliminating the risks and impacts at their source, by using less hazardous materials or processes, followed by the use of effective controls to minimise risks and impacts.

- Risks should consider the potential consequences if hazards are not effectively managed or discharges exceed acceptable limits.

- The risk assessment should be appropriate to the business' circumstances and should identify where issues may arise, the likelihood of occurrence and potentially deficient procedures. See the RJC Risk Assessment Toolkit for a general risk assessment template that can be used, particularly for small to medium enterprises. Alternatively Members may use their own risk assessment process to document risks and any significant impacts.

D *Suggested implementation approach (cont)*

COP 22.2: CONTROLS:

Members shall implement and regularly review controls to minimise and mitigate identified environmental Risks and significant environmental impacts, and to improve environmental performance.

Points to consider:

- When developing controls to manage risks and minimise environmental impacts, the hierarchy of controls should be considered. In order of the most preferred to the least preferred option, the hierarchy is elimination, substitution, reduction, treatment and disposal. These options may be achieved through changes to operational processes, products, work practices or raw materials.

  – Elimination is where the risk is removed. For example a pollutant is no longer generated or produced.

  – Substitution involves the replacement of one raw material or process with another with less potential to cause an impact.

  – Mitigation involves methods to reduce the severity of the risk or impact and may involve re-use and recycling practices.

  – Treatment of risks is on the lower end of the control and abatement hierarchy. Risks are treated in order to reduce the toxic or hazardous impacts to the environment.

  – Disposal is the least preferred option of environmental management, and applies mainly to waste generation.

- Written policies and procedures regarding control measures should be developed, especially where business operations and processes have the potential to cause significant impacts or breach environmental regulations. Procedures may need to include monitoring, measurement and reporting on processes, discharges and emissions, as appropriate. Quantifying changes in impacts can be a useful way to track improvements and benefits of the control measures, however this may not always be possible for smaller businesses or for some types of risks.

- All Members, regardless of whether their operations have the potential to cause significant adverse impacts on the environment, should identify and implement opportunities to improve performance, such as through reduced use of materials, recycling, and substitution to use less hazardous substances.

- A continuous improvement approach is an integral part of environmental management, and should underlie the regular review of controls.

COP 22.3: TRAINING:

Members shall provide training and information about environmental Risks and controls to relevant Employees and on-site Contractors in an understandable form and in an appropriate language.

Points to consider:

- Develop and conduct induction training for employees, on-site contractors and visitors.

- Ensure all relevant personnel understand the potential risks and management controls and their roles and responsibilities, especially where they are engaged in activities that have been identified to have potential to cause significant adverse impacts on the environment.

- Maintain records of training and use these to plan refresher training sessions.

CHECK:

■ Have you reviewed all of your business activities and identified those that have the potential to cause adverse environmental impacts?

■ Have you identified and implemented controls to eliminate or minimize risks and significant adverse impacts?

■ Have you identified opportunities for improvement in your environmental performance, and are they being implemented?

■ Do your have an overall environmental management system in place that is appropriate to the level of risks and impacts?

D *Suggested implementation approach (cont)*

TIPS FOR SMALL BUSINESS

Small businesses can benefit from good environmental management by making better use of resources (water, gas and electricity) as well as being aware of requirements specified by Applicable Law. Environmental issues typical for a small business include:

- Energy consumption, usually electricity for lighting and power, and gas for heating
- Water
- Waste and wastewater disposal
- Hazardous chemicals and disposal of hazardous waste

Some of these have low environmental impacts or do not require complex management systems or controls. However, low risk or low environmental impact does not mean these can or should be ignored. For instance, in most jurisdictions where Members operate (small or large) there are strict controls for managing hazardous substances and for the disposal of hazardous waste. Even minor quantities of incorrect disposal of hazardous waste to general waste can lead to significant fines. So it is important that the environmental risks are identified and properly managed. Simple improvement opportunities for small business include:

- Informing employees about proper disposal of general office waste
- Installing special bins that are properly labeled for hazardous waste – often the hazardous waste collectors can provide you with special bins for hazardous materials
- Engaging your water or energy provider to conduct an audit which may identify savings
- Speak to peers and other members of your industry associations for ideas on how to improve environmental performance, whilst minimizing cost to the business. There is a good chance someone else has the same issue and has done something simple about it.

Also see the guidance for **Hazardous Substances**, **Wastes and Emissions** and **Use of Natural Resources**.

E *Further information*

The following websites have further information on environmental management:

- Business for Social Responsibility (BSR) – Environmental Strategy
  www.bsr.org/en/our-work/consulting-services/environmental-assessment-strategy
- Environment Agency (UK) www.environment-agency.gov.uk
- Environment Canada www.ec.gc.ca
- Global Reporting Initiative (GRI) https://www.globalreporting.org/Pages/default.aspx
- International Finance Corporation (IFC) Performance Standard 3 - Resource Efficiency and Pollution Prevention (2012)
  www1.ifc.org/wps/wcm/connect/25356f8049a78eeeb804faa8c6a8312a/PS3_English_2012.pdf?MOD=AJPERES
- International Finance Corporation (IFC) Guidance Note 3 - Resource Efficiency and Pollution Prevention (2012)
  www1.ifc.org/wps/wcm/connect/9187330049800a6baa9cfa336b93d75f/Updated_GN3-2012.pdf?MOD=AJPERES
- International Finance Corporation (IFC) - Environmental, Health, and Safety Guidelines
  www1.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/IFC+Sustainability/
  Sustainability+Framework/Environmental,+Health,+and+Safety+Guidelines/
- International Organisation for Standardisation (ISO) – ISO 14000 Environmental Management Systems
  www.iso.org/iso/iso_catalogue/management_standards/iso_9000_iso_14000/iso_14000_essentials.htm
- United Nations (UN) Global State of the Environment Report www.unep.org
- United Nations Global Compact www.unglobalcompact.org
- United Nations (UN) Sustainable Development Knowledge Platform www.un.org/esa/sustdev/
- U.S. Environmental Protection Agency (EPA) www.epa.gov
- U.S. Environmental Protection Agency (EPA) - Small Business Gateway www.epa.gov/smallbusiness/