
TARGET GROUP MANAGEMENT INDUSTRY AND INTERNAL COMPANY ENVIRONMENTAL MANAGEMENT

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1 INTRODUCTION

It is indeed a rare occasion when a newspaper or specialist journal does not carry articles about the environment. Water pollution, air pollution, soil pollution, chemical waste problems and such like issues are more often newsworthy.

Companies are involved in two separate modes. To begin with, they also cause environmental pollution. Not enjoyable but explainable, for you cannot make an omelette without breaking eggs. But in addition to this, companies are also burdened by environmental pollution. Perhaps not the first item which comes to mind but still logical, for to operate efficiently companies require clean water, pure air and sufficient raw materials or energy. An example from the road transport business is the smog problem. When air pollution has deteriorated seriously, traffic is forced to a complete stop, which is very detrimental to this branch of industry. But also to companies which depend on transport. In addition to this one, other examples are not difficult to envisage.

Therefore, a clean environment is not only necessary to lead a healthy life, but also to continue manufacturing or delivering products. This is also the essence of the National Environmental Policy Plan which was published May 1989.

2 NATIONAL ENVIRONMENTAL POLICY PLAN AND SUSTAINABLE DEVELOPMENT

The National Environmental Policy Plan (NEPP) is a strategic plan for the medium-term and long-term period, to wit 1990 - 2010. It sketches the main policy outlines which according to Government are required to make a start in combating environmental issues.

The National Environmental Policy Plan indicates environmental problems will only be brought under control if many emission reductions of 70%-90% are effected, including those for waste materials. This is necessary to maintain environmental carrying capacity. In addition the NEPP calls for the realization of sustainable development. Sustainable development is: "development which satisfies the needs of the present generation without endangering the possibilities of future generations for satisfying their needs".

This means transference of environmental problems to other generations, other areas or other scale levels must be stopped. In principle a solution must be found for environmental problems within one generation (20 to 25 years).

This results in an imperative structural adaptation of the economic production process as it is known up to now. Not for nothing the NEPP states: "a clean and healthy environment is a prerequisite for sustainable economic development".

This is also the cause why trade and industry should focus all attention on present environmental issues!

The time frame in which we were concerned only with the detrimental effects of economic growth on the environment has really passed. Now it is high time to worry about the disastrous effects to the economy of environmental destruction. By that, the necessity is introduced for companies to focus all attention on environmental issues. And with this a common concern for all!

It is expected from trade and industry to cooperate in the execution of the following NEPP measures:

1. In joint venture with Government deal with problems, such as:
 - * Branches of industry screening
 - * developing plans for:
 - prevention or recycling of waste materials,
 - reduction of energy consumption,
 - soil cleanup,
 - stimulation of clean technology.
2. Companies will take into account all environmental aspects when taking investment decisions.
3. Adapt production processes by means of clean technology as quickly as possible.
4. To start off environmental management systems in companies.

3 TARGET GROUP APPROACH

Broad endorsement of NEPP policy is of the utmost significance. Further policy development will no doubt raise problems. The attractive long-term perspective is the glue which will bind industry and government together.

Dealing with problems in joint venture with Government. To this end, the target groups approach is reinforced also as a result of NEPP. By this we aim to make operational the objectives of environmental policy by means of a coordinated and structured target group approach. To this end this policy should be based as broadly as possible with the target group and other governments involved.

1. Agriculture, managed by Drinking Water, Water, Soil Directorate;
2. Traffic and transportation, managed by Air Protection Directorate;
3. Industry and other branches of industry, managed by Administrative Affairs Directorate;
4. Chemical industry, managed by Administrative Affairs Directorate;
5. Energy sector, managed by Air Protection Directorate;
6. Refineries, managed by Air Protection Directorate;
7. Construction, managed by Noise Directorate;
8. Public waste utilities, managed by Waste Substances Directorate.

4 TARGET GROUP MANAGEMENT INDUSTRY

The creation of a target management group Industry is motivated specifically by a multitude of environmental issues, interrelated or not interrelated, within industry. In NEPP it is stated which task setting is required for a defined theme (for instance acidification, diffusion). The continued effects of this for the separate branches of industry are not mentioned. The primary task of target group management is to translate the objectives formulated by NEPP to reduction targets, per theme, on the branches of industry level. Subsequently a consistent package of measures is to be formulated for the separate branches of industry.

Target group management provides for:

- a. The realization of a central point of address within the Directorate General of the Environment (DGE) for the separate branches of industry; this point ensures questions and problems are dealt with by the appropriate office within the organization.
- B. The reinforcement of coordination in respect of DGE target group policy.
- C. The fine tuning of policy measures to the target group;
- d. Stimulation of internalization of environmental management with the target group.

5 DEVELOPMENT TARGET GROUP MANAGEMENT FOR INDUSTRY

In what manner target group management for Industry is given it's concrete shape? A beginning is made by two inventories.

Firstly, the complete framework of all consultations between DGE and Industry is mapped. Consideration is given which NEPP actions are already in process of execution and if further consultation structuring is required.

Secondly, an inventory is made of present emissions per theme (acidification, priority substances, air, etc.) and per branch of industry. As a result a clear picture emerges.

The next step must be to translate the NEPP emission reduction objectives to branch of industry level for the period 2000 - 2010. This discussion should not impede us to forge ahead.

After all, if there are no other possibilities, distribution of emission reductions over branches of industry, will have to take place by estimation. Feasibility in advance is definitely not point of departure. Subsequently target group policy should be further developed jointly by governmental agencies and the branch of industry involved. This process can start with a declaration of purpose with the branch of industry and governmental agencies involved.

The declaration of purpose:

- * Indicates consultation start
- * Intended consultation objective
- * Consultation structure with branch of industry
- * Start publicity campaign for individual companies

Evidently it is important to involve the various governmental agencies. In due course the competent authority will lay down the approach agreed upon in licensing regulations which will be enforced, for the final step is the drafting of an implementation plan, in which the following items may be described:

- * Measures and applicable planning stages. Implementation method (who does what and when).
- * Activities supporting implementation
- * Research to be carried out and decisions to be taken on the basis of this research.
- * Further consultations within the implementation context

To make agreements on branch of industry level is one thing, individual companies actually bringing measures into force is quite another. Internal company environmental management is the preeminent instrument aimed at bringing measures into force geared to the individual company.

6 NOTE ON INTERNAL COMPANY ENVIRONMENTAL MANAGEMENT

The government has recognized the importance of internal company environmental management and has set down its point of view on the significance and development of environmental management in a Note.

If we want to attain good environmental quality in the Netherlands, along the NEPP lines of policy, it is advisable all companies, which cause pollution or may cause pollution to the environment, will have at their disposal an environmental management system geared to the company.

In the Note this conclusion has been translated into a clearly defined objective. The government wants all companies which cause medium to large sized environmental pollution or particular risks to the environment to have at their disposal an integral environmental management system in 1995. For companies which cause limited environmental pollution the objective is less far reaching. In this case the government wants all relevant branch organizations pertaining to these companies, to have taken clearly defined steps aimed at the introduction of an environmental management system.

All in all an ambitious objective. However, in the absence of such an infrastructure to find a solution for environmental problems, we will not succeed in defeating these problems.

7 WHAT IS COMPANY ENVIRONMENTAL MANAGEMENT?

By company environmental management we understand: all efforts and activities of a company to gain insight into and control of and - if possible - decrease the effects on the environment of conducting business. Quite a lot, but to what does it all boil down? Companies have an independent responsibility to prevent impairing environmental quality. Acknowledgment of this responsibility is also called internalization of environmental policy.

The responsibility of trade and industry is not limited to executing and observing environmental regulations but also means improving environmental quality by voluntary reduction of environmental pollution and if possible by preventing it entirely. To reach this, every company has to:

- * take account of environmental aspects;
- * pursue applying clean technologies on using and developing products and processes;
- * decrease the use of raw materials and energy;
- * make efforts to reduce and recycle waste produced;

to realize the possible environmental problems originating from the use of its products and in the waste stage.

For internalization as well as self control the necessary organizational, administrative and technical provisions within each company are essential. These provisions are called internal company environmental management.

8 WHAT IS A COMPANY ENVIRONMENTAL MANAGEMENT SYSTEM?

Environmental management demands systematic attention within trade and industry. This necessitates a company environmental management system as a tool.

A company environmental management system may be defined as: an internal company control system aimed at controlling in a systematical and coherent manner the effects on the environment of conducting business and if possible - at decreasing those effects.

A company environmental management system contains the following basic elements:

1. environmental policy statement containing the environmental policy;
2. environmental programme containing the planned activities in the field of the environment and not only the compulsory but also the non-compulsory activities;
3. integration of environmental management in conducting business ultimately resulting in internal assignment of tasks and responsibilities (e.g. environmental coordinator or an environmental service);
4. measurements and registrations according to internal and external regulations. Besides emissions the consumption of f.i. raw materials and energy will be registered;
5. internal supervision of company provisions and existing rules;
6. internal information and instruction;
7. internal and external reporting to render insight to management and government and third parties in what is going on in the field of the environment;
9. auditing of the system aimed at adapting - if necessary - of the system or company management method.

A complete company environmental management system contains all these basic elements. Such a system applies specifically to one company and is necessary for the ten or twelve thousand larger companies in the Netherlands. For a much larger number of companies causing limited environmental pollution - there are about two hundred and fifty thousand of those - a partial environmental management system may suffice. In general this consists of a more limited number of said elements or of a more simple elaboration thereof.

Simultaneously it will often be a question of a sort of "blueprint" or a model system applicable to several similar companies. Mostly such modelsystems may be drawn up by branch associations.

9 THE SIGNIFICANCE TO COMPANIES

The significance to companies boils down to the following items:

1. Concern for the environment enlarges the opportunity for continuity. It is even a prerequisite. Not only because continuity depends on a careful use of raw materials and energy, on a good environmental quality, but also on a positive and trustworthy image of the company.
2. Environmental management is often a co-determinant for the quality of the production mode within the company and so of the products; there is a clear parallel with quality control.
3. Through company environmental management financial advantages may be gained. By lower production costs using less raw materials and energy, producing less waste and removing them more efficiently, but also by a lesser chance on claims for damages or high to extremely high cleanup costs (f.i. soil pollution) and by lower insurance premium or lesser environmental levies.
4. Company environmental management has a positive influence on motivation of personnel. It is not very pleasant to work in a polluting company. It is bad for the workers' health and people living in the plant vicinity. But also for the work ethic and the trading results.
5. To focus on your own initiative on the environment may prevent being unexpectedly confronted with governmental demands.

For instance by using already now impermeable floors in new buildings or alterations, companies have a clear advantage over other companies having to do so as a result of governmental regulations, mostly on an inopportune moment. By anticipating future regulations laborious procedures, unnecessary costs or uncertainty about continuity of business may be avoided.

In summary: It is of interest to companies to look not only to the quality of their final product but to look henceforth also to the way the product is made. The environmental quality now has to be clearly reckoned with!

10 WHAT ASSURANCE EXISTS THE OBJECTIVE WILL BE REACHED?

A statutory regulation for mandatory introduction of a company environmental management system has been relinquished intentionally, in contrast to for instance setting up a safety department in larger companies. The organization of an internal company environmental management system is understood to be the proper responsibility of trade and industry. In this early endeavour voluntariness guarantees best, trade and industry will find those company environmental management models which link up most effectively with management culture and conducting of business of individual companies.

11 THE SIGNIFICANCE FOR LICENSING, INSPECTION AND SUPERVISION

In short company environmental management does not formally change anything in the position of government in regard of licensing, inspection and supervision. Company environmental management does not replace licensing. Nor does it replace the competent authorities as supervisors.

The possibilities already given in environmental legislation to include in licenses regulations on organization will continue to be used, also for indicating the development direction of company environmental management. Simultaneously however the possibilities have to be examined to adapt licensing to the existence of a developing company environmental management.

By linking company environmental management system and licensing the regulations may be adapted in such a way as to give a company more leeway in shaping and substantiating its environmental management. This should be feasible within the framework of a license on main points and target directed regulations if necessary with an obligation to obtain certain results. In such a way an environmental management system grows from noncommittal to task setting.

In regard of supervision and inspection the following applies.

In view of the increasing social importance of the factor environment it is to the competent authority of growing interest to ascertain continuously the environmental targets laid down in the licenses are fully implemented. On the spot inspections by environmental officials alone are not sufficient. There is also a need for a reliable flow of information from company to authority and society on environmental achievements and environmental company policy. For this reason the Note to parliament (Lower House) gives relatively much attention to subjects as measurements and registration and external reporting of environmental data. Environmental accountancy in one form or the other and reporting thereof is a necessary and inevitable development.

The issue for the coming years is to find a rational interpretation by means of trial projects for these essential elements of the company environmental management system.

12 ACTIVITY PROGRAMME 1989 -1994

To advance internal company environmental management and to make possible a systematic evaluation of experiences, an activity programme has been set up with dual task setting.

On the one hand projects and other activities aimed at developing and applying environmental management in companies are supported.

On the other hand research is started on still unanswered questions and evaluation will take place aimed at a further development of company environmental management policy within environmental policy as a whole. For implementation of the activity programme all in all thirty million guilders are available. The programme comprises the following activities:

- * stimulation and educational projects, such as:
- * branch projects.

These are aimed at introducing through branch-organizations company environmental management systems to groups of similar companies individually not being capable of setting up an adequate environmental management system.

These projects are differentiated in three main phases:

- a. developing a company environmental management system as a model for a branch;
- b. information about the system to all branch companies;
- c. implementation in individual companies possibly demanding further specification.

Advantages of this approach are an optimum use of branch level knowledge within the trade and industry line, an increase of environmental knowledge on branch level through practice, a sluicing of experiences in the environment field by more advanced companies through the branch to less advanced companies and finally but certainly as important the fact the branch operates vis a vis its members with more prestige and confidence than any governmental or advisory body.

For branch projects eight million guilders are set aside.

* Individual projects

To support development of integral company environment protection systems, provided a link exists with a specific educational objective.

Educational objectives are inter alia linking a company environmental management system to the license, involvement of employees and reporting.

Five million guilders are available.

* Public enterprises

To formulate environmental management systems for public enterprises such as drinking water and energy companies, waste dumping sites and public transportation; four million guilders are made available.

* Regional projects

In regard of information and implementation the Note foresees a supplementary role for regional bodies such as chambers of commerce and if possible still to be established regional services for company environmental management.

For regional projects two million guilders are available.

* Information activities

To provide general and specific information to companies, employees and governmental bodies three million guilders are put aside.

* Training and education

These activities are focused on training environmental officials. Also the integration of environment in vocational training is supported. Contributions may be made available to developing courses for managers, workscouncils etc. Four million guilders are available.

* Specific themes

Research into themes such as using substances registration, monitoring methods for environmental data and legal aspects of altered governmental actions. An amount of two million guilders is set aside.

* National coordination

To fund activities by the project office two million guilders are set-aside.

13 CLOSING REMARKS

At the end two remarks have to be made; Company environmental management will become a success, if it is done in combined action. Introducing it, is primarily a trade and industry responsibility. But to become really effective it is important to let development and introduction take place in dialogue and co-operation with the competent authorities.

In turn, governmental bodies will have to keep an open mind for environmental management development in companies and for their part will have to formulate a clear, transparent and effective environmental policy. This requires a great change in mental attitude.

It is evident we can master environmental problems only through a joint effort. Therefore we have to channel all our energy in the correct direction, already so much is lost.