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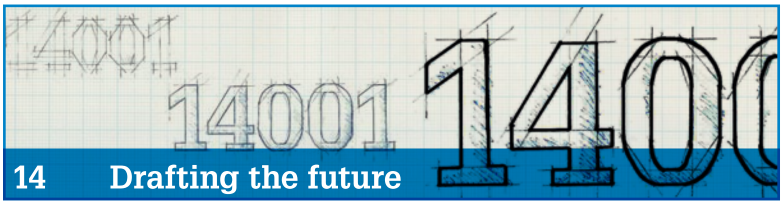

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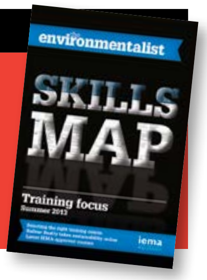

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IEMA works alongside government, the media and industry to enhance the recognition of the profession and promote the importance of practitioners in combating climate change, working towards a low-carbon economy and building a sustainable future.

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More than one deficit

Whether or not you believe austerity is the solution to the UK's economic ills, there is little debate that reductions in public expenditure over the past three years have resulted in cherished and urgently needed projects being either axed or pared. Spending on the environment has not escaped the cuts. Decc and Defra have seen their budgets slashed since 2010, and now face more constraint, as the chancellor demands that another £11.5 billion is squeezed from public spending.

Decc, led by Liberal Democrat Ed Davey, has been one of the first departments to agree new budget levels with the Treasury, pledging to reduce its funding by up to 10% in 2015/16. It means the energy and climate change department faces cuts of about £400 million to its annual budget the next election after whichever party wins. With a large chunk of its expenditure locked into nuclear waste management, Decc has little room for manoeuvre over where the axe falls. And, with the Treasury keen to exploit potential shale gas deposits in the UK, support for low-carbon technologies appears vulnerable and could explain Davey's reluctance to support a new EU target for renewable energy (p.8).

His opposition to plans by the European Commission to raise the EU target for renewables from 20% by 2020 to 30% by 2030, while at the same time calling for Europe to commit to a 50% reduction in greenhouse-gas emissions is illogical: more renewables capacity is fundamental to the decarbonisation of electricity generation, which, in turn, is essential if the EU is to achieve Davey's ambition to halve its greenhouse-gas emissions against 1990 levels over the next 10 years or so. As the committee on climate change points out (p.4), pursuing a gas-fired energy strategy is sensible only if the world abandons its efforts to tackle climate change.

Decc and Defra have both seen their budgets slashed since 2010, and now face more constraint, as the chancellor seeks another £11.5 billion cut in public spending

Over at Smith Square, home of Defra, Owen Paterson, the Conservative secretary of state, has been less accommodating to demands from the chancellor to contribute more to deficit-reduction plans. As *the environmentalist* went to press, Paterson was resisting further big reductions to his department's budget. The environment department experienced some of the steepest cuts in the coalition's first spending review, with its total budget, when inflation was factored in, cut by 30%, compared with an average of 19% across Whitehall. Capital spending was a major casualty, with expenditure on flood defences, for example, falling by 27% year on year, despite the UK's flood risk rising significantly. Earlier this year, Paterson gave the go-ahead for building to start on 93 new flood defences this year, boosting spending on flood risk management in 2013 to £294 million. Although that is still less than when the government came to power, the change of course at Defra came after floods in January and February engulfed several parts of the country and follows widespread flooding in 2012. Environment Agency figures reveal that 7,950 properties in England and Wales were flooded last year, and that there were 78 days of flooding. Another round of reductions to Defra's budget is likely to put further pressure on how much is allocated to flood defences, leaving communities without much-needed protection.

Support for renewables and flood defences could provide a spur to the ailing economy. A recent health check on the UK economy by the International Monetary Fund found little sign of growth returning. While the budget deficit remains stubbornly high and absorbing MPs' attention, austerity risks worsening our environmental deficit.

Paul Suff, editor

Short cuts

ECHA plans ahead

The European Chemicals Agency has called for feedback on its first five-year strategic plan. The REACH regulator, which has been working against a three-year rolling work programme since its creation in 2008, has published a draft programme covering 2014–2018, setting out its "high-level aspirational approach" to ensuring the safe use of chemicals across Europe in the long term. The new document outlines four areas on which the agency will focus: improving the quality of information on chemicals; making best use of data for risk management; addressing scientific challenges, such as the potential effects of nanomaterials; and ensuring the agency is working efficiently on tasks linked to the Biocidal Products and Prior Informed Consent Regulation. Stakeholders have until 15 July to comment on the draft work programme, which can be downloaded in 23 languages at lexisurl.com/iema15606.

BT calls for a better future

Telecoms giant BT has unveiled a new "better future" strategy to support its commitment to being a responsible and sustainable business. The strategy focuses on three areas, entitled "connected society", "net good" and "improving lives". Net good centres on helping society to live within the constraints of Earth's resources. The telecoms company says that doing less environmental harm is no longer good enough, and it wants to be a force for positive change by using communications technology to reduce the pressure on resources and cut CO_2 emissions. BT has set itself a 2020 goal to assist its customers to reduce their carbon footprint by at least three times the "end-to-end" CO_2 impact of its business. One example of this approach is BT's work with Banca Civica in Spain. Installing an automated energy-saving system across its 350 branches has reduced the energy consumption of its air conditioning systems, lighting and computers, saving the bank €400,000 in energy costs and cutting CO_2 emissions by 25% a year.

Audits fail assurance test

Plans for third-party audits of environment management systems to replace some regulatory inspections and site visits have been dealt a blow after research revealed that many UKAS-accredited certification bodies lack the knowledge and skills to complete audits of firms to guarantee legal compliance.

The research, conducted for the UK environment agencies by sustainability body Sniffer, looked at accredited certification bodies' (CBs) current audit processes and whether third-party audits of an environment management system (EMS) could provide sufficient assurance of a firm's legal compliance. The findings reveal that the competence of auditors is generally limited to assessing the presence of procedures.

Regulators and CBs had very different opinions of how well EMS audits mirror inspections for legal compliance. Whereas 92% of CBs claim their audits reflect regulators' conclusions "very well" or "quite well", just 16% of regulators said third-party audits did so "quite well" and only 1% stated they did so "very well".

Better communication between CBs and inspectors in planning audits would improve third-party audits, according to those participating in the research.

A key recommendation is that regulators and auditors undertake joint audits, possibly through an extension of the Environment Agency's ongoing EMS+ trial. The research also concludes that the current revision of ISO 14001 provides an opportunity for introducing "better regulation", where legal compliance is seen as the accepted norm.

Defra plots simpler guidance

More than £1 billion could be saved over 10 years if government guidelines on environment legislation were easier for businesses to follow, claims Defra.

In launching the next phase of government plans to cut legislative "red tape", environment secretary Owen Paterson argued that the UK economy was losing millions each year because businesses were "wading through" long, complicated guidance documents to remain compliant. Defra estimates that environment managers are spending up to two days each month keeping up to speed with legislative requirements.

A Defra review has identified 6,000 guidance documents, which it will now attempt to simplify. Planned reforms include providing "user-friendly" guidance on each environmental topic, as well as tailored access to information and answers for less specialist readers. Government information sources will provide more detailed and technical guidance or materials only where necessary, says Defra. Some documents will either be archived or hosted by other organisations.

Defra is also examining the 250 requirements for businesses to report environment information. Firms often have to report similar data to different places, at different times and in different formats. To reduce duplication and the costs associated with providing the information, Defra is planning a root and branch review of each obligation to make sure it is needed and used, and prepare a plan to implement changes if necessary.

Defra says unnecessary requirements will be removed as soon as practicable. It will also work with the government digital service to simplify the way information is collected and managed for one obligation, prior to possibly rolling out a simplified process for other obligations.

Defra aims to complete the reforms by the end of March 2014, when the websites of its agencies, such as the Environment Agency, are due to migrate to the main gov.uk website. Stakeholders have an opportunity to influence the changes by posting their views on the current guidance and data requirements at guidanceanddata.defra.gov.uk (see also p.12)

Invest in low-carbon power not dash for gas, says CCC

The high degree of uncertainty about the UK power system in the 2020s threatens the success of the government's plans to reform electricity generation and move to a low-carbon economy, says the committee on climate change (CCC).

Its new report on electricity market reform (EMR) concludes that investing in low-carbon technologies could save consumers at least £25 billion, whereas pouring money into gas-fired generation would produce significant savings only if the world abandoned attempts to limit global warming.

The committee says the financial gains from low-carbon generation, which could be as high as £100 billion if gas and carbon prices escalate, will materialise only if the government takes action now to relieve the doubt that surrounds the UK power system beyond 2020. Introducing legislation in this parliament to ensure the carbon intensity of power generation in 2030 is $50gCO_2/kWh$ can help tackle insecurities, says the CCC. "A failure to commit to [such a target] now can be justified only on the assumption of low gas prices. It would be a bet on an outcome that is the opposite of most expectations," warns the committee.

It also wants the government to support the development of less-mature technologies, such as offshore wind and carbon capture and storage (CCS), through to competitive deployment; extend to 2030 the funding of low-carbon technologies through the Levy Control Framework; and establish an EMR delivery plan setting out the capacity for which the government intends to sign contracts between 2014/15 and 2018/19. The committee recommends signing contracts for about 15GW of renewable capacity, up to about 6GW of nuclear power, and up to 3GW of CCS capacity.

The CCC view that reducing the carbon intensity of power generation from current levels of $500gCO_2/kWh$ to about $50gCO_2/kWh$ in 2030 will help unleash the £110 billion investment required to transform the UK's electricity infrastructure is one that is supported by the Aldersgate Group.

"This independent analysis provides yet further evidence that the high degree of uncertainty about the energy system beyond 2020 threatens to lead


Pembroke gas-fired power station

to increased risks and ballooning costs for consumers," said executive director Andrew Raingold. "That is why businesses have been publicly backing the need for more clarity on the direction of travel to 2030 by setting an explicit target in the Energy Bill."

The manufacturing body, EEF, also offered its backing for the measures advocated by the CCC, but warned that a shift to a low-carbon economy cannot be achieved at any cost. "We must be careful not to pile on costs to UK manufacturers," commented Gareth Stace, EEF's head of climate and environment policy. "To keep costs manageable we need to focus on positive incentives for low-carbon generation rather than punitive taxes on fossil fuels, such as the carbon price floor, that ramp up consumers' bills for little or no environmental benefit."

The CCC concedes that some industries could be adversely affected, but says government policies, such as exempting energy-intensive companies from the costs of the EMR, should be sufficient to mitigate competitiveness risks.

The analysis by the CCC reveals that allocating financial resources to gas-fired generation through the 2020s and delaying investment in low-carbon technologies to the 2030s is likely to drive up energy costs. The study factors in the potential impact on prices of unconventional sources of fossil fuels, such as shale gas. The committee acknowledges that shale gas could play a role in the future gas mix, helping to balance intermittent power generation and meet demand for heat, but only if appropriate environmental safeguards are put in place.

Short cuts

Bees get protection

The insecticide fipronil poses a "high acute" risk to honeybees when used as a seed treatment for maize, according to a risk assessment by the European Food Safety Authority (EFSA). Fipronil, part of the phenylpyrazole chemical family, is used to control various soil insects during their larval growth stage and acts through contact and ingestion. In January, the EFSA published risk assessments on the effects on bees of the neonicotinoids clothianidin, imidacloprid and thiamethoxam. The assessments showed the chemicals were also harmful to Europe's bee population. The European Commission has now adopted measures to restrict the use of the three pesticides from 1 December 2013. Member states must withdraw or amend existing authorisations to comply with the restrictions by 30 September, although existing stocks of pesticides containing the chemicals can be used until 30 November. The commission says it will review the ban within two years.

Disastrous risks

The 2013 global assessment report on disaster risk reduction (GAR13) reveals that direct costs from past catastrophes, such as earthquakes, floods and storms, are likely to be at least 50% higher than previously reported. Financial costs this century from natural disasters already top \$2.5 trillion. GAR13 estimates that total global annual average cost for earthquakes is more than \$100 billion, while the bill for tropical cyclone wind damage is put at more than \$80 billion. The scale of the financial costs is greater because of globalisation, with companies outsourcing operations to cyclone-prone coastlines, flood-prone river basins and earthquake-prone cities, says the report. It also cites examples of the potential impacts of a disaster on supply chains. The damage wrought by the 2011 Japanese earthquake on one producer of microchips, for example, resulted in 150,000 fewer Toyota automobiles being built in the US.

In Parliament

EU lands new fisheries policy

On 30 May, MEPs, representatives of EU governments, and European Commission officials agreed a package of major reforms to the EU common fisheries policy. The deal marked the culmination of two years of hard bargaining and, although the agreement has its weaknesses, it marks a step change in Europe's approach to fisheries policy.

In comes a legally binding commitment to set annual quotas so that fish stocks are gradually replenished. Out goes the requirement that trawlers discard fish if they exceed their quota, replaced instead by an obligation to land all but 5% of the fish caught each year. Long-term management plans will be prepared for every fishery. Partnerships between workers in the industry and scientists will start to exercise more control over day-to-day fisheries management. EU environmental legislation affecting marine life must be respected, and EU vessels fishing in distant locations must accept sustainable practices.

Is everything going to be perfect from now on? Of course not. Compromises had to be made to secure the backing of Spain, France and others reluctant to change. Enforcement of the principles may be slow and difficult. But if the glass is half empty or half full, I prefer to take the optimistic view.

Over-fishing has destroyed jobs in the industry and left Europe dependent on imports. Landings of fish continue to decline. But lessons have been learned. There is a strong desire to correct mistakes, listen to the scientists, and embrace sustainable principles.

There are already encouraging signs that new controls in British seas are rebuilding stocks.

We can build on this deal, introduce step-by-step improvements, and put in place a fisheries policy that commands the respect of the industry and environmentalists alike.

Chris Davies is Liberal Democrat environment spokesperson in the European parliament

GRI focuses on 'materiality'

A greater emphasis on "materiality" is at the heart of the Global Reporting Initiative's (GRI) new sustainability reporting guidelines, "G4" – the fourth iteration of the world's most commonly used sustainability reporting framework.

Disclosing information and indicators that have a material impact on their business will encourage organisations to concentrate on the economic, environmental and social impacts that matter most, according to the GRI. This will, in turn, result in sustainability reports that are more strategic, more focused and more credible, as well as easier for stakeholders to navigate.

"The increasing demand for sustainability information is inevitable," said GRI deputy chief executive Nelmara Arbex. "But this demand is also a demand for sustainability-related information that matters. This is what G4 is about."

Christian Mouillon, global vice-chair for assurance at Ernst & Young, believes the greater focus on what is material will make reports more valuable. "This step will increase the transparency and value of sustainability reporting for stakeholders and provide a more accessible framework for organisations," she said.

GRI chair Herman Mulder signals the launch in Amsterdam of the new G4 reporting guidelines

GRI says the G4 guidelines, which were launched at its conference in Amsterdam, are aimed at all organisations, large and small, and are easier to follow for both experienced reporters and those new to sustainability reporting.

The revised guidelines also include information on different reporting formats, from standalone sustainability reports to integrated disclosures.

RHI tariffs for business to rise

The government is planning to raise the tariff levels for heating technologies that fail to meet forecast demand under the non-domestic Renewable Heat Incentive (RHI) scheme.

Existing tariffs for heat generated by ground source heat pumps (GSHPs), large biomass (at least 1MW) and solar thermal kit accredited under the scheme are the subject of a consultation from Decc, which closes on 28 June. Demand for all three technologies under the RHI has failed to match expectations when the non-domestic scheme went live in November 2011.

Figures from the energy department reveal that in the 12 months to the end of April 2013, actual expenditure on small (up to 100kW) and large (100kW and over) GSHPs was just 1% and 10%, respectively, of expected levels.

Similarly, expenditure on solar thermal (up to 200kW) was well below forecasts, at just 1%, while payments for large biomass boilers were running at 23% of expected levels. By contrast, expenditure on small (up to 200kW) and medium-sized (200kW to 1MW) biomass boilers had exceeded government expectations by 26% and 69% respectively.

The proposed changes could see tariffs for large biomass boilers double in 2014/15, from 1.0 to 2.0p/kWh. Support for GSHPs would rise from 3.5–4.8p/kWh to 7.2–8.2p/kWh, and incentives for solar thermal installations from 9.2p/kWh to 10.0–11.3p/kWh. The consultation makes it clear the proposed tariffs, which were set after discussions with industry, are designed to drive more widespread deployment of these technologies.

"The RHI has been running for nearly 18 months, so now is a timely moment to look again at the tariffs. We need to make sure they are set at the right level to continue bringing forward investment and growth," said energy and climate change minister Greg Barker.

The installation of relatively high numbers of medium-sized biomass boilers means the degression mechanism will kick in for this tariff, with subsidies falling from 2.2–5.3p/kWh to 2.1p–5.0p/kWh from 1 July.

GHG target offset by lower ambition on renewables

Davey says the government will oppose new targets for renewables

Energy and climate change secretary Ed Davey is urging the EU to increase its greenhouse-gas (GHG) emissions reduction target to 50% by 2030 as part of a new global agreement to tackle climate change. However, despite significantly raising the bar on cutting GHGs across the bloc, Davey has also confirmed that the UK would oppose revised renewable energy targets for member states.

Setting out the government's position on the EU 2030 framework for climate and energy policies, which was published as a green paper by the European Commission in March, Davey said the UK would argue for an EU-wide binding target to halve emissions in 2030 compared with 1990 levels in the context of an ambitious global climate deal. He also stated that, in the absence of a new international agreement in 2015, the EU should commit unilaterally to a 40% reduction target. The commission's green paper indicates that the bloc needs to achieve a 40% cut in GHG emissions by 2030 to be on track to reach a reduction of between 80–95% by 2050, which scientists say is consistent with limiting atmospheric warming to below 2°C.

The paper also highlights the need to raise the proportion of energy in the EU supplied from renewables to around 30% in 2030, a figure recently backed by MEPs. The existing target is a 20% share of energy from renewable sources by 2020, and is credited with stimulating investment in low-carbon generation across Europe.

Davey said rather than setting a new target for renewable energy, the government would argue that member states ought to be allowed to pursue a flexible approach to meeting emissions targets. "There are a variety of options to decarbonise any country's economy. In the UK, our approach is technology-neutral and our reforms will rely on the market and competition to determine the low-carbon electricity mix. We will therefore oppose a renewable energy target at an EU level as inflexible and unnecessary," he said.

From environmentalistonline.com…

Mixed GHGs

Verified emissions data from the European Environment Agency (EEA) shows that greenhouse-gas (GHG) emissions across the EU fell by 3.3% in 2011 compared with 2010, but declined by 7% in the UK. The EEA data confirms that total EU GHG emissions in 2011 were 18.4% below 1990 levels. The overall decline in emissions between 2010 and 2011 was achieved despite a slight increase in economic growth, with GDP up 1.6%, and was larger than earlier estimates by the agency. Since 1990 – the baseline year for most GHGs covered by the Kyoto protocol – UK GHG emissions have declined by 28.8%. Meanwhile, Eurostat estimates that CO_2 emissions from fossil fuel combustion decreased by 2.1% in the EU27 in 2012, adding to the 4.1% fall recorded in 2011. It says carbon emissions decreased in all member states in 2012, except Malta (+6.3%), the UK (+3.9%), Lithuania (+1.7%) and Germany (+0.9%).
environmentalistonline.com/EUGHGs

Smart delay?

The deadline for completing the installation of smart meters in UK homes and businesses has been postponed by Decc for 12 months, until 2020. The Institute of Engineering and Technology (IET) wants the government to use the extra time to clarify specifications for the equipment and infrastructure. Under the government's plans, all smart meters and communications hubs installed by energy companies will need to be able work with each other and with the central data system to ensure consumers can easily switch supplier. The smart metering equipment technical specifications (SMETS) aim to ensure this interoperability. However, Decc figures published in December 2012 revealed that, of 622,900 smart meters installed in domestic properties by September 2012, only 300 were compliant with the first version of SMETS. Under the revised timetable, the rollout will start in 2015.
environmentalistonline.com/SmartIET

Greener fleet

UK supermarket chain Sainsbury's is set to save 2,090 tonnes of carbon each year after increasing the number of dual-fuel vehicles in its delivery fleet from 30 to 51. The retailer, which operates more than 1,000 stores in the UK, has been expanding its green delivery fleet, which is powered by diesel and biomethane harvested from landfill sites, since a successful trial of five vehicles in 2009. A permanent biomethane fuelling station is now being built at its Bristol distribution centre. The dual-fuel lorries emit up to 25% less carbon than traditional diesel-fuelled vehicles and the expansion of its fleet will play a key role in helping the retailer meet its goal to cut emissions from transporting goods between its depots and stores by 35% by 2020. "This technology is helping to significantly reduce CO_2 emissions and future proof our fuel supply," confirmed Nick Davies, head of transport operations.
environmentalistonline.com/Sainsbury

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Most UK species in decline

Sixty per cent of UK species are in decline and more than 10% are under threat of disappearing altogether, finds a new report from a consortium of 25 wildlife and conservation organisations.

The "state of nature" report reveals that the UK's nature is in trouble and we are losing wildlife at an alarming rate, said lead author Dr Mark Eaton. "These declines are happening across all countries and UK overseas territories, habitats and species groups."

The study examined more than 3,000 species and found that 60% had declined over the past 50 years and 31% had declined strongly. Half of the species assessed showed strong changes in abundance or distribution, indicating that recent environmental changes are having a dramatic impact on the nature of the UK's land and seas.

Television presenter David Attenborough labelled the report a "stark warning", and said: "Far more species are declining than increasing in the UK, including many of our most treasured species. The causes are varied, but most are ultimately due to the way we are using our land and seas and their natural resources, often with little regard for the wildlife with which we share them."

There is only quantitative information available for around 5% of the 59,000 or so terrestrial and freshwater species in the UK, and very little quantitative information for its 8,500 marine species, so the true extent of the decline in species could be greater. "Our knowledge is strongly biased towards vertebrates and we know little about the fortunes of many invertebrates and fungi. Much needs to be done to improve our knowledge," concludes the report.

Separate data from Defra, reporting on its natural environment indicators for England, confirms that many species in the countryside, including bats, butterflies and woodland birds, are deteriorating. The environment department claims, however, that some of the 943 priority species of principal importance for the conservation of biological diversity are showing signs of improvement, with 183 recorded either as stable or increasing.

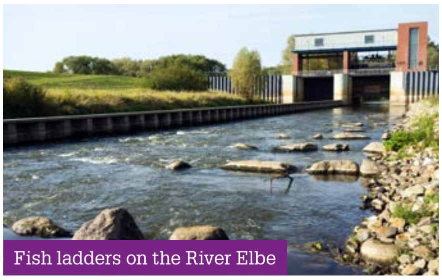
Backing for natural defences

Strengthening natural processes to provide environmental benefits should become a systematic part of spatial planning, according to the European Commission in its new strategy to boost investment in green infrastructure.

The commission states that green infrastructure is a tried and tested tool that uses nature to provide ecological, economic and social benefits, and is often cheaper and more durable than alternative structures provided through conventional civil engineering.

Biodiversity-rich parks, green spaces and "fresh air corridors" that can mitigate the negative effects of summer heatwaves, and natural wetlands that absorb water from heavy rainfall and which are often preferable to building flood protection infrastructure, are highlighted as examples of how nature can provide solutions to problems.

"We should provide society with solutions that work with nature instead of against it, where they make economic and environmental sense," said environment commissioner Janez Potočnik.



Fish ladders on the River Elbe

Green infrastructure also tends to deliver a high return on investment, states the commission, citing a floodplain restoration project along the River Elbe in Germany, where the benefits of shifting dikes, investing in floodplain-adapted agricultural management and constructing fish ladders outweighed costs by a factor of four.

The strategy will promote green infrastructure in areas, such as forestry, water, climate change mitigation and adaptation, and transport. The commission says it aims to publish guidance by the end of 2013 to show how green infrastructure can be integrated into the implementation of policies in these areas.

Short cuts

TEEB guidance manual

UNEP has launched a guidance manual for conducting country studies in line with the recommendations of the 2010 economics of ecosystems and biodiversity (TEEB) report, which helped to draw attention to the global economic benefits of ecosystems services and the growing costs of biodiversity loss. The studies examine the economic importance of ecosystems and biodiversity in a particular country and the measures that could be implemented to support its ecosystems services. The guidance provides both technical and operational guidance on how countries can conduct such a study, outlining the various steps to take to initiate and implement the research, communicate its findings, and implement subsequent recommendations. The manual is available at lexisurl.com/iema15584.

Warnings over ammonia

Urgent action is needed to tackle rising ammonia emissions, according to scientists from the Centre for Ecology & Hydrology. In a series of new research papers examining the environmental impacts of nitrogen pollution, to which ammonia contributes, academics have issued a stark warning that ammonia emissions will increase in warmer climates. The papers also conclude that ammonia that leaks from fertilisers is already causing biodiversity loss through the eutrophication of ecosystems, and that a number of thresholds for the health of humans and ecosystems have been exceeded as a result of nitrogen pollution. "Very little is being done to clean up ammonia emissions," said lead researcher professor Mark Sutton. "The current target in Europe represents a 2% reduction between 2010 and 2020, compared with a 30% reduction for sulphur dioxide." However, taking action now could halve ammonia levels. "Implementing available techniques could reduce ammonia emissions by 50% across Europe to reach more sustainable levels," said Sutton.

Recent Prosecutions

Case Law

A planning authority's role in the Habitats Directive

The High Court recently dismissed two claims for a judicial review of the decision to grant planning permission for an energy-from-waste (EfW) facility at Calvert. The main claim concerned compliance with the Habitats Directive (92/43/EEC), as the proposed works would affect the habitat of three European protected species (EPS) – the common pipistrelle bat, the brown long-eared bat and the great crested newt.

In *Prideaux v Buckinghamshire County Council* [2013] EWHC 1054, the claimant argued that the council had failed to comply with the requirements of the Directive in considering the likely effects of the development on EPS. The Directive requires member states to establish a system of strict protection for EPS. However, they can derogate from these requirements in some circumstances. In England and Wales, the Conservation of Habitats and Species Regulations 2010 – which implement the Directive – impose different duties on Natural England and local planning authorities (LPAs). Natural England is responsible for determining whether there is a breach of the Directive and whether a licence should be granted. The extent of the duty imposed on an LPA was clarified by the Supreme Court in *Morge v Hampshire County Council* [2011] All ER 744. If a proposed development is found acceptable when judged on its planning merits and is likely to be licensed, an LPA should normally grant planning permission.

In *Prideaux*, the High Court applied the decision in *Morge*. The council had discharged its duty by satisfying itself that the necessary derogations were likely to be licensed.

Jen Hawkins and George Hobson

LexisPSL

COMAH failings cost engineers £166,000

A Midlands engineering firm has been fined £133,000 after its emergency plans failed to prevent firefighting water and chemicals polluting the River Anker, killing thousands of fish. Birmingham Crown Court also ordered Abbey Metal to pay £33,000 costs. The court heard that a large fire broke out at the firm's metal finishing works in Weddington Road, Nuneaton in April 2010 and that the water firefighters used to tackle the blaze was contaminated by a "cocktail of hazardous substances" used in metal treatment before entering the river.

The incident qualified as a major accident under the Control of Major Accident Hazards (COMAH) Regulations 1999. The court was told that Abbey Metal's emergency plan failed as there were inadequate arrangements onsite to contain the firewater, and no prior arrangements to access the sewerage system for emergency storage or to tanker contaminated water offsite. The company pleaded guilty to breaching reg. 4 of the COMAH Regulations, which states that operators must "take all measures necessary to prevent major accidents and limit their consequences to persons and the environment". It also pleaded guilty to three other charges under the Environmental Permitting (England and Wales) Regulations 2010, relating to breaches of its permit for failing to prevent emissions of contaminated firewater, and failing to meet environmental quality standards in the river.

At the height of the incident, 16 fire appliances were at the site. Despite the fire service using pollution prevention equipment, water containing cyanides, copper and cadmium from metal treatment processes reached the nearby river. Investigations by the Environment Agency confirmed that the chemicals polluted a 6km stretch of the river and killed around 27,000 fish. "The Environment Agency expects high standards from COMAH establishments. Where accidents are foreseeable, the operator must plan to prevent or mitigate them. This is what Abbey Metal failed to do," commented an agency officer.

The Weddington Road site was the scene of a fire in June 2000, which resulted in two firefighters suffering chemical burns and caused damage amounting to £1 million. Abbey Metal, which supplies the defence and automotive sectors, has since completed the construction of a new finishing facility three miles from the Nuneaton plant, and has achieved ISO 14001 certification for the new facility.

Three firms fined for illegal waste

The illegal disposal of around 1,350 tonnes of construction and demolition waste, some containing asbestos, on land near Doncaster, has resulted in three companies receiving penalties totalling £31,000. The landowner, Wykeham Estates (Northern), pleaded guilty to operating an illegal waste operation and was fined £3,000 with £5,500 costs. The local magistrates' court also ordered the company to remove the waste within eight months. Bolland Skip Services and Westmoreland Waste Recycling were fined £6,000 and £5,250 respectively. Both companies were also ordered to pay £5,500 costs. The judge described Wykeham Estates' actions as "a reckless breach of the law" and said Bolland and Westmoreland should have been aware of their legal obligations, as both firms have been in the waste industry for a long time.

Safapac penalties total £92,000

Chemical and packaging company Safapac, which pleaded guilty at a magistrates' court in February to polluting the River Nene in June 2012, has been fined £50,000 and ordered to pay costs of £42,000 after sentencing by Peterborough Crown Court. Thousands of fish died when 5,000 litres of agricultural chemicals, including an insecticide and a fungicide, leaked into the river from the firm's site in Orton Southgate. Drainage plans held by Safapac for the site and initially shown to officers from the Environment Agency were wrong, as they showed a drain leading to a foul sewer when, in fact, it was a surface water drain that discharged into the river. Magistrates sent the case to the crown court because they felt that their sentencing powers, which are limited to fines of £20,000 per offence, were insufficient.

New Regulations

In force	Subject	Details
6 Feb 2013	Built environment	The Building (Amendment) Regulations 2013 correct defects in the Building Regulations etc. (Amendment) Regulations 2012 and the Energy Performance of Buildings (England and Wales) Regulations 2012, which both came into force on 9 January 2013. lexisurl.com/iema15529
26 Mar 2013	Environment protection	European Commission decision 2013/16/EU establishes the best available techniques conclusions under Directive 2010/75/EU on industrial emissions for the production of cement, lime and magnesium oxide. lexisurl.com/iema15538
31 Mar 2013	Climate change	The Climate Change Agreements (Administration) (Miscellaneous Amendments) Regulations 2013 amend the 2012 Regulations, including requiring emissions to be measured in tonnes of carbon dioxide equivalent. The Climate Change Agreements (Eligible Facilities) (Miscellaneous Amendments) Regulations 2013 also amend the 2012 Regulations by allowing, in certain circumstances, the scheme administrator to estimate intended supply or use of “reckonable” energy. lexisurl.com/iema14931; lexisurl.com/iema14932
31 Mar 2013	Waste	The Waste and Emissions Trading Act 2003 (Amendment etc) Regulations 2013 revoke the Landfill Allowances and Trading Scheme (England) Regulations 2004, ending the scheme in England. Regulation 4 sets out obligations for waste disposal authorities in England to keep records and make returns to the Environment Agency. lexisurl.com/iema14620
1 Apr 2013	Energy	The Climate Change Levy (Combined Heat and Power Stations) (Amendment) Regulations 2013 amend the 2005 Regulations by revoking the transitional arrangements. The Climate Change Levy (General) (Amendment) Regulations 2013 amend the 2001 Regulations following the introduction of carbon price support rates for the levy. lexisurl.com/iema14621; lexisurl.com/iema15194
1 Apr 2013	Energy	The Hydrocarbon Oil Duties (Reliefs for Electricity Generation) (Amendments for Carbon Price Support) Regulations 2013 amend the Hydrocarbon Oil Duties (Reliefs for Electricity Generation) Regulations 2005 by generally reducing the amount of relief that can be claimed. lexisurl.com/iema15187
1 Apr 2013	Energy	The Renewables Obligation (Amendment) Order 2013 and the Renewables Obligation (Scotland) Amendment Order 2013 amend the respective 2009 orders, which imposed an obligation on all relevant electricity suppliers to produce, by a specified day, a certain number of renewable energy certificates. lexisurl.com/iema15198; lexisurl.com/iema15196
1 Apr 2013	Energy	The Marine Licensing (Delegation of Functions) (Wales) Order 2013 delegates certain functions currently exercised by Welsh ministers, as a licensing authority under the Marine and Coastal Access Act 2009, to the new Natural Resources Body for Wales. lexisurl.com/iema14937
1 Apr 2013	Environment protection	The Financial Assistance for Environmental Purposes (Scotland) Order 2013 varies s.153(1) of the Environmental Protection Act 1990, adding, for example, descriptions relating to Scotland’s zero waste programme, and waste prevention and resource efficiency schemes and programmes. lexisurl.com/iema14929
1 Apr 2013	Pollution	The Civil Legal Aid (Prescribed Types of Pollution of the Environment) Regulations 2012 prescribe the types of pollution for which civil legal services may be available under para.42(1) of part 1 of sched.1 to the Legal Aid, Sentencing and Punishment of Offenders Act 2012. lexisurl.com/iema13915

To find new regulations by jurisdiction visit environmentalistonline.com/search and enter your search criteria

Latest Consultations

26 Jun 2013

Climate change

The European Commission is consulting on how best to shape the international climate regime between 2020 and 2030. Negotiations on a new international agreement to protect the Earth's climate system, which is currently taking place through a process known as the Durban platform for enhanced action, must be completed by the end of 2015.
lexisurl.com/iema15220

5 Jul 2013

Air quality

Section 84(1) of the Environment Act 1995 requires local authorities to assess established air quality management areas and to produce a report of their findings – known as a "further assessment". The Welsh government is consulting on its plans to remove the requirement to conduct an assessment and publish its findings, which it claims slows down the preparation and implementation of local air quality action plans.
lexisurl.com/iema15545

17 Jul 2013

Pollutant inventory

Proposals to revise the Scottish Pollutant Release Inventory (SPRI) have been put out to consultation by the Scottish Environment Protection Agency. The regulator is planning to remove substances from the SPRI reporting list that are not currently reported or are infrequently reported, as well as those legislation does not require to be reported. It is the first time the SPRI pollutant substance list has been subject to review since its introduction in 2002.
lexisurl.com/iema15544

23 Jul 2013

Planning

The Scottish government has published a draft planning policy for consultation. The proposed Scottish planning policy (SPP) sets out national policies that reflect ministers' priorities for the development and use of land. It directly relates to: the preparation of development plans; the design of development, from initial concept through to delivery; and the determination of planning applications and appeals. The devolved administration has also published the findings from a strategic environmental assessment of the emerging third national planning framework and draft SPP, and invites comments on its contents.
lexisurl.com/iema15546
lexisurl.com/iema15547

12 Aug 2013

European Union policy

A joint consultation by Decc and Defra is examining EU policies to find out whether being a part of the bloc helps or hinders the departments' work on the environment and climate change. The consultation is part of a wider review known as the "balance of competences", which was launched in July 2012 and aims to take forward the coalition's commitment to examine the balance of power between the EU and the UK. The findings will be published in the winter.
lexisurl.com/iema15543

31 Mar 2014

Environmental regulation

Defra is examining how to reform existing environmental guidance, with the aim of making it easier, quicker and clearer to understand, as well as information obligations, so that reporting essential environmental data is simpler. The consultation follows the completion of phase 1 of the "smarter environmental regulation review" (p.4), which concluded that, while important to support regulation, guidance and information obligations are more costly and complex than they need to be.
guidanceanddata.defra.gov.uk

New Guidance

Permitting	The Environment Agency has updated its regulatory guidance note on permit surrender (RGN9) (lexisurl.com/iema15548), which covers the protection of land and groundwater at permitted facilities. The agency says it expects permitted sites to operate a "lifetime approach" to the protection of land and groundwater, which involves preventing pollution, promptly rectifying problems and keeping adequate records as an integral part of a site's management systems – so evidence is ready for surrender of the permit. The guidance has been updated following changes to the environmental permitting regime made by the 2013 amendment to the Environmental Permitting (England and Wales) Regulations 2010 to incorporate provisions in the EU Industrial Emissions Directive (2010/75/EC).
Ecosystems services	A best-practice guide to payments for ecosystems services (PES) has been published by Defra (lexisurl.com/iema15549). The guide is aimed at those involved in voluntary PES schemes to help them design and implement such arrangements. PES schemes involve paying the managers of land, or other natural resources, in exchange for the provision of specified ecosystems services, such as water purification.
Contaminated land	New guidance (lexisurl.com/iema15235) on the management of landfill sites and contaminated land on eroding or low-lying coastlines has been produced by CIRIA and Royal HaskoningDHV. The document is aimed at local authorities, coastal managers, landfill operators and waste regulators, and deals with the emerging issue of managing historic or operational landfill sites and other areas of land contamination in locations affected by marine or terrestrial flooding and/or coastal or fluvial erosion.

Laying down the law

A game changer?

Simon Colvin describes the proposed new sentencing guidelines that could bring about a revolution in how courts deal with environmental offences


Pinsent Masons

The Sentencing Council's consultation on its draft guidelines for the sentencing of environmental offences was launched in March and closed on 6 June. The primary aim of the new guidelines is to increase the level of fines and ensure greater consistency when it comes to sentencing those guilty of breaching environmental legislation.

The courts are obliged to apply sentencing guidelines. Once implemented, this potentially game-changing document will mean a fundamental shift in the way the courts in England and Wales sentence environmental offences.

Heavier fines?

The headline-grabbing figure that has been most widely quoted is that fines for the most significant environmental offences by the largest companies could reach £2 million. That is a world away from the level of fines currently imposed. Controversially, the new guideline could see fines for environment crimes exceed those for health and safety offences connected with fatalities.

Regulators have been lobbying hard for the introduction of the guidelines, claiming that a perceived lack of guidance has resulted in an inconsistent approach to sentencing and fines that are too low. Currently, courts use case law to decide appropriate levels of fines, alongside limited guidance for magistrates from the council.

The proposed new tariff-based system will apply to a limited number of offences under s.33 and s.34 of the Environmental Protection Act 1990; reg.12 and reg.38 of the Environmental Permitting (England and Wales) Regulations 2010; and s.1 of the Control of Pollution Act 1989.

This gives rise to the question of whether the courts will use the final guidelines as a benchmark for sentencing other environmental offences.

Setting penalties

The tariff-based system introduces a nine-step process. Steps one to three are the most important. Step one requires the determination of the offence category. It uses existing sentencing principles and focuses on the harm caused by the offence and the culpability of the offender.

Harm is assessed by applying the Environment Agency's common incident classification scheme (CICS). There are four categories of harm, with 1 being the most significant and 4 the least damaging. Culpability is also assessed using four categories: deliberate, reckless, negligent and low/no culpability.

The classification of offences using these categories will mean that the correct classification will be of fundamental importance. It will be vital for operators and their advisers to ensure that classifications are accurate as there will be limited scope to effectively challenge these once the "label" has been applied.

This means the agency's role in the new sentencing process is even more key than at present. Under the new approach the agency will need to be more transparent in its classification of incidents and give clear reasons for its decisions so that operators can understand the justification for the labels it has applied. This will be very important where there is no actual harm and the classification is based instead on the risk of harm, the classification of which is much more subjective.

During the second step, the classification of the offence and the size of the company – if the offender is a corporate entity – are used to identify a starting point for the level of penalty to be imposed. Companies are classed as large (those with a turnover of more than £25.9 million), medium (£6.5 million–£25.9 million) and small (less than £6.5 million). This classification is based on the Companies Act 2006. As an example, fines for a category 1, reckless offence committed by a large company would start at a £335,000 fine, with a penalty range of £125,000–£1 million. Fines of this level are virtually unheard of at present, but they would become the norm under the new proposals.

The level of fines is an area where the planned guidelines perhaps lack sufficient detail. A business may have a high turnover, but its profits might be low. Although it is possible in the next step for the courts to consider the means of a business and its ability to pay a fine, once it has been placed in a higher category, any later reduction is unlikely to compensate. Also, the guidelines do not provide clarity on whether the classification relates solely to the offending organisation or, where that company is part of a larger group, a group of companies.

The third step then sees the court moving the level of fine up or down in the range based on other considerations, such as aggravating and mitigating features.

A bigger threat?

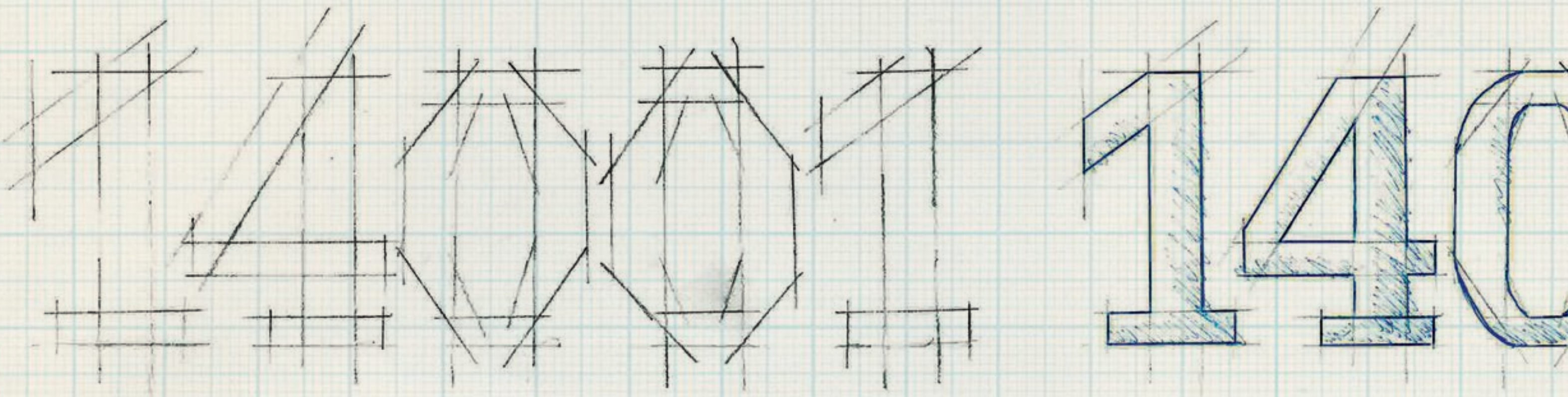
Significantly higher fines could have a number of impacts. The council is hoping that the threat of a much bigger fine will push environmental compliance up the boardroom agenda and encourage better behaviour in more companies.

Another important consideration is the special treatment of local authorities and charities. The guidelines suggest a big reduction in penalties for these offenders due to the perceived impact on the delivery of valuable public services. There is no mention of those businesses providing a quasi-public function, such as utilities firms and operators in the waste sector, being treated similarly, however.

Sentencing webinar

In conjunction with IEMA, Pinsent Masons hosted a webinar on 1 May examining the draft guidelines. If you missed it, a recording can be viewed at: lexisurl.com/iema15478.

Simon Colvin is a senior associate in the environment practice at Pinsent Masons LLP. Follow him on twitter @envlawyer.



Drafting the future

Sarah-Jayne Russell talks to IEMA members about the proposals for the next incarnation of the EMS standard

ISO 14001, the international systems standard for environment management, has stood at the heart of organisations' efforts to understand and reduce their impacts on the natural world for nearly two decades. More than 250,000 certificates have been issued globally, and they are held by organisations as diverse as multinational oil producers, local waste collectors and individual sports venues.

The current standard has been in circulation since 2004, during which time attitudes to sustainability have undergone a sea change, as organisations have become increasingly aware of the need to better manage the world's natural resources and protect themselves from the impacts of climate change. While political ambition to tackle international carbon emissions has been buffeted by the ongoing financial crisis, companies such as Marks & Spencer, Puma and Unilever have openly re-evaluated their business models in light of sustainability challenges.

It is against this background that ISO – the international standards organisation – began, in 2012, the journey to revise and revitalise 14001. Following more than a year of work, ISO published a committee draft of the new edition of the standard in April. Practitioners were asked to give their feedback on the new structure and content of the proposed standard. Potential amendments will be discussed at an ISO working group meeting at the end of June.

New look

The most obvious change between the current version of 14001 and the committee draft is its structure. The environment management standard is the first be redrafted in line with ISO's new high-level structure, which it is rolling out across all its standards.

"There are significant changes to the way 14001 looks," confirms **Kirsten Holman**, MIEMA, company environmental manager (UK) at engineering consultancy Parsons Brinckerhoff. "Some people at the IEMA workshop I attended were quite taken aback by the difference, but I think the high-level structure is easy to understand and it will be beneficial in supporting integrated management systems."

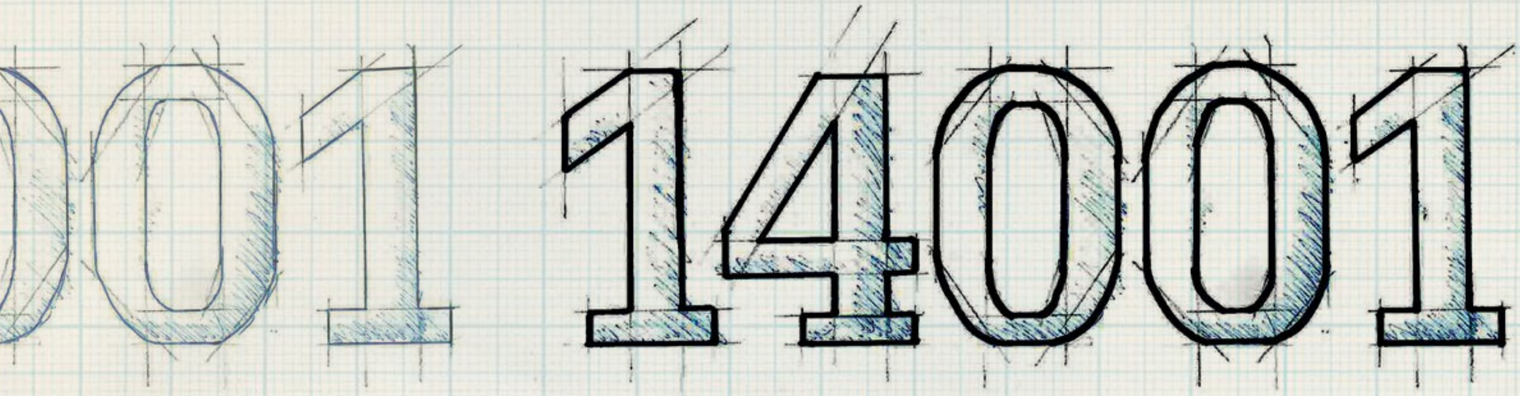
Toby Robins, AIEMA, sustainable development director at office supply company Wiles Greenworld, agrees: "It's particularly important for 14001 to be aligned with other standards because it helps to embed good environmental practice alongside health, safety and quality, and ensure that environment targets are acted upon rather than being seen as an aside."

Marek Bidwell, MIEMA CEnv, director of environmental training firm and consultancy Bidwell Management Systems, says the new layout will be more familiar to those who have worked with quality management systems. "The new structure is very similar to ISO 9001 [the quality standard], with the section dealing with leadership towards the start of the standard, for example. The changes might make some environment management people pause, but actually the order of the clauses is much less important than what the clauses say."

More than skin deep

The changes to the standard go a lot further than rearranging its contents, however, with expansions to the definition of environment policy, as well as new requirements concerned with organisational strategy, the role of leaders, life-cycle impacts and supply chains.

Anya Ledwith, MIEMA CEnv, director at environment and carbon consultancy ESHCon, says the most exciting changes to the standard are the requirements under the leadership section for organisations to integrate the requirements of the environment management system (EMS) into their core business practices and to consider environmental performance in strategic planning.



"I see a lot of companies using 14001 because it's a compliance issue and, while the EMS might work really well, it's slightly sidelined. The environment manager has to knock very loudly on the door of the managing director, rather than them being invited in," she says. "The new requirements will help to combat this, and to cement the role of an EMS in the organisation. I think it will ensure that the work of environment managers is recognised more strongly."

Holman agrees: "There seems to be a lot more emphasis on top management being involved, which is a really good thing. I am physically remote from our chief operating officer and senior management team, and I want them to get more involved in the running of the EMS. The changes give a lot more definition about the role of leaders and I can go back to my senior managers and say we need to put in more resources and commitment to meet these requirements. It will mean that 14001 is a more useful tool for me to get buy-in."

Ben Vivian, FIEMA, director of consultancy firm Vivian Partnership, however, asks whether ISO may need to clarify the text, confirming that it means strategic planning for the whole organisation, or risk some users creating separate strategic plans for the EMS.

"By not explicitly stating that this is about organisational strategic planning, the standard's writers may have created a loophole where people could say 'we've interpreted this as environmental strategic planning', whereas the intent was a much broader organisational definition," he says.

David Symons, MIEMA CEnv, director at WSP Environment and Energy, meanwhile, argues that the strategic element of the proposed standard could be stronger. "Most systems are really strong on considering how the firm impacts the environment, but generally are much weaker on considering how issues like climate change, resource prices and societal demand will impact on them. These external impacts are the really key issues for strategic planning," he comments.

However, this is where the new concept of "environmental conditions" will help, according to **Vivian**. Alongside environmental aspects, the revision introduces the term "environmental condition", which it defines as "long-term environmental changes that can affect the organisation's activities, products and services, requiring adaptation".

"This should start getting organisations to think about the environment's impact on them, rather than the impact they have on the environment, which is a significant weakness of how the current version of 14001 is being implemented. You can interpret it to consider these things, but it's not a natural fit," **Vivian** argues.

While welcoming ISO's attempt to incorporate adaptation into 14001, he warns that it appears in the draft to sit slightly away from the rest of the system. "It seems to me that you could interpret the adaptation side of things as a being almost a parallel process from the main EMS. The way that it is woven into the rest of the requirements for the standard needs to be given careful consideration," **Vivian** says.

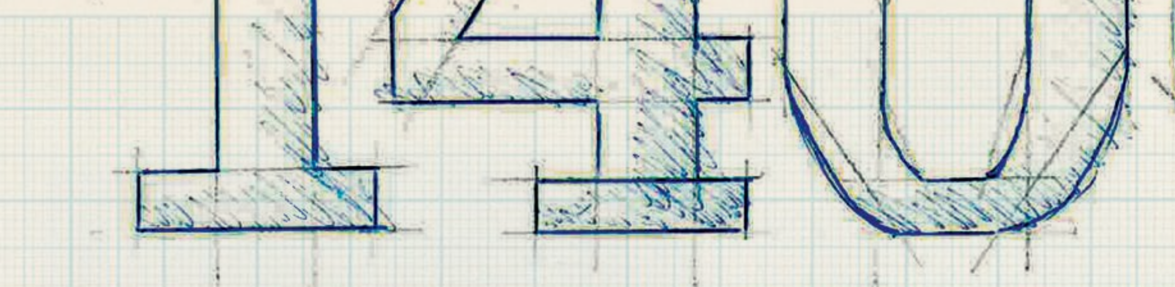
He also suggests that the standard should highlight the differences in approach needed to reviewing environmental conditions compared with environmental aspects. "Because operational matters change reasonably frequently, reviewing aspects at least once a year is a good thing. Conditions, however, are large-scale, long-term issues, such as climate change or access to land, and the new standard needs to be clear that reviews will be a lot less frequent."

Value chains

Another significant change in the proposed revision to 14001 is the broadening of the scope of the EMS to consider environmental impacts throughout organisations' value chains. The draft standard states that users should identify environmental aspects that it can control and "those it can influence considering a life-cycle perspective".

Such an approach provides organisations with the opportunity to think about environment management not only as risk control, but also to consider the value it can add to their businesses, according to **Bidwell**. "Increasingly, there seems to be a dual stream approach to environment and sustainability management, with traditional environment managers thinking about pollution prevention, while other companies are changing their business plan to align themselves with issues like sustainable resource use.

"By talking more about the life cycle of a product or service, 14001 is now catching up with best practice in terms of sustainability. Sometimes the environmental implications of products are not immediately apparent to companies. For example, a sheetmetal manufacturer might not realise the influence it can have on a client's technical plans to use less material. If environmental issues are embedded in the product design process and considered across the life cycle, this can be of real value to clients," **Bidwell** argues.



The draft standard also includes a new clause on managing environmental aspects throughout value chains. It states that certified organisations must ensure that all processes related to significant aspects, both "upstream and downstream" the value chain, are "controlled or influenced".

"Making it explicit that systems should consider impacts outside of direct operations is an important one," says **Symons**. "But it would be stronger if there was more balance in the text between buying decisions and products in use. At the moment, while there is plenty of text on buying decisions, product impacts get only a handful of words – in spite of this being most firms' largest impact."

Meanwhile, **Holman** believes that the draft text on value chains could be improved. "There's a small piece of text on the value chain, which is followed by four explanatory notes. I think it needs to be more concise and clearer about what's expected from organisations," she says.

"My company has more than 1,200 suppliers and subcontractors and has projects all over the world. While we already assess all our suppliers before we work with them, if we have to apply a full life-cycle approach it would be difficult."

In contrast to **Holman**, who suggests more guidance is needed, **Ledwith** argues that it is best that the final standard avoids being too prescriptive. "Standards have to be quite top level, so each individual organisation can decide how it applies to them," she says. "If ISO writes it down in black and white, something might be relevant to one company and not another."

Ledwith comments that it will take some time for organisations to really get to grips with this part of the new standard. "There's going to be an element of people asking what they should be doing. Only once the standard has been adopted and audited against will we find those case studies on what's good and how far down the supply chain people should be going."

Environmental performance

One of the criticisms frequently levelled at the current version of 14001 is that the standard does not necessarily drive improvements in the environmental performance of its users, with assessment focused on evaluating whether an effective EMS is in place. **Robins** at Wiles Greenworld believes that the standard's writers have gone some way to help tackle this issue in the proposed draft.

The "continual improvement" clause in the revised standard states: "[Users] shall continually improve the suitability, adequacy and effectiveness of the EMS, to enhance its environmental performance as set by top management in line with the environmental policy."

"On first reading this I was concerned that environmental performance was being defined as measuring impact and not when mitigating it," says **Robins**. "That was until I went back and reread the clause on environmental policy, which emphasises more strongly commitments to pollution prevention and environmental protection.

"A huge amount of thought has gone into this standard and how it all links together. There is a stronger emphasis on the requirement for continuous improvement, in line with the policy set by top management, so hopefully there's less room for misinterpretation," says **Robins**.

He does, however, acknowledge that much of potential benefit in this shift of emphasis is reliant on how auditors assess against the standard.

Other changes, including the move to make an EMS more strategic and the consideration of environmental conditions, are equally dependent on how the standard is audited, according to **Vivian**, and may pose a considerable challenge for assessors.

"The ability for an auditor to interpret how users are strategically managing adaptation to environmental conditions is both important and technical," he says. "I've asked a lot of people about how they would do it and none have much of a clue; it's a tough thing to do."

Vivian believes a further benefit of the proposed new standard is that it talks about the EMS as a whole. "It leads the organisation to decide where in the EMS the management of significant aspects best sits for them, rather than directing people to do it under certain aspects, such as training or operational control."

However, this creates a complication for those certifying the EMS, he says, particularly if they have expectations of where certain issues should be managed in a system. "Some certification auditors will have to be more imaginative about how they assess organisations, considering the effectiveness of the approach of the EMS for the company. This means that the audit process is likely to be less formulaic and will have a greater degree of subjectivity."

Opportunity knocks

Overall reactions to the committee draft of the standard are positive, with IEMA members agreeing that the changes have strengthened the standard and its ability to be embedded in organisations.

"The new edition of the standard will be much more of a challenge for firms, even those that have held 14001 certification for a long time," says **Ledwith**. "But the changes are an exciting opportunity that will help to integrate an EMS into an organisation."

Holman says: "There's going to be change, but that change is needed. People are worried about how to demonstrate meeting some of the new requirements to auditors, but with some clarifications to the text I think those concerns will be eased."

The next meeting of the ISO working group revising 14001 will take place in Botswana at the end of this month, and will discuss reactions to the committee draft from across the world. All potential amendments will be examined and a second committee draft is expected to be published later in the year. ISO member states will then be balloted. The final standard is due to be published in 2015.

Carbon (GHG) Accounting and Management

An IEMA-Approved 2-Day Training Course

CRA Europe is pleased to announce new dates for its IEMA-approved Carbon and Greenhouse Gas (GHG) Accounting and Management course. This two-day course is aimed at professionals responsible for measuring, reporting, and managing carbon dioxide and other GHG emissions for their organisation. The course modules will equip you with:

- An appreciation of the background to climate change, and the business and socio-political drivers for addressing GHG emissions
- An awareness of applicable legal requirements, including **mandatory reporting for large companies**
- The capability to present business cases to senior management to gain commitment for initiatives to measure, reduce and report emissions
- An understanding of the key standards and protocols for GHG measurement and reporting
- The skills to develop a carbon (GHG) accounting system and to capture your organisation's footprint
- An understanding of techniques to reduce carbon and GHG emissions

iema Approved Training Provider

The next course in the UK is planned for 17th-18th September in London. For more details, please visit www.cra.co.uk or contact us on 0115 965 6700 or training@cra.co.uk.

Are you aware of the major changes planned for ISO 14001?

ISO 14001:2004 is being revised. When published, ISO 14001:2015 will have a new structure and "common text". It will also address the recommendations from the ISO "Future Challenges" study, for the adoption of various new approaches and methods in the field of EMS, and to meet the needs of stakeholders in the future. This is a fundamental revision of the standard, with many new requirements. Key themes of the revision include:

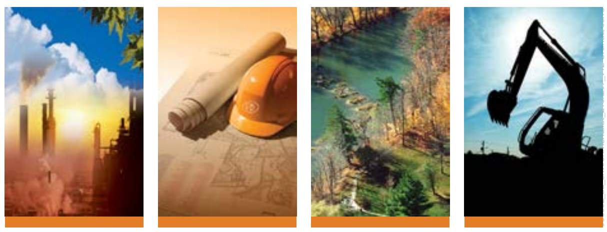
1. New requirements for leadership from top management
2. Emphasis on integrating environmental management into business strategy
3. Making specific commitments to sustainable development and social responsibility
4. Extending environmental control and influence into the supply chain
5. Embracing opportunities for using environmental design as a tool for improvement
6. Demonstrating an understanding of the organisation's environmental compliance status
7. Using performance indicators to track improvement

CRA's Nigel Leehane is one of the UK's technical experts appointed to the ISO working group revising 14001. Please contact him on **0115 965 6700** or **nleehane@cra.co.uk** if you would like to know more about the changes to ISO 14001 and the implications for your organisation.

CRA's ISO 14001 revision e-book can be downloaded free of charge from our website: www.cra.co.uk

CRA EUROPE

See us at the **SHE Show Northwest** on 25th June



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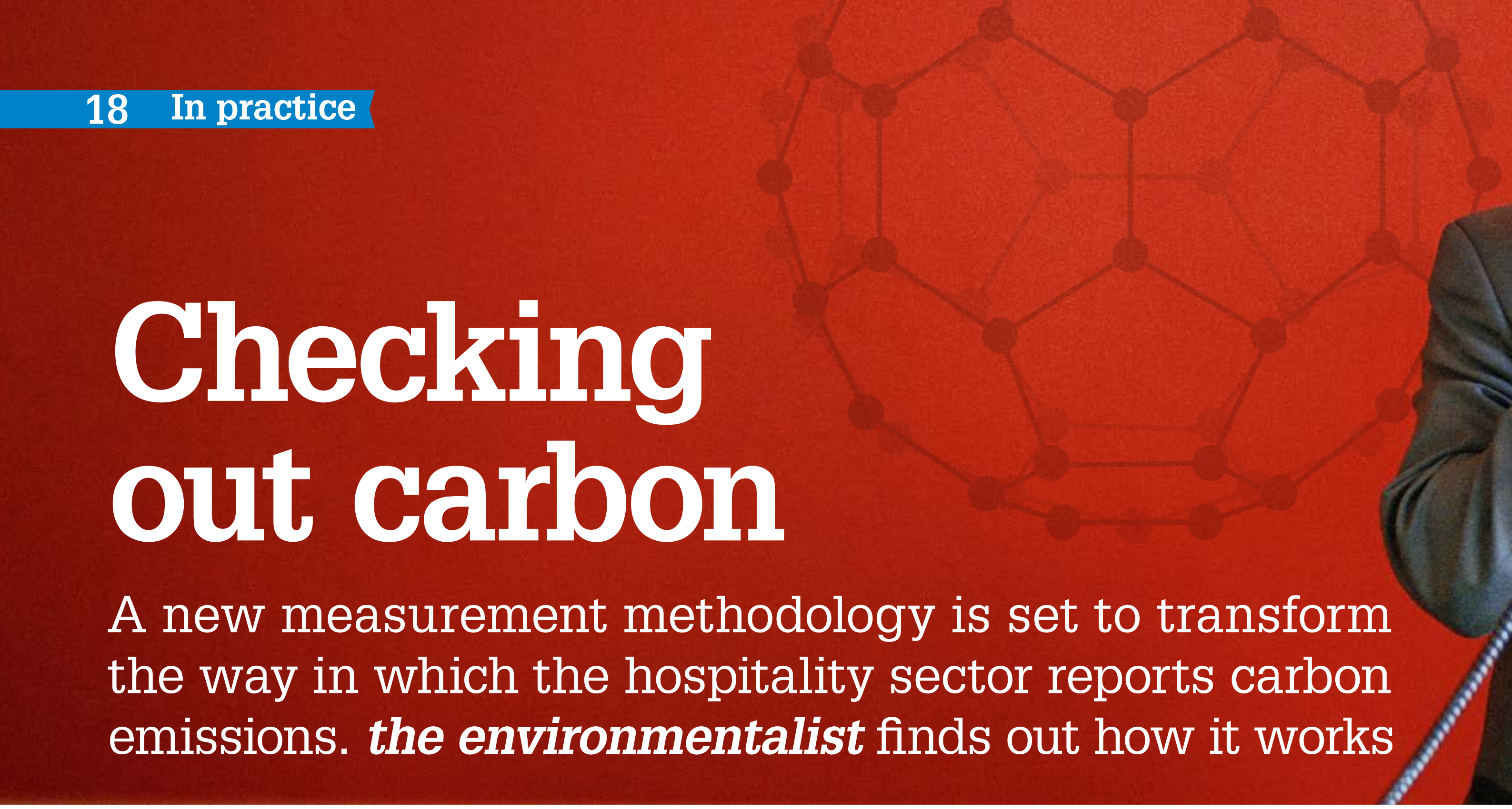


Checking out carbon

A new measurement methodology is set to transform the way in which the hospitality sector reports carbon emissions. ***the environmentalist*** finds out how it works

The International Tourism Partnership (ITP) and World Travel and Tourism Council (WTTC) represent most of the world's leading hotel chains, including InterContinental Hotels Group and Premier Inn. Through a joint working group, the ITP and WTTC have developed the hotel carbon measurement initiative (HCMI 1.0), a calculation methodology that its members and the wider hotel sector can use to measure and report carbon emissions from a hotel stay or event.

Launched in June 2012, the first iteration of HCMI was the result of many months' work by the 22 hotel companies in the working group. Developing an industry methodology for calculating carbon emissions was no mean feat: it needed to be robust enough to meet international environment reporting standards, while remaining adaptable enough for hotel managers to implement around the globe.

"HCMI is a flexible and user-friendly measurement tool designed to be applied to any hotel around the world – big or small, casino hotel or bed and breakfast," says Fran Hughes, head of programmes for ITP.

"However, producing a simple methodology that meets the needs of such a diverse range of hotels required a lot of hard work."

A common approach

The key impetus for developing HCMI 1.0 was to meet client requests for information on carbon emissions associated with meetings and overnight stays at hotels. "During the 'request for proposal' (RFP) process, when hotels bid to host corporate events or meetings, potential clients are increasingly asking questions relating to the carbon footprint for an event or overnight stay," Hughes explains. "But the many different methodologies and systems available to hotels in measuring and reporting carbon emissions have resulted in confusion when customers attempt to compare emissions from one hotel with another."

ITP and WTTC saw an opportunity to improve how the hotel industry communicates its impacts by developing a methodology to report on carbon emissions in a uniform way. In the absence of a measurement framework suitable for the diverse range of organisations in the hospitality industry, the working group decided to start from scratch and build a bespoke tool.

HCMI 1.0 enables hotels to measure a carbon footprint per occupied room on a daily basis and per area of meeting space on an hourly basis. This information can subsequently be used to calculate the carbon footprint of an individual client's use of the hotel.

The hotel companies involved in developing HCMI 1.0 compete for business on a day-to-day basis, but have also started to establish a tradition of working in partnership on issues that affect the interests of the sector as a whole. Managing and reporting on environmental impacts is a prime example, and building consensus on the details of the new carbon calculation methodology required time and commitment on the part of all working group members.

With HCMI expected to be relevant in any country and applicable to hotels ranging from four to 4,000 rooms, securing agreement on some of the finer details demanded serious discussion. It also required significant compromise by some hotel chains that had already developed their own measurement frameworks and would now need to adapt to the common methodology.

Dirty laundry

One issue that prompted extensive discussion was how HCMI should deal with the emissions generated offsite or through outsourced activities – most notably laundry operations, a significant source of emissions and a key area of many hotels' environmental programmes. Some hotels – in the working group and those that gave feedback during the testing phase – voiced concern about including laundry services in the reporting framework.

However, the working group agreed that it would be counter-intuitive not to include it in the tool, since this is one of the most visible signs of a guest's carbon footprint, with many hotels placing cards in rooms reminding guests of the environmental impacts arising from daily linen changes. Facilitating the working group's many virtual conference calls and in-person

meetings also presented a practical challenge, with members based around the globe and operating within different time zones. Bringing together all the group's members for regular face-to-face meetings was neither practical nor environmentally sound, but the project did involve two working group meetings – one each in the UK and the US.

Developing the tool

In partnership with external consultant Eric Ricaurte, phase one of the project involved developing a basic methodology proposal for piloting to stakeholders.

The methodology is informed by the greenhouse-gas (GHG) protocol and the working group also incorporated ongoing research from Cornell University's centre for hospitality research to determine the materiality of certain mobile emissions (for example, from hotel cars, shuttle buses and lawn mowers) and fugitive emissions (such as refrigerants).

HCMI measures all energy used onsite and includes some carbon emissions that may arise offsite, such as the aforementioned laundry activities. It recognises that some hotels operate a number of different facilities and, to improve comparability, excludes emissions from private areas that are not accessed by guests.

Applied at an individual hotel level, the property manager can obtain the data needed for the methodology through readily available sources of information such as energy bills or via smart meters. The property needs to carry out the calculations once every reporting year, with the "standing data" – measurements for total area of guest rooms and meeting facility space – unlikely to change from year to year.

Annual data entered into the tool includes the total number of occupied rooms for the reporting year, together with total energy consumption. If a hotel does not have data for the whole year, there is provision to approximate its consumption based on the Environment Agency's estimation techniques.

Emission factors, that convert energy consumption into GHG emissions are also taken into account and the tool provides guidance on selecting the most current and relevant factors.

The third and final data category is "supplementary" and relates mainly to outsourced laundry activities. Hughes says that many hotels have been able to obtain energy consumption data from their laundry suppliers, which can be incorporated into the methodology. Where this information is not readily available, the tool allows for the hotel to calculate the energy consumed by its laundry activities based on the tonnage of linen laundered each year.

The next step is to apportion energy consumption between rooms and meeting space, which provides a carbon footprint per room per night based on occupancy and, similarly, a meeting room footprint per hour.

HCMI 1.0 is supported by guidance and a spreadsheet for data entry and calculations, unless the hotel wants to use its own system for producing the carbon calculation based on the common methodology.

InterContinental Hotels Group

Robert McCann, corporate responsibility manager for environmental sustainability at InterContinental Hotels Group (IHG), whose brands include Crowne Plaza and Holiday Inn, is a member of the HCMI working group. He says: "IHG has built the methodology into its online sustainability programme, called 'green engage'. This enables hotels to measure, manage and reduce their environmental impacts, and suggests more than 200 green solutions for our hotels to implement." Up-to-date utility and fuel data, as well as correct information about each hotel, such as floor areas, is used to automatically calculate the carbon footprint, he explains. "Because we've been able to automate the process – which was one of our key objectives from the beginning of our involvement – our hotels are finding HCMI 1.0 very easy to use. HCMI will only be successful if it is used at scale, and embedding it into our tool enables just that."

According to McCann there are several benefits to using HCMI 1.0 and having a common methodology across the industry. He says that InterContinental would much rather be compared using a standard methodology than what was happening previously, with some groups reporting by floor area, per guest, per available rooms and occupied rooms, and often with different units of measurement. "Now, the figures mean a lot more and will support carbon reduction across the industry. While it's still not the perfect comparison, since every hotel and brand is different, it helps corporate clients to begin to make more informed decisions about sustainable hotels," says McCann.

He explains that HCMI 1.0 also saves everyone at IHG time, from hotel managers and the sales teams to the corporate responsibility team. "Building the methodology into our green engage online programme enables our hotels to spend more time on understanding their footprint and how they can reduce it. As a group, we are seeing increased demand for green meeting spaces and to be able to measure the impacts of holding a meeting. HCMI 1.0 enables our hotels to provide corporate clients with a carbon footprint for a meeting, ensuring our hotels are able to compete and support our clients' desire for more sustainable meetings."

IHG had three key objectives for HCMI 1.0: build a trusted, reputable methodology that would be accepted by corporate clients; make it easy to use and understand; and make it scalable. "I think we've managed to achieve all three goals and we now have the chance to drive up usage both internally and across the industry," says McCann.

HCMI 1.0 in practice

Phase two of the project was supported by accountancy firm KPMG and involved testing HCMI 1.0 in 52 hotels across 16 countries. Aside from member companies and their properties, the ITP and WTTC working group reached out to more than 50 stakeholders – ranging from industry associations, travel management companies, certification schemes and academics – asking for input on the methodology.

The objectives of the testing phase related to:

- **General understanding** – Was the process intuitive and easy to understand? Was anything unclear? What, if any, changes could be made to improve or refine the process?
- **Complexity** – What effort was required to fill in the spreadsheet? What was difficult? What was easy? What were the time commitments?
- **Completeness** – Could hotels input all the necessary information? Was anything missing? What was new?
- **Level of accuracy** – Where did the data come from? Were estimations used? Was there enough granularity or options?

The working group developing HCMI received considerable feedback on the methodology, relating mainly to technical queries and clarifications. The comments received from hotels using the tool were generally positive, with the staff responsible for completing the carbon footprint calculations finding it user-friendly. On average it took just two hours to complete the spreadsheet.

Premier Inn, Whitbread Group

Chris George, head of energy and environment at Whitbread, which operates Premier Inn, serves on the HCMI working group. He says: "The HCMI measurement tool gave Whitbread an opportunity to improve how the hotel industry communicates and benchmarks its environmental impacts. Previously established approaches to measuring and reporting carbon emissions in the industry tended to vary widely and could be difficult to manage and understand. This has led to confusion among customers, particularly for business clients, who are looking to understand their own potential carbon footprints to ensure they are meeting their organisation's environment targets."

He also says that implementing the HCMI tool across its hotel portfolio has enabled Premier Inn managers to share best practice and to better understand the carbon footprint of their site per guest and per hire of a meeting room. As a result, Premier Inn managers now look for innovative ways to cut costs on utilities, as well as practical approaches to raise awareness among staff and customers, confirms George.

After input from the International Tourism Partnership and its own key stakeholders, Whitbread integrated the HCMI tool into its internal energy tracking and reporting system to calculate and communicate carbon emissions from guest and meeting rooms in a uniform way. "Building on our own corporate responsibility language, Whitbread team members can now provide a clear and practical response to our guests' carbon data needs," says George.

The group categorised the comments received and the issues raised during the consultation phase. "The feedback was very useful and we made some changes as a result," says Hughes. "But we had to be guided by our original objective of producing a methodology that was accessible and simple, and met clients' needs."

Responding to feedback

Some comments suggested that HCMI incorporate a different footprinting metric, based on carbon emissions per guest rather than per room. But this change was not incorporated because the calculation would have been more difficult to obtain and feedback from corporate clients confirmed they wanted to retain the original metric.

The consultation also raised the issue of emission factors. "Hotels in some countries, such as Kenya, are not as familiar with the concept or how to apply emission factors to the methodology, and have no national resources to help them," says Hughes. "This means that it is very important to provide guidance on this area."

Seasonality was another area of discussion: should the methodology be adapted to allow for a different carbon footprint for different seasons? Again, the working group felt that it was important to stick to the methodology's guiding principle of simplicity – in its early stages, at least – and average out carbon emissions across the year.

The group took the same approach in respect of carbon intensity. Clearly, some hotel rooms – depending on size and other factors – produce more carbon emissions than others. But unless a property has smart meters installed it could be too complex for some establishments to calculate its carbon footprint on a room-by-room basis. "With all the feedback we received, we had to balance the perceived rigour of the tool against practicality," says Hughes. "Our key aim was to encourage wide uptake of the methodology across the industry and so it has to be easy to use."

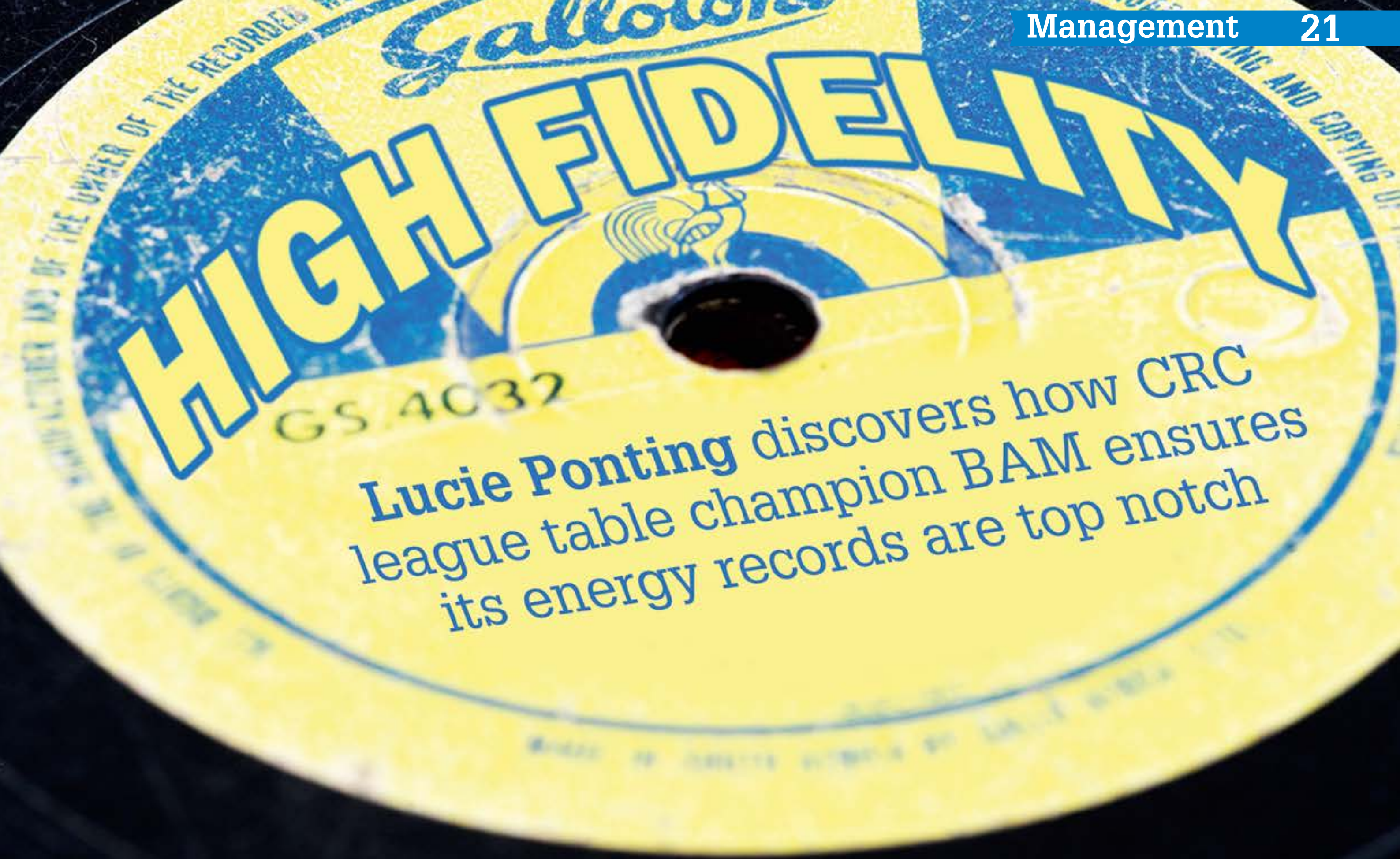
Continuous improvement

HCMI 1.0 is just the first iteration of the methodology and the working group is refining it, together with the calculation tool, for relaunch later this year. The first-year review of the tool has taken on board new research and technical developments, revisited some of the issues raised in the consultation phase and further developed supporting materials and guidance.

About 25,000 hotels are now using HCMI 1.0 and Hughes reports that uptake is increasing steadily. So far, ITP and WTTC have received more than 400 requests for the methodology from about 90 countries. Most of these enquiries are from consultancies and hotels.

"There is a lot of energy and interest around the tool within the industry that we hope will increase further," says Hughes. "The entire hotel sector now needs to adopt this freely available methodology – only then can the industry speak with one voice on the crucial and complex issue of carbon measurement."

A free copy of HCMI 1.0 can be requested by emailing info@hotelcarboninitiative.org.



HIGH FIDELITY

Lucie Ponting discovers how CRC league table champion BAM ensures its energy records are top notch

Construction firm BAM Group topped the latest and final carbon reduction commitment (CRC) energy efficiency scheme performance league table (PLT), published in February. Under the CRC, organisations must keep adequate and up-to-date records in an "evidence pack" to support the energy data and other information they have provided to the regulator.

As well as becoming "league champion", BAM was one of the first CRC participants to receive an agency audit of its records. "We got audited almost straight away," explains Jesse Putzel, sustainability manager at BAM Construct UK, "which was good because we went through the process and had to have everything ready."

The audit involves an initial desk-based investigation, after which – if this identifies anything worrying or there are gaps in the information – auditors will visit the site. "We provided a CD with the entire evidence pack on it," says Putzel. "That was enough; they found just one tiny mistake in the data – amounting to an error of about 0.0024% in the overall return."

Essential housekeeping

Although the government has now scrapped the CRC PLT, good record keeping by participants remains essential. Following the publication of the final PLT, IEMA policy director, Martin Baxter, pointed out that accurate data not only underpins the CRC as an environmental tax and affects how much money companies will pay for allowances, but it is also critical for the scheme's reputation.

The four-month delay in publishing the 2012 PLT suggests that some CRC participants were not as well prepared as BAM, and may need to review their data collection and record keeping to ensure it is consistent, accurate and based on a strong methodology.

Be smart

BAM Construct UK – one of the two main BAM Group companies in the UK; the other being its civil engineering arm BAM Nuttall – manages the CRC on behalf of the whole group. "We took responsibility in 2008," explains Putzel. "We were the larger company and had the most developed systems, though both firms already had mature environment management systems, which are key to how we deal with the record keeping requirements of the CRC."

In practice, BAM Construct manages the evidence requirements of the scheme and some of the audit processes at a high level; then responsibility is spread around the wider organisational structure. "We were well underway with record keeping in its most basic sense when CRC came along," says Putzel. "We were calculating our carbon footprint, so we were already grabbing hold of the necessary data – speaking more with energy and fuel suppliers."

The next step was to start working with the commercial teams to set out the implications for buying energy and for setting up project contracts – creating the partnerships necessary for good CRC reporting. This, and subsequent work to define who was responsible for what – for example in more complex private finance initiative projects – helped to build the structural records required under the CRC, which describe the organisation, how energy is purchased and who deals with it.

As well as structural information, CRC participants must keep a raft of data records in the evidence pack. For this, the cornerstone of the group's approach is its online BAM sustainability measurement and reporting tool (BAM SMaRT), a bespoke system launched in 2010 and based on the Building Research Establishment's SMARTwaste system (for further information see environmentalistonline.com/bamsmart).

"We started collecting energy data at project level in 2004/05 using Excel spreadsheets," says Charlie Law, head of environment management at BAM Construct. "But, by 2008, the pressure for better data and reporting was increasing, not just with the CRC but elsewhere for waste, water and timber." The spreadsheets were also getting far more complicated because of the amount of data captured on different fuel types and meters.

BAM SMaRT lists every project for each construction region and uses a simple traffic light system to show whether the required information is up to date. "We wanted good data, and to know people were reporting on a regular basis," says Law. "If it's not regular, things get missed, so the traffic lights allow the environment advisers in the regions to see at a glance if any sites or projects are lagging."

The tool's design means it is quick and easy to enter data. Each project manager is ultimately responsible for their project's energy use and emissions, but they generally nominate someone onsite, most often the site manager, and it is frequently the site administrator who physically enters the data. Projects set up their meters in SMaRT, and populate the record with data, such as the supply company, MPAN number, and who is paying for the energy supply – whether it is BAM, the client or a contractor. "We also monitor our client-provided supplies even though they not part of our CRC, so we get a full picture of each site's energy use," says Law.

"The important thing is having the data at the most granular source we can get," adds Putzel. "Each meter is monitored, and we also attach a use type. If we can confirm that energy supply is used for accommodation or for the permanent building, it gives us a much clearer picture." When BAM introduced this level of granularity, staff were not necessarily used to picking out four different meters and identifying individual subcontractors and their fuel use, although they were already used to collecting data. "It was more about changing how we brought the information together and how they reported it; the culture was in place and it was a very good base to start from," says Putzel.

Human error

In December 2012, the agency noted that its CRC audits had identified "human error" as the key source of reporting errors "on numerous occasions". In light of this, it advised all organisations manually typing in supply figures or meter numbers to ensure they had a "robust quality assurance process" to double-check figures. "We can get the odd mistake with data," admits Law. "But we get fewer now with automated meter reading [AMR]; it's made life a lot easier."

On fuels (which are no longer included in the CRC under the revised framework), mistakes are more common. "There might be the extra zero – 10,000 instead of 1,000 litres – but these show up quite easily."

To control for errors, once the data is inserted, each regional environment adviser spot checks the figures. If they see anomalies, they flag it and investigate, and Putzel also looks at the high-level figures to identify exceptions. BAM is currently developing its exception reporting further to obtain even finer detail. "We now see exceptions at a higher level," says Law. "But we want to drill down deeper and, if something is outside certain parameters, to identify the reason."

"Audit checks are an important aspect," adds Putzel. "But you need people on the ground to take responsibility and ownership of the data and records. Then you have to do far less checking." To reduce mistakes further, BAM now records who enters the information. "If the data is entered incorrectly, we can identify who did it and train them further so they better understand the process," says Law.

Such a bottom-up approach not only reinforces the importance of inputting accurate information but also gets people to act on what the data tells them. "They see the energy they're using and where," says Law. "It's a lot more visual and accessible." The firm's central energy management service, for example, models costs for a wide range of plant. In one case, this identified the inefficiency of site drying rooms, which were using lots of energy but not drying workers' wet clothing effectively. Introducing dehumidifiers not only used one-quarter of the energy of traditional drying rooms, but also dried the clothing properly.

"The spin off from gathering the figures, keeping and comparing records, is that benefits come through," says Putzel. "Then you get more buy-in from project and site management teams." Buy-in is also crucial in getting tools adopted. "Metering was a bit of a sales job at the beginning – with remote metering, we had to get people to take it up on projects. They had to pay for it, so they needed to see benefits too."

Back-up evidence

In addition to being a CRC participant, BAM is also participates in the certified emissions measurement and reduction scheme (CEMARS). "We are audited in multiple areas," says Putzel. "They look at every detail, so it's very important that we have evidence against each piece of information; the auditor needs to see immediately where every bit came from and how it's backed up, which often isn't easy because the data comes from lots sources."

BAM keeps the CRC evidence pack on its network in its environment management system folders. The pack's structural records show at a high level where emissions come from and which emissions qualify for what scheme – CEMARS or CRC, for example – as well as the different checks made on sources of data. BAM SMaRT identifies all the firm's projects across the regions, the AMR meters and supplier reports on a quarterly and annual basis, both for energy (from EDF) and the firm's seven core fuel suppliers.

BAM also uses its financial systems to double-check that sites are recording all their paid-for energy. "We have a SAP financial system and an online document management system [Livelink]," explains Putzel.

Monitoring at source is obviously crucial, he adds. “I don’t think relying on bills at a corporate level is anywhere near enough; you need to drill down.” But the next stage is then having the right checks through the finance system or through some other system. “Having two or three checks is really important,” he emphasises, “because you can seriously over or under report, which has compliance and cost implications beyond carbon.”

Both BAM Construct and BAM Nuttall also do a specific internal CRC audit of the evidence pack, which is signed off by a director before submission to the agency.

Do it yourself

Beyond the CRC, the broader issue of how best to ensure records satisfy the changing array of internal and external reporting requirements remains a challenge. Putzel acknowledges that for some firms there may be issues with reporting different things to different people. “We probably do three different reports: the CRC is different to CEMARS, which is different to what we report to our parent for its Carbon Disclosure Project return. But, to be honest, because we’re reporting from the bottom-up, we can record whatever we want and filter it off for whatever we need; then it’s about putting it into a different format.”

Law adds: “Depending on who we’re reporting to, we can then take out certain sources.” With CRC, for example, fuels are no longer included, but when BAM in the UK reports to its parent company, fuels will be back in. “Our best advice to people who are not so far down the line in record keeping and reporting is to get that granularity of data,” says Law.

“The important thing is how many litres, how many kWh, and what these are used for, rather than starting by thinking, ‘we spend £1 million on energy’, and then making assumptions,” says Putzel.

For the CRC, the evidence pack is the basic compliance element. There is no set way to store or bring this together, although the agency produces extensive guidance on what it should contain. “Some [organisations] just buy a piece of software that does it all for them,” says Putzel. “But we chose to do it ourselves; we were collecting data in our own way anyway.” Because BAM SMaRT is not there just to deal with CRC, however, the firm still keeps specific spreadsheets to summarise the information into the right format for CRC.

Overall, BAM’s main tip is to keep core data and associated records flexible and robust so they can be adapted to whatever comes along. “When things change or new requirements come in, you need flexibility and control; try to do it yourself because you know your systems and your business,” advises Putzel.

Lucie Ponting is a journalist specialising in health, safety and environment.

Books of revelation?

Paul Suff asks experts whether forcing companies to disclose greenhouse-gas emissions in their annual reports will deliver a sea change in transparency

Environment professionals generally view the introduction of mandatory greenhouse-gas (GHG) reporting as a positive step. IEMA members responding to a survey in 2011 heavily supported compulsory disclosure, with 90% of the 900 respondents backing the move. The majority also believed a legal obligation to report would deliver significant financial and environmental benefits: more than two-thirds (69%) said GHG reporting would produce cost savings, while three-quarters (77%) claimed it would help reduce carbon emissions.

Mandatory reporting is due to start for companies listed on the main market of the London Stock Exchange for reporting years ending on and after 30 September 2013. The government claims that the legal obligation to report will save companies money on energy bills, improve their reputation with customers and help them manage their long-term costs. Defra estimates that the measure will save 4 million tonnes of carbon emissions by 2021. However, many of the companies covered by the requirement already voluntarily disclose emissions data. So, will it really make much of a difference?

To help answer that question, *the environmentalist* brought together environment practitioners and reporting experts to discuss the potential impact of mandatory reporting. The discussion was hosted by the consultancy WSP Environment and Energy and led by its head of global corporate sustainability advisory practice, **David Symons**.

Driving change

According to the government, the Greenhouse Gas Emissions (Directors' Reports) Regulations 2013 will affect about 1,100 companies but the number is likely to fluctuate over time. **Richard Morley**, commercial director at Ecometrica, which provides software to measure firms' environmental impacts, including carbon, believes the real figure is considerably less. "When you strip out asset management groups and the like it will affect about 650 companies," he says.

Also, around two-thirds of firms affected already report their emissions. Balfour Beatty is one such company. "For us, all that's happening is that the legislation is following what we've been doing for a number of years," says **Chris Whitehead**, group head of sustainability and innovation at the infrastructure company. Lloyds Banking Group is another. "We have targets and report our emissions, so mandatory reporting isn't a significant change for us," confirms **Caroline McCarthy-Stout**, head of responsible business reporting at Lloyds.

Nonetheless, there is acknowledgement that mandatory reporting will force existing reporters to examine how they gather and disclose GHG data. "We will all have to continue to make sure our systems and processes are robust," says **McCarthy-Stout**.

Morley agrees and highlights the likely impact on reputation if the data are of poor quality . "Lots of firms are reporting, but are not reviewing how

they are doing it. Although the Regulations do not demand that the GHG numbers are subject to limited assurance auditing in most cases, most companies will regard such assurance as necessary to avoid potential embarrassment," he explains. Similarly, **Ben Watson**, head of government relations at the Carbon Disclosure Project (CDP), the independent organisation working to drive GHG emissions reductions, expects firms to test their existing systems. "The Regulations won't disrupt existing practices, but firms should be keen to disclose complete and credible numbers."

"It will encourage firms to use the existing best practice standards, like the GHG protocol and ISO 14064 [guidance for the quantification and reporting of GHG emissions and removals]," states **Jackie Harvey-Watts**, product technical manager at the business standards company BSI.

Martin Baxter, director of policy at IEMA, believes that the companies covered by the legislation that already report GHGs should look again at their systems and ask: "Are we reporting in line with the Regulations? Is the quality of the data sufficient?"

The government's impact assessment for mandatory GHG reporting states that publishing such information in a company's annual report will ensure emissions are brought to the attention of the board and senior management, which will help drive emissions reduction activity. The panel is largely of the opinion that mandatory reporting will raise the visibility of GHG emissions data in companies. "It will certainly make emissions a board-level issue where perhaps they weren't previously," says **Watson**.

"Because the GHG numbers will be published in the directors' report, chief financial officers are going to take more of an interest," acknowledges **Whitehead**.

"The fact that GHG reporting will now be a regulated measure means a lot of boards and company secretaries will treat it in a slightly different way than they have done in the past," argues **Baxter**.

Several panellists refer to the well-worn adage, "what gets measured, gets managed", to illustrate how an obligation to report will bring emissions to prominence. "It's like anything: if you measure and report GHG emissions, you'll manage them. That is going to drive change. Firms will be able to set appropriate targets for cuts and that will inevitably produce better performance throughout the business," says **McCarthy-Stout**.

Bruce Duguid, head of sustainability and green impact at the recently formed Green Investment Bank, says: "If something is not measured at all, I can't see how it will be the focus of senior management activity. Whereas if GHG numbers are being calculated and disclosed there's a much higher chance that it will be."

Baxter is of the same opinion. "If you are reporting, you understand your emissions and will start to drive them down, and save costs too. That's the driving force behind the introduction of mandatory reporting; companies that report are reducing emissions much faster than firms that do not disclose."

Valued addition?

On the whole, our experts believe that financial and GHG savings will help underpin support for mandatory reporting, particularly among the one-third of companies affected by the legislation that do not currently disclose such information. "For GHG reporting to be successful, companies will need to engage positively to identify and address their situation and commercial benefits," advises **Nick Blyth**, policy and practice lead at IEMA. "It might be energy efficiency and reducing costs for some. For others, it might provide a competitive advantage when bidding for contracts or it might help boost their corporate reputation with stakeholders."

He points out that the government's impact assessment, which looked at the progress made by firms already reporting, was positive, revealing that companies disclosing their GHG data for more than four years were achieving significant reductions.

Whitehead confirms that Balfour Beatty monitors both the monetary and carbon benefits associated with reporting its emissions. He reports that some of the company's major clients, such as Network Rail, want to know how the firm is managing its carbon, but that the information is generally used internally to identify areas for improvement. "We started collecting GHG data to become more efficient on a country-by-country

'If you are reporting, you understand your emissions and will start to drive them down, and save costs too. Companies that report are reducing emissions much faster than firms that do not disclose.'




'If you are having to publish your GHG numbers and they are worse than last year or double that of your competitors then, even if cost isn't a big driver, it will act as a wake-up call.'

basis, and predominantly use the information in-house. The carbon intensity of our UK operations has fallen by about 35% over the past few years because we discovered that connecting our construction sites to the national grid much earlier than we had previously would generate considerable fuel savings."

Watson illustrates the added value that reporting can potentially deliver by describing how a large retailer's participation in the CDP process highlighted where it should channel its reduction efforts. "The retailer had mistakenly believed its main emissions were from its logistics operations and spent heavily on making its trucks more efficient. But, after going through the CDP reporting process, it discovered they were actually from its refrigeration units. So, reporting can help identify the right areas for action."

However, **Seb Beloe**, a partner at specialist sustainability fund manager WHEB Asset Management, is anxious that some companies do not consign reporting to the compliance agenda, but see it as an opportunity to drive change and reduce costs and GHG emissions. "My concern is that the requirement to report will be interpreted by firms as a compliance issue. If we just end up with the absolute minimum – a GHG number and a spurious intensity ratio – then that doesn't help anyone," he argues.

Morley at Ecometrica reports that he has already encountered different responses to the reporting legislation from different sectors. "There are varying degrees of enthusiasm and scepticism depending largely on the sector or the position of the company in the stock market," he says. "Firms with a relatively small market capitalisation tend to regard reporting as a compliance issue, while large companies in the FTSE350 are adopting a more 'value-added' approach."

BSI's **Harvey-Watts** agrees that, where reporting is restricted to the compliance agenda, it is likely to be considered little more than a box-ticking exercise, though she believes that this position may not last. "Maybe in years one and two, it will be a compliance agenda item, while people develop their understanding of what they need to do. But once they have complied and gathered the data, hopefully, companies will find a productive use for the information and start to pursue reductions, which will ultimately improve their corporate social responsibility standing and lead to cost savings."

The scale of a company's GHG emissions is likely to determine their response to mandatory reporting, says **Duguid**. "If you're a service firm, emissions are primarily from office space and a bit of travel, so typically not very large. Whereas carbon-intensive industries like steel and cement have a much higher carbon footprint and there is more of a spotlight on their performance," he says. **Duguid** also believes greater transparency will force even the most reluctant companies to take action on GHGs. "If you are having to publish your GHG numbers and they are worse than last year or double that of your competitors then, even if cost isn't a big driver, it will act as a wake-up call."

External audience

Defra believes that companies publicly disclosing GHG data will provide investors and other stakeholders with the information they need to fully take account of climate change risks in their investment decisions. Investors with long-term horizons, such as pension funds, have an interest in companies taking action to reduce their emissions now, to minimise future costs from the rising price of carbon, it states.

This proposition rings true with our panel. "Investors and analysts will look more favourably on firms that demonstrate progress over time in reducing their emissions," says **Baxter**. **Duguid** adds: "Investors will now be able to look at GHG data for the third of listed firms that wouldn't have otherwise reported."

There is a degree of apprehension among some of the group as to what the investment community and other stakeholders will do with GHG information that will now be published in a more consistent format by more businesses. "It will be regrettable if people start comparing businesses on their carbon intensity ratios [for example, emissions per £ turnover or per tonne production] rather than their ability to manage emissions," argues **Whitehead**. "And, it will be irrational to compare a multinational like Balfour Beatty with mainly domestic construction companies. We do a lot of tunnelling work in Hong Kong, for example, which is carbon-intensive, so comparing us with, say, BAM would be meaningless."

"Intensity ratios do not necessarily provide an opportunity to compare like-for-like," acknowledges **Morley**. "Many hoped the regulations would produce a more level playing field in terms of the data made publicly available. But, because of the flexibility in the framework over how companies can report and the intensity ratios they can apply, that's not really been the outcome."

Harvey-Watts agrees. "There's a lot of flexibility in the framework, so what is actually reported and its effect will depend on how a company applies the regulations, which systems it uses and how it collects the data," she says. "You're going to get very different figures, even within the same sector."

'The decision on extending mandatory reporting to more companies in the future will depend on how it has been implemented and whether it has delivered cost savings for businesses and reduced emissions.'

Beloe, however, says investors will try to use the data to compare companies, though he admits that the difficulties encountered by analysts in making effective comparisons are unlikely to be removed entirely by mandatory disclosure. "Businesses all have different geographic footprints and different places in the value chain, so you can't just take the gross GHG number and divide by profits, for example, to get a meaningful figure."

He says analysts will look to break down the GHG data to reveal a more complete picture of performance and trends. "Just like you'd expect financial information to provide a comprehensive account of financial performance, GHG data should be as detailed as possible.

"We have a huge range of potential investments we can make in listed companies, so the data and context that are made available to justify a firm's carbon footprint is very important. The narrative is as, if not more, important than the actual numbers."

Duguid believes it might be some time before GHG disclosure is either as robust or comprehensive as companies' publicly available financial information. "We've had several thousand years of financial reporting and it's been codified for more than 100 years, whereas we're only at the beginning of 'green' reporting."

Missed opportunity?

External assurance is absent from the requirement to disclose GHG data. The Companies Act 2006 requires all annual accounts for a financial year to be audited in accordance with it, but that does not extend to environmental information. Financial auditors simply have to assess whether the information in the business review is consistent with the financial statements.

The panel is split over whether external verification of GHG data should have been included in the legislation. "I think it's disappointing that third-party assurance isn't also mandatory. External auditing would really sharpen up the quality of data," says **Whitehead**, who reports that Balfour Beatty's latest GHG figures were assured to ISAE 3000 – the international standard on assurance agreements – by KPMG.

Baxter takes the opposite view, pointing out that the additional cost verification would have imposed on reporters would have prevented the introduction of mandatory reporting. "The 'one in, one out' regulatory framework set by the government meant that any proposed legislation that would be a net cost on business was unlikely to get the green light. It was either mandatory GHG reporting in the way it is currently formed or no reporting at all. I don't think external assurance was ever really on the agenda," he says.

"Installations qualifying as small emitters under the EU emissions trading scheme opt-out no longer have to have their emissions verified after the European Commission recognised that the cost of external assurance was too great," says **Harvey-Watts**. She reports, however, that some affected installations have retained third-party verification nonetheless.

Although a requirement to have GHG data externally verified is missing from the legislation, the government says it expects many companies to seek such assurance because directors will want to have confidence in the information and data they are publishing. **Morley** at Ecometrica agrees, but says some companies remain concerned about the potential costs involved. "Audit fees are a hot topic with company secretaries and finance directors," he says.

Harvey-Watts responds by arguing that assurance costs are often only a very small proportion of the overall cost of complying with such legislation. She also points out there is a big difference between the fees charged by financial audit companies and those charged by certification bodies, which have traditionally verified companies' GHG emissions.

First step

The majority of the panel regards the introduction of mandatory reporting of scope 1 and 2 emissions (direct emissions) as a first step to increasing the transparency of companies' environmental impacts. There is little enthusiasm yet to extend the obligation to scope 3 emissions – the indirect emissions created upstream and downstream of a business.

Duguid describes calculating emissions from suppliers as an "almighty exercise". He suggests moving to an alternative model. "It might be better to ask firms to provide a narrative on the strategic risks and opportunities to their business from supply-chain emissions."

Rather than extending the obligation to cover scope 3 emissions, it is more likely that the next government will require more companies to report. The coalition has pledged to review the legislation in 2015 with the possibility of extending the obligation to report to all large companies from 2016.

"The decision on extending mandatory reporting to more companies in the future will depend on how it has been implemented and whether it has delivered cost savings for businesses and reduced emissions," says **Baxter**. "If the response is positive, it will move to a grander scale, possibly covering up to 25,000 firms. For IEMA, that's the prize. That's when mandatory reporting will make a real impact."

Talking to marketing

Nick Coad and **Paul Pritchard** discuss how best to engage marketers

The work of corporate environment and sustainability specialists has changed over the past 10–15 years. From a focus on compliance and risk management, work now often centres on the financial benefits arising from improving efficiency and maximising corporate reputation. Some leading companies have aligned sustainability to their core strategy and are using this to drive new value and opportunities. As businesses pass through these phases, practitioners are required to work more closely with other functions to deliver strategic objectives.

On message

Communicating sustainability is extremely challenging and has been made harder because consumers are now deeply sceptical about corporate claims following a number of poor attempts to get the "message" across. Any assertion that is unsubstantiated or irrelevant is "greenwash". For companies serious about sustainability, avoiding such a tag is essential. So what can you do to help avoid this?

Greenwash is rarely deliberate. Most examples are well intentioned messages that fail because of a lack of process. Environment management systems, for example, typically do not cover marketing and so such activities are out of the direct control of the specialist. As most businesses market their sustainability credentials infrequently, there may not be any formal or informal processes for working together. And, as marketing campaigns are typically developed by external agencies they can be difficult to influence.

It is important therefore that, where sustainability issues are or may be covered, environment and sustainability practitioners have an opportunity to add to the brief and then review the final outcome.

Relieving tension

One of the main reasons greenwash arises is due to an inherent tension between the approach to discussing sustainability and marketing. Sustainability professionals generally deal with complex, multi-faceted issues. For example, environment issues typically can be quantified and involve trade-offs – whether or not biofuels are good or bad depends on where they are grown and their indirect impact on surrounding land use. Marketing, however, aims to manage customer perception and typically create simple and powerful messages. It is therefore prone to oversimplification and exaggeration. In sustainability, it is nearly always possible to highlight some positive aspect of an offering or put some feel good "recycling" messages on packaging. These are not necessarily incorrect or undesirable, but they can certainly mislead by not reflecting the most material issue.

As a sustainability specialist, it is important to be aware of Defra guidance on green claims (lexisurl.com/iema15484) and, if you can build some simple guidance into brand and marketing guidelines, you should avoid any embarrassment. The threat of breaching rules set by the Advertising Standards Authority can be a useful negotiating tactic.

Marketing teams may find it helpful if you are able to provide a pack of statistics and facts that can be verified – this could be linked, for example, to the annual sustainability report to avoid incurring any additional costs. A gentle reminder when a competitor or major brand runs into problems may also be a helpful way to highlight to marketing colleagues the potential pitfalls.

Overcoming hostility

Avoiding greenwash is not the only challenge faced by environment and sustainability professionals when working with marketing departments. Marketing can often be resistant, even hostile, to promoting the sustainability credentials of products. This attitude may have little to do with concerns about greenwash but more about a resistance to change or lack of insight into customers' preferences.

Marketing will collect information on customer attitudes through surveys and focus groups, and the results obtained are highly dependent on the questions asked. For most consumers, the environment may not be a conscious concern when it comes to purchasing, so it doesn't often feature in consumer feedback. But if they were asked specifically whether they would buy a product if it is sourced in a way that harmed dolphins or primates, the marketing department would likely get a very different answer.

The sustainability specialist needs to understand fully the methodology for collecting information on customer attitudes and behaviours in their organisation before they can enter into this discussion. They also need to understand the customer segmentation – dividing a broad target market into subsets of consumers with common needs – to see whether sustainability is, or could be, a primary or supporting element in the messaging.

Trying to convince marketers to address sustainability can be a hard challenge. Companies already seen by consumers as "green" tend not to need to sell their green credentials – as consumers preferring to purchase from environmentally conscious firms will already be buying their products, while the marketing message to mainstream consumers will focus on different issues. However, it is difficult to see how businesses that wish to become sustainability leaders can do this if they cannot demonstrate that they can sell sustainable products.

If you have a particularly challenging marketing team, you can point out that sales of green or ethical products have been resilient during the economic downturn. Sainsbury's, for example, reported an 8.5% increase in sales of sustainably-sourced food and a 5% rise in Fairtrade products during 2012, while "green products" accounted for 45% of total sales by Philips last year, compared to 39% in 2011. And, if you need further evidence, a recently published study by the Regeneration Roadmap reveals that 66% of consumers globally believe they "have a responsibility to purchase products that are good for the environment and society".

A sense of purpose

Mobile technologies and social media are delivering greater business transparency and more empowered consumers, and are the key reasons behind leading brands deciding to focus on developing their "purpose" – the "essence" of a company and what it wants consumers to remember. This means that sustainability specialists should find it easier to get marketing support.

There is also real evidence that marketing best practice is moving towards better alignment with sustainability. The influential Marketing Society awards for excellence, for example, now has a category called "marketing for sustainable consumption", with judging criteria around improving the sustainability of products or processes, and aligning campaigns with the organisation's sustainability strategy.

Nick Coad and **Paul Pritchard** are partners at Sandwalk, which helps organisations meet their sustainability objectives by developing skills and supporting innovation.

To explore further the issues raised in this article, join the discussion on the IEMA LinkedIn page – lexisurl.com/iema15489. A webchat involving Nick and Paul, as well as marketing professionals, is also planned. To register your interest, email environmentalist@lexisnexis.co.uk.

Making champions out of members

New CEO Tim Balcon sets out his agenda for the rest of 2013 and makes member engagement a high priority

"I'm here to make a difference; I will measure that by the legacy I will one day leave, but for now I want to get all members really engaged," declares Tim Balcon, as his tenure as chief executive at IEMA begins. Following his appointment in April, Balcon has quickly identified creating enhanced opportunities for member engagement as one of his two immediate priorities for IEMA. "The remainder of this year will centre on reaching a heightened level of engagement with our members," he says. "I know this will ensure that IEMA has a clear future direction and that members are on board. I want us to pass everything we do through a 'member lens', talking to as many as possible and seeking their views."

In a rallying call to all members who wish to air their views on IEMA's role in promoting the profession, Balcon says: "This is not a time to be quiet!"

A task of equal priority is to achieve a cohesive "clarity of voice" that correctly represents both IEMA and the profession. "From what I've experienced, environment professionals often feel misrepresented as there is a worrying misunderstanding in business about what our members can offer. IEMA must find a way of translating members' passion and loud voices into something that is meaningful to both the government and business, so they sit up and take notice of this profession's contributions", he explains. "Having that complete clarity about the environment profession, the individual professionals and IEMA's thought leadership can only aid that mission."

Diploma award winner Matthew Castle receives his prize and congratulations from Tim Balcon

To make that goal achievable Balcon's longer-term undertaking – once that member engagement and a unified voice is embedded – is to develop IEMA's vision for 2020 and an organisational ambition statement that places members at its heart.

Fresh from his most recent role as chief executive at Energy and Utility Skills, where he transformed the sector skills council from an almost bankrupt start-up into an influential membership body with a £7 million annual membership turnover, Balcon says he is "delighted" to have joined the leading professional body for the environment. "Over the years, I have been increasingly aware of the importance of environmental roles. So, to take that leap to IEMA was not that far from where I was, but I have realised that I have a lot to learn. And who better to learn from than IEMA members?"

Balcon talks with an optimism and confidence that reflects his reputation as an inspiring leader – while CEO at Energy and Utility Skills, the company

IEMA events

Date	Region/time	Topic
4 and 17 Jul	1.30–4.30pm	Managing resource risks and delivering business opportunities (Lincoln)
9 Jul	1.30–4.30pm	Managing resource risks and delivering business opportunities (Manchester)
11 Jul	1.30–4.30pm	Managing resource risks and delivering business opportunities (Edinburgh)
18 Jul	9.30am–12.30pm	Managing resource risks and delivering business opportunities (Cardiff)
19 Jul	9.30am–12.30pm	Managing resource risks and delivering business opportunities (Birmingham)
Membership workshops		
2 Jul	North West	Full and CEnv membership workshop (Liverpool)
8 Jul	South East	Full membership workshop (London)
8 Jul	North East	Full and CEnv membership workshop (Newcastle)

was nationally recognised for its quality of leadership. Balcon's CV is dominated by organisations specialising in vocational development, underlying his dedication to promoting professional skills.

Parallel to this, his exposure to the environment agenda derives from a similarly prominent perspective: in 2009, he established and chaired a cross-government, cross-sector green economy forum group. He explains: "I could see – just from the emerging renewable energy industry alone – how the environment would change everything so I championed the government response to the green economy.

"Now, as CEO at IEMA, I have the foundation needed to take that championing to the next level and do what needs doing – convince the government that they must recognise the profession. It is unmistakably fundamental to developing the economy," he argues.

Having been in the CEO's seat for two months, Balcon concludes that his initial impressions of IEMA – its "impressive purpose", remarkable breadth of membership and the ambitious work being carried out – have not been diminished by experience. "We do some fantastic stuff here and it is up to me to get that message out. But, first and foremost, I want to concentrate on our members," he says.

"To me, what is fascinating about the Institute is the breadth of skills and expertise in the membership. It is phenomenal to have all of that in one place. Here is where the environmental leaders are, and I fully intend to see them recognised as champions."

Balcon's core message for the future is reassuringly clear: members should soon expect to feel a real ownership, empowerment and clarity about where IEMA is going: "What members will see is a more engaging and more dynamic organisation. I want our members to feel a buzz about being a part of what IEMA is about and is achieving," he says.

"There is no doubt that getting this right will result in our members genuinely being recognised as a valued and much sought-after part of the economy."

Future issues of *the environmentalist* and IEMA's *Downloaded* will provide further details of member engagement opportunities throughout 2013.

More successful IEMA members

IEMA would like to congratulate the following individuals on successfully upgrading their membership.

Associate

Rick Ansell
Lynsey Armour
Monica Baltes
Katie Barlow
Natascha Boender
Natalie Bonser
Joanna Borzuchowska
Christopher Burson
Alasdair Campbell
Damien Canning
Jamie Clews
Lee Cowlbeck
Darren Cumming
Adrian Daniels
Carl Darrington
Julia Davies
Michael Day
Saskia Dekoning
Pam Doll
James Dybell
Nicole Feakes
Kerstie Flanagan
Jackie Franklin
Darren Garnon
Anna Gatsou
Andrew Grant
Abigail Green
Kevin Hall
Stuart Harley
David Harris
Wendy Hogben
Scott Hughes
Paul James
Simarjeet Kaur
Agnieszka Krejner
Paul McArthur
Ben Morley
Chris O'Dwyer
Charles Osbourne
Heather Patrick
Sam Purcell
Yudviraj Sajadah
Shellington Sibanda
David Slade
Daniel Struthers
Milena Todorova
Katerina Tsangari
Sally Warren
Kerry Whyte
Martin Simon Wittekind
Kevin Wonham

Full

Adebanji Adekoya, Shell Nigeria
Douglas McMillan, Biologic
Andrea Taylor, Xodus Group

Full and CEnv

Yetunde Abdul, Building Research Establishment
Paul Adderely, Sustainable Opportunity Solutions
Jerome Baddley, Nottingham Energy Partnership
Melanie Reid, Mott Macdonald
Thomas Rogers
Peter Whipp, RSK
Robert White, White Peak Planning

Policy update

Smarter guidance and reporting

Defra has launched the next phase of its environment-theme "red tape challenge", focusing on simplifying guidance and data reporting (p.4). Anything that helps people find their way around the 6,000 environmental guidance documents so they understand better whether a particular law or regulation applies to their organisation, and, if so, how and what's required to comply, has to be a good thing. If data reporting can be streamlined, such that key information only needs to be reported once and used many times, then that must also be encouraged.

There are, of course, pitfalls that need to be avoided. While some of the guidance is used to encourage and showcase best practice, other guidance has been developed to steer a route through complex legislation. In many cases it can be relatively clear whether a particular legal requirement applies to an organisation. However, more extensive guidance can be helpful to people in understanding the "grey" areas, where the application of requirements is less clear cut. The government needs to ensure that in simplifying the guidance, it doesn't make it more difficult for companies to know precisely what is required.

Data reporting can benefit from new technology, allowing real-time sharing, processing and reporting of information. The challenge will be in reconciling the different reporting regimes. For example, the reporting requirements for the forthcoming mandatory reporting of greenhouse-gas emissions differ to those that already apply for the carbon reduction commitment energy efficiency scheme and for pollution prevention and control permits.

Simplifying guidance and reporting is a long-term project, but with significant potential benefits for business. IEMA members will have the opportunity to engage in this work.

Martin Baxter is executive director of policy at IEMA.

All jobs done in a greener way

IEMA and City & Guilds unveil groundbreaking training courses to expand environment skills

Leading organisations not only manage their impact on the environment, but increasingly take into consideration how a changing environment will affect their ability to do business in the longer-term – they no longer talk of greening operations, but of greening their entire organisation. These business leaders also tend to consider the environment across all parts of the value chain, from the way products, for example, are designed and manufactured, to the way they are distributed and sold. And, as the environment touches all parts of an organisation so all employees need to be able to play their part in driving environmental goals.

That means managers and supervisors need to understand how the environment sits in finance, procurement or logistics, for example, and the workforce understand the practical steps it can take to support environmental sustainability.

For many years, IEMA has been calling for employees – at every level of responsibility, across all areas of business and industry – to be armed with environment knowledge.

In his evidence in 2009 to the House of Commons environmental audit committee's enquiry on green jobs and skills, Martin Baxter, IEMA's executive director of policy, told MPs: "Green jobs and skills will be vital in the transition to a low-carbon and resource efficient economy. This agenda isn't just about creating new green jobs, important though they are; it is about ensuring that all jobs are being undertaken in a much greener way." That aim may now become a reality.

Mainstreaming environment knowledge across the economy

Baxter's reference to "all jobs" points to a training issue of global proportions. To help this skills revolution and deliver tailored, relevant, high quality environmental training for all workers, IEMA has joined forces with respected training provider City & Guilds to launch a new suite of courses for non-environment staff.

This tiered collection of three courses aims to make environment knowledge and understanding a "mainstream" element of every role in every business across the world. Targeted according to the employees' level of seniority, there are two formal qualifications:

- **Working with environmental sustainability** – aimed at the whole workforce, this level 2 qualification (equivalent to BTEC first diplomas, for example) provides employees in any role with the knowledge to do their job in a greener way to support organisational goals.
- **Managing with environmental sustainability** – aimed at managers and supervisors, this level 4 qualification (equivalent to BTEC professional diplomas, for example) provides an operational and strategic understanding of the environment and the way that it affects a team or function.

IEMA and City & Guilds are also offering senior managers a chance to develop their environment knowledge, through strategy sessions entitled "Leading with environmental sustainability". These aim to give senior executives, board members and investors a strategic understanding of the risks and opportunities presented by a changing environment and an organisation's ability to do business.

> Learners found the training enlightening because the courses allowed them to explore their own ideas in addition to being formally taught. That's important as these learners will become environmental leaders in their own areas and they will need to be able to think for themselves
>
> Greg Roberts, EEF

Better for business and better for the environment

Jonathan Nobbs, IEMA's head of partnership, who led the development of the courses, believes their introduction is a game changing moment. "IEMA has always set the standard for environment professionals, and the time has come to set the environmental standard for all jobs," he says.

"Employers need to know that they're buying the best and the partnership with City & Guilds provides that; formal qualifications, made by IEMA, the leading voice in the environment, powered by the most widely recognised brand in vocational qualifications."

City & Guilds also recognise the launch of these courses and qualifications as a momentous occasion, one that will further cement its global reputation as a forward-looking and leading body for learning and development.

"These qualifications and associated training courses really are a unique proposition and there is no doubt that there is a market for tiered environmental training of this quality that also offers those in operational and managerial roles a qualification," said Steve Hewitt, head of employer propositions at City & Guilds.

"For us, IEMA brings the environmental expertise and we bring the ability to deliver robust qualifications at scale. I believe that through our partnership with IEMA we have boosted not only our own position as market leaders but given businesses around the world a valuable solution."

Piloting the courses

Although officially launched in June 2013, the courses underwent a rigorous piloting process during 2012. The pilot attracted some recognisable corporate names from UK business and industry, including Royal Mail, BAE Systems, Carillion and Wilkinson, plus a major energy supplier.

The pilot sessions were delivered in-house by existing IEMA-approved training provider EEF and received a hugely positive response from the "very enthusiastic" delegates (see panels, below, for more information).

Greg Roberts, who delivered each of the pilot courses, says that EEF instantly recognised the value of adding these innovative courses to its existing IEMA provision. "Many organisations have trained their environment professionals but the leadership they demonstrate can only go so far if those within the enterprise are not engaged on the business risks and opportunities that the environment presents," he says.

"These qualifications complete the EEF portfolio and we see a real growth area in helping organisations to embed, and therefore maximise the benefits of, environmental sustainability."

Environment professionals acting as 'catalysts'

Together with IEMA's professional qualifications and its skills map for environment professionals, these new courses for provide a cohesive package, which will enable all organisations to achieve their environmental goals, believes Nobbs.

He also argues that these "mainstreaming" courses present qualified environment professionals with a leadership opportunity. IEMA recognises that the Institute's 15,000 plus members cannot achieve environmental goals alone, unsupported or in isolation. By working collaboratively with all suitably trained and motivated colleagues towards environmental goals, environment professionals should feel increasingly supported and able to lead environmental excellence, he argues.

"Environment professionals must harness their knowledge and commitment to become the catalysts for cross-organisational environment training and now, for the first time, they have an appropriate training package to look to."

Nobbs explains that development of the new courses is part of IEMA's ambition to upskill individuals, organisations, supply chains and even entire economies.

"We know the way leading organisations are approaching the environment agenda is changing. We can see that it's about resilience, competitiveness, productivity and new sources of value. If the UK economy is going to deliver that opportunity more widely then we need to be bold and need nothing short of a comprehensive upskilling of all parts of the economy.

"This has to be based on thought leadership, the best standards, delivered at consistently high quality and at volume. In these suite of qualifications, along with the IEMA environmental skills map and our existing professional qualifications, we feel we have the solution."

To find out more about the courses, including costs, availability and booking details, visit iema.net/all-jobs-greener.

BAE Systems

BAE Systems' interest in the environment has grown massively in recent years. The company has had to respond to both internal challenges and external drivers, which has provided the opportunity to develop the capability of its people. Previously, resources and specialist knowledge were limited and we needed to grow our people to respond to the growing environmental arena. Initially this was being tackled without looking at the bigger picture, with training provided to fill short-term needs rather than strategic goals, and drawing on those inside the firm who had some degree of knowledge without considering what other partners had to offer. The opportunity offered by the "Leading with environmental sustainability" course has allowed us to take the message to the company's top table in a clear concise manner, as this quote from a senior executive attending the course demonstrates: "We are in the early stages of designing the next generation of Royal Navy warships. The course provided me with a much deeper understanding and the ability to deliver this project in a more environmentally sustainable and socially responsible manner." Engaging executives in the programme, clarifying key questions for them and providing a model they can support with its subsequent rollout across their businesses provides huge benefits and extended buy-in.

Jane Rogers, head of environment (engineering governance) at BAE Systems Maritime – Naval ships.

Royal Mail

Royal Mail has a huge workforce; if we are able to get even a small proportion to work in a greener way it positively impacts on the environment targets I am responsible for. Royal Mail wants to invest in its staff, and we find that giving employees the opportunity to gain formal qualifications gets them engaged. In the search for the right training for our "on the ground" and managerial staff we found there was a definite gap in the market. No course offered the right combination of targeted training that could be completed in one day, with an appropriate qualification as the end result. Both the "Working with environmental sustainability" and "Managing with environmental sustainability" courses offered exactly what we were looking for. I sent 12 members of staff on each of the pilot courses and could immediately see during the sessions how engaged they were and how enjoyable they found it. Since the training we've seen a reduction in energy use and an increase in recycling at the plants where the learners work. I'd categorically say the training has instilled some extra motivation in those who attended. We already plan to put a further 100 of our staff from plants across the country through the "Working with environmental sustainability" course by the end of 2013, so I can see this becoming ingrained in Royal Mail's training provision.

James Kokiet, environment manager at Royal Mail.

Good Fellows

IEMA Fellows are at the top of the profession. **John Barwise** talks to five about their careers

IEMA's membership have consistently topped 15,000 and, for the first time, the number of individuals who have achieved professional environmentalist status has passed the 10,000 mark. Claire Lea, IEMA's director of membership strategy and development, says the environment profession is going from strength to strength because employers want their knowledge and skills. "Increasingly, organisations are needing people with strategic environment management skills to lead on key business issues such as resource security and climate resilience, and to truly embed sustainability into the heart of organisations and decision making," she says.

The range of environment jobs available reflects a substantial change in the market, as public and private sector organisations adopt new strategies to cut carbon emissions, improve resource efficiency, reduce pollution and minimise waste.

The different levels of IEMA membership reflect what stage an individual is at in his or her career. IEMA Fellow (FIEMA) is the highest level of professional recognition offered by the Institute and is a step up from Full membership (MIEMA). Fellowship builds on the application of knowledge and understanding that Full members must demonstrate and is a recognition of substantial achievement in the profession.

Lea says FIEMA is for highly experienced environmental professionals, who are committed to promoting the goal of sustainable development. To apply for FIEMA status, an individual must have been a Full member for at least seven years. There are currently 51 FIEMAs.

Successive practitioner surveys by IEMA reveal that Fellows can expect to earn substantially more than many other environment professionals. Figures from the latest survey of IEMA members show that the median (mid-point in the range) total earnings for Fellows were £65,100 in 2012, while average earnings for this level of membership were £75,894. Equivalent figures for MIEMAs were £46,025 and £53,801 respectively.

But how do you build a successful career as a professional environmentalist? How do you move from Associate to Full and finally to Fellow? Here, *the environmentalist* charts the careers of five environment professionals who are Fellows, highlighting some of the achievements that have contributed to their success in reaching the highest level of professional recognition.

John Barwise, MIEMA CEnv, is a director at environmental management and communications consultancy QoL.

Richard Campen

Richard Campen is a chartered biologist with a passion for the natural environment. After completing a PhD in biology, he started his career as an environmental education leader with the Peak District National Park Authority (NPA) and worked his way through a number of key posts to become the park's director of operations in 2007. But Campen's enthusiasm for the environment started at a much earlier age. "As a teenager, I always wanted to work in forestry and in an upland part of Britain. And, as a student, I loved plant biology and ecology," he says. "I consider myself very privileged to have worked in an area of the country that is of such high conservation value."

Despite Campen's BSc and PhD being in the natural sciences, he also realised that management and leadership skills are important when working in organisations. So, in 1998, he completed a master's qualification in business administration (MBA) and later undertook a postgraduate diploma in environmental decision making with the Open University.

> My academic and business background provides me with the range of skills to deal with complex sustainability issues

"I find that business and environment go together well – surprisingly so," he says. "A combination of natural and social sciences, together with academic and practical experiences in environment management and business provides me with a diverse range of skills for dealing with complex sustainability issues and different stakeholder perspectives."

This mix of environment and business skills has proved useful in his NPA career, which has encompassed director of recreation and education, head of environmental education and director of operations. The latter role includes responsibility for trading operations and strategic leadership on environment management and sustainable tourism.

Campen says that the natural environment itself has been a great source of inspiration throughout his career, and says that key challenges remain. "The issues that concern me most are consumption of resources, the loss of biodiversity and short-termism in our thinking and planning," he says. "As a scientist and environment professional, I need to be able to communicate with a wide audience. We can never know everything about complex natural processes and systems. This is particularly challenging when people want, or need, predictions for the future."

In 2012, Campen became an associate lecturer with the Open University, which, he says, provides him with an opportunity to share his experience in environment management and business. "I want to contribute to other people's awareness and understanding of the complexity of environment issues."

Paul Leinster

Paul Leinster was appointed chief executive of the Environment Agency in 2008. The agency is one of the largest and most influential regulators in the world, with its key responsibilities being pollution prevention and control, water resources, flood and coastal risk management, fisheries, conservation, waste management and incident response.

Leinster leads 11,500 staff and the agency has an annual budget of £1.1 billion to spend on environment protection programmes. The CEO role carries huge responsibilities, and his colleagues have questioned his sanity about joining the public sector from private industry, but he says the choice was right for him. "The work I am involved in, which at its core is about delivering environmental outcomes that create a better place for people and wildlife, continues to enthuse and motivate me."

Leinster's academic CV reveals a lot about his interests in science and the environment – a BSc in chemistry, a PhD in environmental engineering and an MBA from the Cranfield School of Management. But his professional CV says much more about his drive to become a key environmental decision maker in both public and private organisations. After working at BP International and Schering Agrochemicals, Leinster led a major environmental consultancy before joining the environmental services directorate at SmithKline Beecham (now GSK).

Knowledge and networking are crucial to professional ambition, he says. "As my career was developing I participated widely in professional meetings. They provided an excellent network and were an effective way of acquiring knowledge about best practice, as well as technical and professional development. I contributed to society and acquired professional qualifications at the earliest time possible."

Professional meetings can help you build an excellent network and is an effective way of developing knowledge

As CEO of the agency, Leinster works with numerous government departments, businesses, trade associations, local authorities, professional bodies and green NGOs. He also chairs the European protection agencies' better regulation group. Yet, despite the high demands placed on him, Leinster says core environmental issues remain his priority. "It is vital that the causes and consequences of a changing climate are addressed and the required adaptation measures implemented. And we must also ensure that other environmental issues are not forgotten and are properly addressed," he says.

Leinster is an IEMA Fellow and enthusiastic about the Institute's professional qualifications programme as a way of demonstrating knowledge and expertise and bringing together people of similar concerns and interests.

Stephanie McGibbon

Stephanie McGibbon is associate director at Ove Arup and Partners, a global firm of designers, planners, engineers and technical specialists. The company works extensively in the built environment, and corporate responsibility and sustainability are at the heart of its projects.

McGibbon's primary roles include project director for major environmental impact assessments (EIAs) and adviser on sustainability in "eco-city" master planning. "My job gives me the opportunity to have a positive influence on the environment and to witness real change. There is wonderful variety in managing assessments across a diverse range of disciplines and an incredible mix of projects," she says.

She has a BA in geography and an MSc in city and regional planning. McGibbon started out in local government planning at the City of Westminster and the London Borough of Hackney. In 1995, she worked as an English language teacher in Japan before taking a job in the Caribbean as team leader, managing the introduction of a planning system in Nevis.

My environmental impact assessment work enables me to have a positive influence and to witness real change

McGibbon completed an environmental law degree in 2004 and an MSc in development management a year later. She has worked at Ove Arup for more than 12 years. Her EIA work encompasses a wide variety of UK and international projects, from mixed-use regeneration projects to major infrastructure projects. "I came to be doing this via a background in geography and town planning, finally joining Arup in 2000 where I've been ever since," she explains. "I enjoy the project basis of EIA and the rigour of working to the EIA Directive."

In keeping with Ove Arup's sustainability principles and her EIA work, McGibbon also runs workshops with clients and local stakeholders to identify and prioritise sustainability objectives. She says it is a chance to discuss the concerns people have about the state of the environment and the challenges ahead. "Globally, climate change is an ever-more pressing issue, particularly with the crossing of the 400 parts per million CO_2 level," she says. "Closer to home, we need to plan better for a changing society; people are living longer, family structures continue to evolve and there is a need for more adaptable housing, and more of it."

McGibbon believes that political fortitude is needed to embrace the change needed and says that IEMA membership helps to sustain her motivation. "Being a professional environmentalist is about being part of a wider network with like-minded people. It's also the chance to work with inspiring people who have a passion and drive for what they do."

Emma Nicholson

Emma Nicholson is a self-confessed late developer as far her environment management career is concerned. But she is a quick learner. In 2011, she founded Women in Sustainable Construction and Property (WSCP) and last year was selected by the Society for the Environment as a "chartered environmentalist rising star".

"When I left university armed with a BA in English, I didn't know what I wanted to do. I worked in public relations, journalism and interior design," she recalls. "My career path could have gone in another direction but I applied for a role as a trainee construction project manager, based on my experience of working on residential buildings." Nicholson describes the job as like being "thrown in at the deep end", but she quickly learned to work with different disciplines, as well as leading and overseeing projects. She took a master's qualification in construction project management to develop new skills.

There's a shortage of women working in the construction industry. I hope to make a difference by sharing knowledge

"I have worked across many different sectors over the past 13 years, from leisure and retail to commercial, education and heritage," she says. "I have learned to enjoy sharing views and debating topical issues, and started to develop leadership skills. I worked on various committees as a member of the Chartered Institute of Building [CIOB] and, in 2010, became chair of the CIOB sustainability strategy group."

Nicholson also become a Fellow of the CIOB and a chartered environmentalist in 2010. She has been the CIOB's representative reporting to the business department and contributed to the final report from the Low Carbon Construction Innovation and Growth team, published in autumn 2010. In 2011, Nicholson worked as venues sustainability adviser at London 2012, a role that involved developing key performance indicators on issues such as biodiversity, waste management and carbon footprinting, as well as developing environment management plans, auditing schedules and zero-waste-to-landfill plans.

Of WSCP, Nicholson says: "With a shortage of women in the construction and property industry, we needed a network to promote women as leaders and have a platform to share our knowledge and skills."

Nicholson feels professional environmentalists can help overcome the many challenges caused by climate change and pollution. "Back in the early 2000s, I didn't come across much evidence of sustainability in the construction sector. I hope that I can make a difference through sharing knowledge on environmental issues, and through my work with IEMA as a steering group member and Fellow," she says.

Thomas Tang

Thomas Tang is sustainability director at AECOM, a provider of professional technical and management support services with clients in more than 140 countries. The company specialises in engineering, construction management, planning and design, and has a strong commitment to ethics and sustainability.

Tang leads corporate initiatives on sustainability, corporate social responsibility and management training, as well as delivering client projects and conducting research. Working with more than 8,000 people in 20 offices across Asia, Tang is responsible for leading the company's programme to reduce its operational footprint with regard to materials, energy and water. He has set up a network of office champions to build sustainability into the work culture and reduce the company's corporate footprint. "Much of this work would not have been possible without the support of my colleagues and my chief executive and company chair, who have supported me throughout this endeavour," he says.

It was exciting helping the business to grow in Asia and it was the foundation of my later leadership development

After graduating as an industrial chemist in the 1970s, Tang completed his PhD in material science and master's in business administration in the UK, and he became a chartered chemist in 1985. He started his environmental consulting career with ERM in the UK, before moving with the firm to Hong Kong as company director. The move into senior management and leadership was an important development in his career. "Growing the business was exciting, as was seeing others develop. This was my earliest phase of learning how to lead and provided an important foundation for my later leadership development," he says.

Tang is vice-chair of the Hong Kong general chamber of commerce's environment and sustainability committee, which helps other organisations understand environment issues. He has also helped to develop a leadership development programme on corporate governance, business ethics, sustainability and social responsibility linked to "action projects" with rural communities in China and India. In addition, he worked on the C40 cities climate change leadership programme and chaired the sustainable mobility B4E working groups.

As a Fellow, Tang recognises that what professionals do can make a difference and is keen to share his experience with others: "Obtaining my FIEMA membership has inspired me to guide and mentor others. I would like to spend more time with my younger colleagues to fulfil this. I would also like to be recognised as a thought leader in my field."

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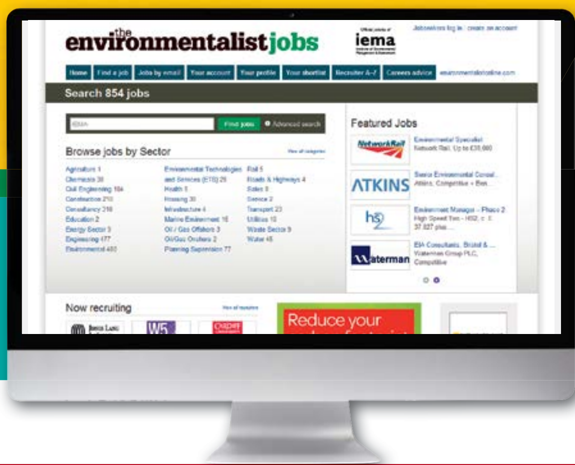

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