

THE RELATIONSHIP BETWEEN GOOD GOVERNANCE AND ENVIRONMENTAL COMPLIANCE AND ENFORCEMENT

HARMAN, SIR JOHN

Chairman, Environment Agency (England and Wales)

May I begin by welcoming you to this Panel on the Relationship between Good Governance and Environmental Compliance and Enforcement, key themes for the conference as a whole.

During this panel discussion I hope we will be able to identify why good governance is important for compliance and enforcement, and why cooperation between implementing authorities is essential.

To whom are we as regulators accountable for what we do? To Ministers, certainly; but also to the public, and to regulated businesses or individuals. What do these accountabilities demand of us? Who benefits from what we do?

If these accountabilities clash, which wins out? Should we put the public interest first? Or to put the question another way, are compliance and enforcement of environmental standards too important to be left to politicians? To help address these questions we have a panel of eminent speakers:

- Secretary Pieter van Geel from The Netherlands.
- Kenneth Ruffing from the Organisation for Economic Co-operation and Development (OECD).
- Jonathon Allotey, Executive Director, Environmental Protection Agency, Ghana.
- Ladislav Miko, Deputy Environment Minister, Czech Republic and Director Designate DG Environment (Directorate B: Protecting the Natural Environment).

We circulated a paper on the relationship between good governance and environmental compliance and enforce-

ment. I expect that many of you will have had an opportunity to read the paper, but I should like to highlight some of the key points from it.

Society demands high environmental standards. The need to address a legacy of harm to the environment on a global scale is more pressing than ever but protection, conservation and improvement of the environment can only take place within a framework of good governance and respect for the rule of law.

Regulations, enforced fairly, enable business to compete on equal terms. Effective environmental compliance, compliance assurance and, if necessary, enforcement are key tools for delivering good governance. But good governance cuts both ways. If governments and regulators expect companies to respect the law and accept good regulatory standards, they also need to recognise that regulators are accountable to the public and to customers, as well as to ministers, for aspects of their regulatory practice.

In my paper for this panel, I have given examples of definitions of good governance. Despite the global differences in legal frameworks and administrative systems there is a high degree of shared understanding of what constitutes good governance. In fact the underlying principles across the world are almost the same. I have therefore taken the principles of the European Commission as the main basis of my paper, not because I consider them better than those from other regions, but because they are those by which my organisation, the Environment Agency, bases our work and modernising regulation agenda.

In this panel, we are going to dis-

cuss these issues further, and we hope to hear good examples of how compliance and enforcement activities across the world both benefit from good governance and contribute to it.

Good environmental regulation is central to good governance. Regulatory regimes can incentivise good governance in businesses. Compliance and enforcement can be powerful tools that provide support for good governance.

To help us explore these questions further I turn to our panel and invite each of them to contribute some introductory remarks before we open the session for wider debate.