



European Union Network for
the Implementation and Enforcement
of Environmental Law

*Compliance Assurance through Company Compliance and
Environmental Management Systems
2013/15 – 2014/16*

December 2014

Title report Report Guidance CMS Supervision Guidance CMS Supervision		Number report 2013/15 - 2014/16 Version version 1.0
Project managers Han de Haas Paul Meerman	Authors Han de Haas Paul Meerman Martin de Bree	Report adopted at IMPEL Written procedure, March 2015
	Core team members See Annex 2	Number of pages: 33 Number of Annexes: 6
Executive summary <p>Traditional supervision typically does not use the potential of regulated companies for self-regulation. Companies that have implemented environmental and safety management systems in place assuring regulatory compliance record should be inspected differently and in accordance with their management systems. More specific, if a company assures compliance by effective self-monitoring and self-correction by using a suitable management system, supervision can be adjusted. For those companies, the focus of public supervision may be shifted to assessing the way they assure compliance rather than just measure compliance. We call the part of a company management system that aims at assuring compliance, the compliance management system (CMS) of a company. Using the CMS for public supervision we call CMS supervision.</p> <p>In this report we describe the challenges a public supervisor and the inspection organizations has to deal with by supervising a CMS. Discussed items are i.e. sanctions and CMS supervision, the transparency paradox, and how to make use of third party certification and verification.</p> <p>To carry out CMS Supervision a number of principles should be taken into account. The essence that needs to be addressed is the level of compliance assurance of the company. The report ends with a discussion and concluding remarks. Important is the notion that CMS supervision is based on a relationship based on trust rather than distrust between inspector(ate) and inspectee. It requires that parties interact openly and constructively.</p> <p>As certification also aims at the assessment of management systems, we recommend that public supervisors and accreditation and certification bodies (CB) communicate intensively about how certification may help public supervision. It is necessary to determine what criteria should be met in order to make sure public supervisors rely on third party assessment of CMSs only if the assessment is adequate.</p> <p>The main objective of the project is to deliver a Guidance for CMS Supervision. The Guidance is a separate document, but has to be seen as a part of the report.</p>		

The Guidance is meant as a practical tool to decide in what situations CMS supervision is feasible and develop a practical CMS supervision policy. This Guidance provides a short description of the basic principles, advantages and a flow chart to use applying CMS supervision. Annexes provide further explanation for use like a glossary, a CMS supervision tool, competences for CMS supervisors and practical tips for agencies and inspectors.

Table of Content

1. INTRODUCTION.....	6
2. CHALLENGES FOR PUBLIC SUPERVISION	9
3. CMS SUPERVISION	16
4. DISCUSSION AND CONCLUDING REMARKS	17
5. REFERENCES.....	19
ANNEX I Glossary.....	21
ANNEX II Project data	22
ANNEX III Agenda workshop Malta	24
ANNEX IV Attendees Malta	27
ANNEX V Agenda workshop Rotterdam.....	29
ANNEX VI Attendees Rotterdam	32



IMPEL

The European Union Network for the Implementation and Enforcement of Environmental Law (IMPEL) is an international non-profit association of the environmental authorities of the EU Member States, acceding and candidate countries of the European Union and EEA countries. The association is registered in Belgium and its legal seat is in Brussels, Belgium.

IMPEL was set up in 1992 as an informal Network of European regulators and authorities concerned with the implementation and enforcement of environmental law. The Network's objective is to create the necessary impetus in the European Community to make progress on ensuring a more effective application of environmental legislation. The core of the IMPEL activities concerns awareness raising, capacity building and exchange of information and experiences on implementation, enforcement and international enforcement collaboration as well as promoting and supporting the practicability and enforceability of European environmental legislation.

During the previous years IMPEL has developed into a considerable, widely known organisation, being mentioned in a number of EU legislative and policy documents, e.g. the 7th Environment Action Programme and the Recommendation on Minimum Criteria for Environmental Inspections.

The expertise and experience of the participants within IMPEL make the network uniquely qualified to work on both technical and regulatory aspects of EU environmental legislation.

Information on the IMPEL Network is also available through its website at: www.impel.eu

1. INTRODUCTION

In many countries industrial companies are supervised by authorities who regularly carry out site inspections and perform other “traditional” compliance checks like assessing emissions reports. Bigger (multinational) companies e.g. those subject to IED-rules, who have internal environmental and safety management systems in place and a good compliance record often claim that environmental inspections can be reduced and suggest that supervision should be aligned to their management systems.

More specifically, if a company takes care of compliance and risk management and environmental performance on a structural level by using a suitable management system, supervision can be adjusted in dependence of the performance of corporate environmental /compliance management.

The vision of compliance assurance through company compliance management systems is to make public supervision more effective and efficient by using the internal controls of regulated companies. Furthermore, a more effective and efficient cooperation between involved public and private parties should be promoted, to ensure a better environmental performance, a reduced impact on the environment, and a more harmonized approach on international CMS supervision.

Background

In 2011 and 2012 a project was executed by IMPEL member states about the use of compliance management systems in public supervision. The report of this project can be found on the IMPEL website¹

One of the deliverables of the project is a model with five aspects playing a role in supervision based on compliance management systems:

1. System standard, key elements for CMS
2. Formalisation of the system standard for CMSs
3. Assessment of CMS
4. Differentiation of supervision and permitting
5. Competencies needed for supervisors assessing CMSs

¹ <http://impel.eu/projects/compliance-assurance-and-company-compliance-management-systems/>

The main conclusion of this first project was that the smart use of the ability of companies to control their risks by the use of management systems can contribute significantly to the effectiveness and the efficiency of public supervision.

This seems especially true for relatively big and complex companies whose processes are potentially risky for the environment. There are quite strong indications that, if supervision uses CMSs under the right conditions and in a suitable way, the following two objectives can be achieved:

- Supervision can be effectively adjusted to the level of compliance performance a company has achieved;
- Encouraging companies to improve regulatory compliance and risk management in a structural and sustainable way.

After this first phase we have initiated a second phase of the project mainly meant to develop a practical guidance for CMS supervision.

Why this guidance?

We noticed that the concept of CMS supervision was broadly supported. It was recognised that a pure command and control approach of regulation was not effective for responsive companies. However, applying it in practice is something different than a theoretical notion. With this guidance we hope to serve public supervisors and their agencies / inspectorates with a practical tool containing the best practices and most recent scholarly insights we have collected and evaluated on this topic.

The notions described in the previous chapter about traditional supervision underline the need for more effective approaches. Our goal is to develop and present guidance for CMS supervision which does not bare the limitations of traditional supervision.

The objective of this guidance is to serve as a practical tool to

1. decide in what situations CMS supervision is feasible and
2. develop a practical CMS supervision policy.

The flow charts in the attached guidance leads you through the questions needed to achieve this objective.

Reading guide

This report is meant to be the conceptual underpinning of the guidance CMS Supervision.

For reasons of practicality, this guidance is a separate document.

In chapter 2 we describe challenges for public supervision. In chapter 3 we describe several aspects of CMS supervision. In chapter 4 we present a reflection on the topic.

2. CHALLENGES FOR PUBLIC SUPERVISION

In the following section, we analyze a number of challenges which public supervisors are facing:

1. Limitations of traditional supervision,
2. Expectation of society about public supervision,
3. Risks versus Rules,
4. Transparency paradox,
5. Sanctions and CMS supervision
6. Actual level of self-regulation is hard to assess,
7. How to make use of certification?

2.1 Limitations of traditional supervision

A company can only be physically inspected during a very limited amount of time. The inspectorate has at its best only a snapshot of (often only a limited part) of the company. Inspectors have problems keeping up with technological changes in the area of the inspected company. Training resources are limited, so competencies of inspectors tend to erode instead of the needed improvement. The bottom line is that the level of traditional physical inspections is roughly negligible.

Traditional supervision is built on identifying offences (what goes wrong), and punish the violating company. It typically does not look at how to prevent offences. Even popular strategies like responsive regulation are based on supervisory action as a reaction to offences.

In the light of this approach of CMS supervision, public regulators expect companies to behave responsible, take a pro-active stand towards compliance management and be transparent to their stakeholders including regulators. Both parties should consider trust as an option, and seek dialogue.

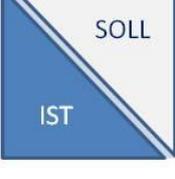
The result could be reduction of risks for the environment, transparency and a learning atmosphere. If companies perform well managing their compliance and can demonstrate that, both authorities and companies can save a lot of time and money. Many companies are open to productive engagement with regulatory authorities. Therefore, making use of this potential opens up new ways of leveraging supervision policies. Prerequisites are that the inspectorate and the company both are consistent and reliable partners and also that the interests of third parties like public and NGOs are taken into account.

At the strategic, tactical and operational level, there is a analogy between what companies and inspection organizations should accomplish (figure 2-1).

If an inspection organization requires a certain level of performance management from a regulated company, it should itself reflect this required level of performance management in its own organization. Without doing that, the professional level of the inspection organization itself may become the limiting factor in optimizing compliance assurance.

At each level, the question of whether it is described (SOLL) and whether it is also done (IST)². It is noticed that this approach towards CMS supervision on one side, and the development of EMAS regulation and a ISO guidance for compliance assurance on the other side, are concrete signs of private and public sectors moving towards each other.

Figure 2-1 **Level of Performance Management**

LEVEL OF PERFORMANCE MANAGEMENT	COMPANY	IMPLEMENTATION	INSPECTION
Strategic	Environmental compliance policy		Vision on Environmental supervision
Tactic	Environmental + Compliance Management-system (EMAS / ISO / OHSAS)		Environmental supervision & enforcement policy
Operational	Performance evaluation <ul style="list-style-type: none"> • Monitoring • Internal Audits • Management review 		Monitoring policy <ul style="list-style-type: none"> • Results • Competencies • Evaluation

2.2 Expectations about public supervision

Society is changing continuously and rapidly. We are more outspoken, empowered and we get more information much quicker through various channels. Everybody can be involved in any discussion nowadays.

² SOLL and IST refer to the situation as it should be (“SOLL”) and as it really is (“IST”). These definitions are introduced by Gartner Research. It is part of a theory about Corporate performance management (CPM). CPM are “all of the processes, methodologies, metrics and systems needed to measure and manage the performance of an organization.” Buytendijk (2002)

The danger of this is that assumptions and facts tend to get confused. In the world of supervision, this can lead to inhibition of innovative developments because innovations benefit from facts rather than assumptions and myths.

In times when there are no disasters, supervision is not perceived that necessary in the eyes of the politics and society. As a result, budgets are cut. In times after a disaster has occurred, politicians and society emphasize that the law and public supervision should be strengthened and sometimes receive more resources to do their job.

2.3 Risks versus Rules

Public regulations do not necessarily adequately cover the risks for environmental damage for every specific situation. If a company is willing and able to identify, analyse and control risk with regard to environmental damage, detailed rule based can become too stifling.

In terms of risk management, not every formal violation is equally serious. This means that a more flexible approach is needed to protect the environment than just regulatory compliance to the letter of the law. In such a case, the public supervisor should rather focus on the quality of risk control (to the spirit of the law regarding environmental protection) than strict compliance. This requires well trained and qualified inspectors (see Annex 3 of the guidance).

2.4 Transparency paradox

In order for the system based approach to work, management systems have to be assessed on their effectiveness to assure regulatory compliance. As a essential part of the requirements, a company will have to fulfill all the steps in the assurance cycle of plan, do, check and act. This implies that a company should pro-actively monitor its own compliance, correct violations, document them and learn from it in such a way that the system is adjusted to prevent future violations.

In the case where the supervisor penalises violations which have been identified, solved and learned from by the company itself, it is very likely to be counterproductive to the constructive open dialogue between inspector and inspectee required for improvement of compliance assurance.

Using CMSs to further improve compliance assurance is recognized to be not very compatible with a punitive supervisory style. To build and maintain the trust relationship an open and honest communication is essential. Obviously misuse of the trust should result in a strong reaction.

2.5 Sanctions and CMS supervision

If there is a hefty offense case this requires application of the legal instruments that the inspecting organization has available. But how instruments can best be used is very situational. And in line with the *transparency paradox*, this requires a complex assessment. Both in the England³ and in the Netherlands formulated criteria to achieve a balance of sanction. This situation is pretty similar with Northern Ireland, Scotland and Portugal.

Criteria that are issued are:

- a. Intent
- b. Foresee ability / Due diligence
- c. History of offending
- d. Environmental impact
- e. Attitude of the offender
- f. Circumstances
- g. Effect of deterrence

In the deployment of administrative law, the penalty is imposed to bringing an end to the infringement. Criminal law has mainly a punishing purpose, besides the aim of ending the offence. This educational function of punishment includes retribution and deterrence. The sentence also contains the message that the punished behaviour is harmful and unacceptable.

Disciplinary actions of an regulatory organization can work preventively by causing deterrence. Sometimes sanctions can have counter productive effects, especially when applied to subjects who are willing to comply. They most often need help in stead of punishment. An unjust treatment may impair the confidence and trust with the inspection organization and undermine cooperative intentions of the company. Research shows that companies who are aware of the violation and the intention to do well, ask for customized treatment (Mulder 2014). The effect of a sanction also partly depends on the way it is communicated. The manner in which the enforcement instruments are deployed and communicated largely determine the effectiveness of deterrence (Trevino 2014, Van Wingerde 2012).

2.6 Actual level of self-regulation is hard to assess

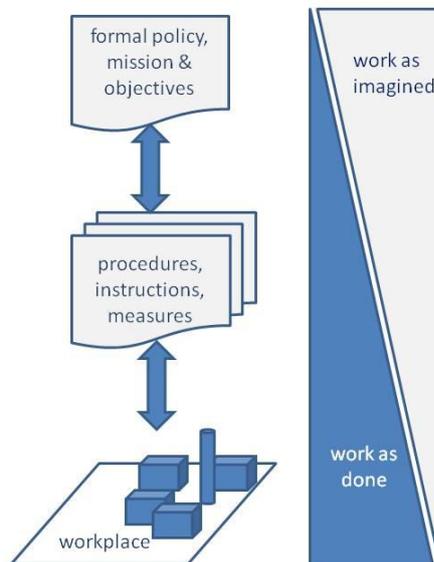
One of the challenges in modern public supervision is how to predict the actual level of self-regulation of industries or individual companies. Inspection time is not infinite, at the end of

³ Presentation Malta workshop October 1, 2013, Ann Brosnan, Chief Prosecutor, Legal Department, Environment Agency, UK.

the day inspectors will have to trust that no harm is done, whilst they are not present to watch.

But how do inspectors measure the willingness and competencies needed for self-regulation? Assessment of the design and operation of management systems by the public supervisor could be a very effective way to find out whether companies (a) have taken organizational and technical measures to assure compliance and (b) have actually implemented these measures in such a way that work as imagined (“SOLL”) equals work as done (“IST”, Figure 2-2).

Figure 2-2 **Levels of implementation**



2.7 Making use of third party certification and verification

Management systems have been in existence for many years, also known as e.g. quality management, environmental management, safety management or occupational hazard management systems.

Most management systems are assessed by external verifiers or Certification Bodies (CBs). Verifiers and CBs are persons or organisations hired by companies to conduct third party audits to confirm that an organisation’s management system meets the requirements of management system standards like EMAS, ISO 14001, or OHSAS 18001. EMAS contains explicit and extensive requirements regarding regulatory compliance. An external accredited verifier verifies whether EMAS requirements are met before the company is registered for EMAS. Mostly external verifiers and CBs are accredited by national accreditation bodies.

In case of failing performance a CB could lose its accreditation. Although EMAS regulation is based on ISO 14001 requirements there are some important differences.⁴

In several empirical studies it was concluded that there seems to be a positive correlation between an environmental management system and processes related to environmental performance (Brouwer 2008, Iraldo 2009, Testa 2014). Several member states support the implementation of environmental management systems (German Advisory Board 2010 and 2011, Swedish Ministry of Environment 1998). However, it is generally agreed upon that certification could not fully replace public supervision and that public monitoring will always be necessary (Swedish EPA 2001, IMPEL 2011, Provincie Noord-Brabant 2010).

In spite of these favourable findings, there are doubts whether certification discriminates well performing companies. Since the seventies it has been recognised that companies have the tendency to formally adopt policies without really implementing them (Meyer & Rowan 1977). This decoupling between what is put on paper and what is happening in the real world often occurs when formal adoption of a policy legitimacy for a company from certain stakeholders while actual implementation is difficult. Decoupling may stem from deliberate choices or unexpected implementation problems (Crilly et al. 2012).

Several researchers have studied certification with regard to this topic. Sandholz (2012) demonstrates that both implemented and poorly implemented management systems may be rewarded a certificate. Boiral (2012) points at the lack of questioning practices as they are implemented during ISO audits due to “.. amoral seduction of auditors and organizations inclined to reassure themselves about the legitimacy of their practices through the rhetoric of success that dominates ISO certification discussions.” These findings are consistent with experiences in the UK and the Netherlands (SNIFFER 2013, De Bree 2013).

The bottom line of this analysis is that certification does not seem to differentiate effectively between well and poorly implemented systems. Although little research has been done with regard to EMAS verification, it is not sure whether this – unlike ISO certification - does make an effective distinction between well and poorly implemented systems.

What does this mean for the use of certification and verification by third parties regarding the assessment of CMSs? It is important if public supervisors rely on private certification of verification, that it is assured that the compliance related aspects of company's

⁴ ISO 14001 has several requirements regarding regulatory compliance e.g. an adequate overview of applicable legislation, self-assessment of compliance and evaluation of the system in a management review. One of the differences with EMAS is that EMAS has more stringent requirements for internal auditing than ISO 14001. ISO is developing a guidance for compliance (ISO 19600, Bleker 2014).

management systems are adequately assessed.⁵ As the above analysis shows, this is not self-evident and may thus require an active role of public authorities. The aim should be that the assurance specifically addresses the effectiveness of certification and verification to identify differences between well and poorly implemented CMSs.

⁵ In several countries a dialogue between public supervisors and policy makers and accreditation and certification bodies are initiated as an attempt to realise more alignment between certification and public supervision.

3. CMS SUPERVISION

CMS Supervision has already been extensively explained in an earlier IMPEL report (IMPEL 2011). Here we mention the basic principles of CMS Supervision. These are:

- a. CMS supervision is designed to *stimulate* companies to improve their internal processes in such a way that they assure compliance. This means that companies should organise to assure compliance, check their compliance, identify and correct violations themselves and learn from it. By applying CMS supervision the focus of the public supervisors shifts from compliance to compliance assurance.
- b. CMS supervision is aimed at those parts of the *management system* of a regulated company that is meant to assure compliance. This part of the management system we call the compliance management system (CMS) of the company.
- c. In CMS supervision the CMS is assessed, traditional compliance *inspections* are limited and *penalties* are only given if the company fails to correct violations and learn from it (to prevent reoccurring).⁶
- d. In CMS supervision *control of risks for public interests* like the environment is considered more important than formal compliance with the letter of the law.
- e. By assessing the CMS as a public supervisor we can
 - i. find out to what *degree* the company is assuring compliance and
 - ii. *stimulate* the company to improve its performance through compliance assurance and *improve* the understanding between government and companies
- f. The assessment of a CMS requires other competencies of the inspector than for traditional supervision.
- g. CMS supervision is *not effective for every company*. Only those companies which are willing and able to implement an effective CMS should be given access to CMS supervision.

⁶ Obviously in any case the inspection frequency and penalty should meet applicable formal requirements e.g. originating from EU directives

4. DISCUSSION AND CONCLUDING REMARKS

In this last chapter, we raise some considerations and formulate conclusions with regard to CMS Supervision.

CMS supervision is based on the notion of another than traditional relationship between inspector(ate) and inspectee. It requires that parties interact constructively from an attitude of willingness to trust each other. Sometimes it is required that parties leave their formal and distrustful stand so often observed in traditional regulator – regulatee relationships. Trust plays an important role on two levels.

- ✓ Firstly, there has to be a certain *threshold level* of trust to make parties feel comfortable to exchange delicate information.⁷ Communication, reporting and transparency between the operator, regulator and public is key.
- ✓ Secondly, trust is a *product* of the constructive interaction typical for CMS supervision.

It is for this reason that we advocate a voluntary approach rather than a mandatory one. If a company voluntarily chooses to participate in a CMS Supervision program, it is likely to be more intrinsically motivated than when the program is mandatory.

As intrinsic motivation is an important condition for a company to implement a CMS effectively, extrinsic incentives should be applied with caution. If companies are motivated mainly by extrinsic motivators, the risk of bad implementation grows. Nevertheless, reduction of fees, less inspections, more flexible permitting could support companies to start developing CMSs.

A serious threat to effective CMS supervision is the incident-regulation reflex often seen in public bodies. CMS supervision requires the notion that risks cannot be reduced to zero and that one single incident does not prove that the approach is not working. This requires clear communication to third parties.

Opportunities for public supervisors to make use of the work of private certification bodies to assess CMSs are substantial. However, there are situations that companies with poor CMSs are certified. This means that the public supervisor cannot rely fully on the work of the CB for assessing a CMS.

⁷ It must be noted that the inspectorate has obligations to disclose information to the public in accordance with the EU Environmental Information Directive (INSPIRE).

It is recommended that public supervisors and accreditation and certification bodies communicate intensively about how certification may help public supervision and which roles parties should play before public supervisors rely on the assessment of CMSs by CBs. It is recommended that if a supervisor finds major shortcomings in the CMS of certified companies which should not have occurred following the standard, that this is communicated e.g. by issuing a complaint to the accreditation body. A new IMPEL project is proposed for a project aimed at initiating a dialogue between public supervisors and accreditation bodies on a European level.

The guidance CMS Supervision contains state of the art knowledge, experience and best practices concerning system based supervision and meta-regulation. We hope that the guidance provides a practical tool for inspectorates, agencies and inspectors to both develop CMS Supervision policy and apply it in the real world.

5. REFERENCES

- Bleker, S., Hortensius D. (2014). ISO 19600: The development of a global standard on compliance management, Business Compliance 02
- De Bree, M.A. (2013). Private borging van de regelnaleving in het omgevingsrecht, Erasmus University Rotterdam
- Boiral, O., (2012). ISO Certificates as Organizational Degrees? Beyond the Rational Myths of the Certification Process, *Organization Studies*, 33 (5-6) 633-654
- Brouwer, M. A. C., & van Koppen, C. S. A. (2008). The soul of the machine: Continual improvement in ISO 14001. *Journal of Cleaner Production*, 16(4), 450-457.
- Buytendijk, F. (2002), Corporate Performance Management (CPM) Helps Build the High-Performance Organization'. Gartner, 1-46.
- Crilly, D., Zollo, M., Hansen M.T. (2012). Faking or muddling through? Understanding decoupling in response to stakeholder pressures, *Academy of Management Journal*, Vol. 5 No. 6, 1429-1448
- German EMAS Advisory Board (2011). Systematic Environmental Management Creating Added Value with EMAS; The Differences Between EMAS and ISO 14001
- German EMAS Advisory Board (2010). EMAS Info newsletter September 2010
- IMPEL (2011). Compliance assurance through company compliance management systems 2011/04
- Iraldo, F., Testa, F., Trey, M. (2009). Is an environmental management system able to influence environmental and competitive? The case of the eco management and audit scheme (EMAS) in the European union . *Journal of Cleaner Production*, 17, 1444-1452.
- Meyer, J.W., Rowan, B. (1977). Formal structure as myth and ceremony, *American Journal of Sociology*, 83: 340-363
- Mulder, L., Vegt, van der G., Ponsioen, S., (2014) Omgaan met regelovertreding in vertrouwensrelaties, *Boom Lemma Uitgevers*, isbn 978-94-6236-451-6
- Planet & Prosperity Ltd. (2013). New opportunities to improve environmental compliance outcomes using certified EMSs, Sniffer
- Provincie Noord-Brabant (2010). Systeemgericht toezicht Provincie Noord-Brabant; Tussentijds projectverslag
- Sandholtz, K. (2012). Making standards stick, A Theory of Coupled vs. Decoupled Compliance, *Organization Studies*, 33: 655



Swedish EPA (2001). Guidebook operational supervision, chapters 2, 3 and 4

Swedish Ministry of Environment (1998). Ordinance 1998-901 on self-inspection of operators

Testa, F., Rizzi, F., Daddi, T., Gusmerotti, N. M., Frey, M., & Iraldo, F. (2014). EMAS and ISO 14001: The differences in effectively improving environmental performance. *Journal of Cleaner Production*, 68(0), 165-173.

Treviño, L.K.; Weaver, G.R.; Reynolds, S.J., (2006), Behavioral Ethics in Organizations: A Review, *Journal of Management* , 32, 951-990.

Vries H.J. de, Bayramoglu, D.K., Wiele, T. van der (2012). Business and Environmental impact of ISO 14001 *International Journal of Quality & Reliability Management* Vol. 29 No. 4, pp. 425-435

Wingerde, C.G. van (2012). Beyond deterrence. Punishment, deterrence, and compliance in the Dutch waste industry. Nijmegen: Wolf Legal Publishers, pp. 373-383

ANNEX I Glossary

Certification

The confirmation of certain characteristics of an object, person, or organization

CMS Supervision

The assessment by the public competent supervisor of the effectiveness of compliance management systems and the public supervision and enforcement regime customised to this assessment

Compliance

Conforming to legislative requirements

Compliance management system (CMS)

The part of a management system that is aimed at assuring that an organisation can fulfil all tasks required to achieve compliance

Enforcement

Insuring obedience to legislative requirements

Environmental management system

A management system to assure that an organisation can fulfil all tasks required to achieve its objectives with regard to the environment

Inspection

The periodic and targeted scrutiny of specific objects and entities, to check whether they are meeting legislative requirements

Management system

A framework of processes and procedures to ensure that an organisation can fulfil all tasks required to achieve its objectives

Management system standard

A set of specifications for a management system

Public supervision

Collect information and use that information to determine whether the legislative requirements are met

Regulation

A process of the promulgation, monitoring, and enforcement of legislative requirements

Verification

The act of reviewing, inspecting or testing, in order to establish and document that a product, service or system meets regulatory or technical standards

ANNEX II Project data

Projectmanagers:

Han de Haas

Paul Meerman

Coreteam members:

Han de Haas	Netherlands, <i>projectlead</i>
Paul Meerman	Netherlands, <i>projectlead</i>
Martin de Bree	Netherlands, <i>consultant</i>
Duncan Giddens	England
Veit Moosmayer	Germany (2013)
George Schmidt-Drechsler	Germany / Bavaria (2014)
Colin Armstrong	Northern Ireland (2013)
Joanne Livingstone	Northern Ireland (2014)
Alvarro Barroqueiro	Portugal
Bibiana Cardoso da Silva	Portugal (2014)
Simon Bingham	Scotland (2013)
Susan Hunter	Scotland (2014)
Emma Hakansson	Sweden
Lina Segrel	Sweden (2014)

Terms of Reference

Originally the project in 2014 was divided in two phases, a research phase and a guidance phase. The research phase was meant to collect empirical data on environmental performance and compliance. This data would be used in the preparation of making the Guidance (Phase 2). The Terms of Reference were changed and we decided to use scholarly work and collect data from relevant other projects regarding this subject to be able to design the guidance.

Coreteam meetings were held in Stockholm, Sweden (2013), London, England (2013), Lisbon, Portugal (2014) and Belfast, Northern Ireland (2014). International workshops were held in Floriana, Malta (2013) and, Rotterdam, Netherlands (2014).

During the workshop in Malta (2013) we discussed the critical components for an effective compliance management system (CMS). Also the use of certification and the dialogue with certification was debated. Other specific items presented in the workshop where how to

execute targeted enforcement and to practice sanctions by companies with a CMS /EMS. An important aspect on how to use sanctions was brought forward by the public prosecutor of England: be careful not to frustrate the learning process and constructive attitude of the company.

In 2014, the Rotterdam workshop, we focused on the draft Guidance for supervising CMS - sites. A model was discussed and information on the developments in the ISO and EMAS world were shared.

At both workshops, public supervisors, inspectors and regulators from IMPEL-member states and external experts (company representatives [or federations], certification bodies, universities / researchers, etc.) were present in Malta and the Netherlands (list of participants see ANNEXES IV and VI, agendas ANNEXES III and V).

ANNEX III Agenda workshop Malta



Provincie Noord-Brabant



IMPEL Project 2013/15

WORKSHOP

Compliance assurance through company compliance management systems
September 30th and October 1st 2013, Malta

Day 1: September 30th 2013

Location:

Malta Environment and Planning Authority (MEPA)
St Francis Ravelin,
Floriana, FRN1230.
Malta

0. Lunch 13.00 hrs

Participants of the workshop are invited to make use of a lunch.

(Please confirm whether this will be used > p.meerman@omwb.nl)

1. Welcome in Malta 14.00 hrs

A word of welcome by Suzanne Gauci, Manager EU Affairs, MEPA

tour the table,
objectives
program day 1
signing attendee list.

Annex:

- *ToR Company assurance through Compliance Management System v2010-10-11*

- *Briefing Pack*

2. Background Project I, final report phase 1

14.30 hrs

History of the project (start + outcome 2011 / 2012) by Han and Paul

Annex:

- *Report Compliance Assurance Through Company CMS 2012-05-03 v2.3*

3. CMS, international developments, a European and a global view

15.00 hrs

a. Revision ISO 14001

An introduction and update about the developments on the revision of ISO 14001 by Martin Baxter; Executive Director at the Institute of Environmental Management & Assessment (IEMA).

b. EMAS, the European Eco Management and Audit Scheme

An introduction and update about the developments on the revision of EMAS by Rolf-Jan Hoeve; EMAS Policy Officer, European Commission, DG Environment (*tbc*).

c. Private assurance in environmental legislation

A presentation about a Dutch study on private assurance in new environmental legislation by Martin de Bree; Researcher at the Erasmus University Rotterdam School of Management and consultant/owner of Next step management consultancy.

Tea, coffeebreak

4. What are the critical control mechanisms in the accreditation structure to be able for public supervisors to rely on the assessment of CMS by third parties?

16.00 hrs

An introduction by Duncan Giddens on this question by presenting a study of the UK: "New opportunities to improve environmental compliance outcomes using certified EMSs ". This (SNIFFER) study looks specifically at the possible use of ISO 14001 certificates in a public supervision policy.

A reflection from third parties:

- Veit Moosmayer, senior advisor for the Environmental Verification Committee of Germany. He is involved with both EMAS as well as ISO 14001. (reflection by video or Skype / *tbc*)
- Ed Wieles, manager Strategy and Development at the Dutch Accreditation body (reflection by video or Skype / *tbc*)

A group discussion (model House of Commons) based on propositions about potential critical control mechanism. What are the pro's and con's?

The discussion will be lead by Paul Meerman.

The elements for the agreed critical control mechanisms will be summarized by Han de Haas

Energybreak during the discussion

5. Looking back at day 1 and look forward to day 2 **18.00 hrs**

What did we achieve

Program day 2.

6. What's coming up tonight? **18.15 hrs**

Transport to and refresh at the hotel

ANNEX IV Attendees Malta

Attendees Workshop Floriana, Malta, September 30th and October 1st 2013

Han de Haas, Province Noord-Brabant, The Netherlands, projectlead

Paul Meerman, Province Noord-Brabant, The Netherlands, projectlead

Martin de Bree, Erasmus University The Netherlands, consultant, coreteam

Emma Hakanson, Swedish Environmental Protection Agency, Sweden, coreteam

Duncan Giddens, English Protection Agency, UK, coreteam

Alvaro Barroqueiro, Igamaot, Portugal, coreteam

Colin Armstrong, Environmental Protection Agency Northern Ireland, UK, coreteam

Simon Bingham, Scottish Environmental Protection Agency, Scotland, coreteam

Michael Cassar, Market Surveillance Directorate Technical Regulations Division, Malta

Martin Baxter, Institute of Environmental Management & Assessment, UK

Anne Brosnan, Chief Prosecutor, Head Office Legal Services, UK

Fiona Weir, Syngenta Grangemouth Manufacturing Centre, Scotland

Kristina Rabe, Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, Germany

Lucia Herreras, Weee forum, Belgium

Peter Kunze, European Automobile Manufacturers Association, Belgium

Adam Nadolski, Environmental Protection Agency, Poland

Michael Sant, Malta Environment & Planning Authority

Aimee Brincat, Malta Environment & Planning Authority

Thomas Paris, Malta Environment & Planning Authority

Pauline Aguis Farrugia, Malta Environment & Planning Authority

Ivor Robbenich, Malta Environment & Planning Authority

Suzanne Gauci, manager EU Affairs MEPA, Malta

Participation by telephone:

Casper van Eck

Dutch Accreditation body, The Netherlands

Rolf Jan Hoeve

European Commission, DG Environment, EMAS, Belgium

Participation by video:

Michael Faure, University of Maastricht and Rotterdam and chair of the Flemish High Council of Environmental Enforcement, Belgium

ANNEX V Agenda workshop Rotterdam



Provincie Noord-Brabant



IMPEL Project II / 2014 WORKSHOP

Compliance assurance through company compliance management systems

October 8th and October 9th 2014, Rotterdam, The Netherlands

Day 1: October 8th 2014

Location:

Erasmus University, Rotterdam School of Management,
Burgemeester Oudlaan 50
3062 PA **ROTTERDAM**
Mandeville Building: (T) Room: M2-12 Shanghai

www.rsm.nl

0. Walk in

13.00 hrs

Participants of the workshop are invited to make use of the walk in lunch.

(Please confirm whether this will be used > p.meerman@omwb.nl)

1. Welcome at the Erasmus University Rotterdam

14.00 hrs

A word of welcome (speaker tba)

Tour du table

Project history – goals and follow up

Program day 1

Signing attendee list.

Annex: ToR Company assurance through Compliance Management System v 2.5 June '14

2. Key note speaker Professor Henk de Vries **15.00 hrs**
 Subject: The value of management system certification

Henk de Vries is an associate professor of standardisation at the Department of Technology and Operations Management, Rotterdam School of Management, Erasmus University (RSM). His research and teaching focuses on standardisation from a business perspective.

He is the author and co-author of more than 250 publications in the field of standardisation and is currently the president of the European Academy for Standardisation EURAS, the vice-Chair of the International Cooperation for Education on Standardization ICES, and special advisor to the International Federation of Standards Users IFAN. Earlier in his career Professor de Vries held a number of different positions at the Netherlands Standardisation Institute NEN.

3. Feasibility, speaker Professor Torbjörn Brorson **15.30 hrs**

Mr Brorson will reflect on CMS/EMS feasibility indicators for an industry or company in relation to the other kind of inspections for the public supervisor

Professor Brorson (DrMedSc; Occupational and Environmental Medicine) has his background in research and the industry. He worked as environmental manager in the pharmaceutical industry (Pharmacia) AB for 10 years and for 8 years as Environmental Director at Trelleborg AB (polymer company). For the past 8 years he holds a part-time position as Sustainability Director at Hexpol AB (polymers) and the same position at Nolato AB (plastic). In 2001 Brorson was appointed as Adjunct Professor at IIIIEE at Lund University (20% position). He is the author of many papers and reports and a handful of books, mainly concerning ISO 14001 and environmental auditing. Brorson is the main author at Advantage Environment (www.miljonytta.se) where he has published more than 200 short articles about cleantech products and services. He is a Certified Lead Environmental Auditor according to ISO 14001 and has carried out hundreds of audits in more than 25 countries. Brorson is a member of the Royal Swedish Academy of Engineering Sciences.

Tea, coffeebreak **16.00 hrs**

4. Workshop round 1 **16.15 hrs**
 Guidance subject Feasibility

Short introduction – dividing in groups
 Casus / declension and or proposition
 Group discussions
 Plenary Feedback

17.15 hrs

Annex: Flow chart (will be sent after)

5. Pick of the day and looking forward

17.50 hrs

6. Closure day 1

18.00 hrs

7. Evening program

18.15 leave by watertaxi from Watertoren to SS Rotterdam (*)

18.30-19.00 time to check in at SS Rotterdam for guests who'll stay there

19.00 boarding on Nieuwe Maze, vessel of Port of Rotterdam (in front of Hotel NY)

19.00-22.00 Buffet and roundtrip Rotterdam Harbor

(*) NOTE. The eveningprogram will end at the SS Rotterdam. Guests who will arrive by car and will join the eveningprogram, are advised to make a choice whether they parc their cars:

a) in the surroundings of the SS Rotterdam (3e Katendrechtse Hoofd 25, Rotterdam) and make transport at noon to the Erasmus University by themselves or

b) at the Erasmus University and make transport in the evening between SS Rotterdam and EUR by their own

c) do not join the Watertaxi and drive between EUR and SS Rotterdam by their own.

ANNEX VI Attendees Rotterdam

Attendees Workshop Rotterdam, The Netherlands October 8th and 9th 2014

Han de Haas, Province Noord-Brabant, The Netherlands, projectlead

Paul Meerman, Province Noord-Brabant, The Netherlands, projectlead

Martin de Bree, Erasmus University The Netherlands, consultant, coreteam

Lina Segrell, Swedish Environmental Protection Agency, Sweden, coreteam

Duncan Giddens, English Protection Agency, UK, coreteam

Alvaro Barroqueiro, Igamaot, Portugal, coreteam

Bibiana Cardoso Da Silva, Igamaot, Portugal

Susan Hunter, Scottish Environmental Protection Agency, Scotland, coreteam

Joanne Livingstone, Environmental Protection Agency Northern Ireland, UK, coreteam

Georg Schmid-Drechsler, Bayerisches Staatsministerium für Umwelt und Gesundheit,
Germany, coreteam

Torbjorn Brorson, Lund University, Sweden

Martin Baxter, Institute of Environmental Management & Assesment, UK

Michelle McKim, Environmental Protection Agency Ireland, Ireland

Mark Modlich, DAU GmbH, Germany

Henk de Vries, Erasmus University Rotterdam, The Netherlands

Dick Hortensius, Nederlandse Normalisatie Instituut (NEN), The Netherlands



Sylvie Bleker-van Eyk, Vrije University Amsterdam, The Netherlands

Valentin Beloui, Romanian Environmental Protection Agency, Romania

Maurice Stijfs, ASML, The Netherlands

Albert de Haas, Sabic, The Netherlands

Han Pret, ILT, The Netherlands

Henk van Rhee, Erasmus University Rotterdam, The Netherlands

Kees Huizinga, Rijkswaterstaat, The Netherlands

Peter Bareman, VNCI, The Netherlands