

Summary

The Australian Petroleum Production and Exploration Association (APPEA) and the Chamber of Minerals and Energy of WA (CME) believe Western Australia's Environmental Impact Assessment (EIA) process requires change to operate effectively in the current development climate.

However, APPEA and the CME believe that these changes can be made to the approvals system without compromising WA's high level of protection and environmental controls.

There are a range of initiatives that APPEA and CME believe would streamline the approvals process but two major changes are recommended in this submission:

- Adoption of a risk-based assessment process that incorporates an outcomes-based approach. A risk-based approach to scoping in particular, would address many of the concerns held by the resources sector. It also would simplify and streamline the system and make it more transparent, while increasing focus on the key environmental issues for each project.
- The introduction of a number of administrative changes within the EPA Service Unit, including increased service-orientated approach, improved communications, the mentoring and coaching of younger staff, aligning risk-based approach to staff decision making, and avoiding duplication and reducing the administrative burden by streamlining the handling and review of proponent documentation. Certainty of timelines for all aspects of the approvals process, with well documented and transparent stop-the-clock mechanisms is also required.

APPEA and CME also support the initiatives that have been raised throughout the EIA review discussions and suggest they should be dealt with in the following priority order:

Most important:

- Resources
- Administrative processes including learning and development programs for EPASU.

Completion in the short term:

- Time limits and "stop-the-clock"
- Risk-based assessment (particularly in the scoping stage)
- Outcome-based conditions
- Review of key policies (specifically for offsets and marine documentation).

Longer term:

- Strategic environmental assessment
- Level of assessment
- Policy framework.

1 Introduction

APPEA and the CME welcome the decision of the Minister of Environment, the Hon David Templeman MLA, and WA EPA Chairman, Dr Paul Vogel, to review the EIA process.

APPEA and the CME have been working together to identify innovative solutions for approvals process reform in WA and have been active in advocating change to the approvals process within government.

In establishing open dialogue with government on the approvals process, both APPEA and the CME have identified considerable common ground across industry and government in terms of potential key reform areas.

APPEA and the CME are therefore keen to work collaboratively with government and other key stakeholders in developing and implementing reforms to the approvals process. The industry bodies can provide practical assistance to the EPA in this review process in a number of areas including:

- Collating comment from a large number of member companies.
- Suggesting practical reforms.
- Encouraging industry support for the review and resultant change.
- Assisting with detailed development of the revised system.
- Facilitating stakeholder involvement in the change process.
- Providing feedback during the implementation process.
- Liaising with government and other stakeholders on possible fine-tuning of the new system.

Industry acknowledges that the review and reform process must include improvement to practice of industry, government agencies and service providers to the resources industry.

APPEA and the CME also share the view that much can be done to enhance approvals processes without compromising the high level of protection and environmental controls required.

This document forms APPEA and the CME's initial formal submission to the review process. The aim of the document is to briefly outline areas for improvement, propose key principles to be adopted when instigating change, and suggest models, strategies or actions to be taken to bring about beneficial change.

2 Key Issues

Over time, the EIA and approval system in Western Australia has evolved into an overly complicated and onerous process for all stakeholders. It lacks certainty of timeframes, does not require either proponents or agencies to adhere to schedules or commitments in key areas, has removed professional judgement from the process, and attempts to deal with too many issues in too great a detail where those issues can be better managed using other mechanisms. In addition, regulatory agencies are severely under-resourced reducing their ability to work within the cumbersome process.

In response, the system needs to be simplified, streamlined and made more transparent. In so doing, greater certainty would be provided for all stakeholders.

APPEA and the CME believe that the adoption of a risk-based assessment process that incorporates an outcomes-based approach would go a long way to achieving these objectives. In addition, revision of the upfront scoping process to incorporate a risk-based approach would address many of the concerns held by the resources sector.

With the aim of contributing constructively to the debate, this document addresses the inter-related aspects of risk-based approach, outcomes-based assessment and upfront scoping. Suggested improvements are also made regarding the administrative and resourcing aspects of the regulatory approval process.

The strategies and actions presented herein are not intended to be solutions in themselves, but concepts and options that will focus discussions.

3 Upfront Scoping

Benefits

APPEA and the CME would like to see a more strategic approach to the assessment and approval process. This would involve key parties to a proposal working together for early identification of major risks/issues and agreeing on the principles and policy to be applied to their resolution.

An improved approach to upfront scoping is an integral part of reforming the EIA process and would help ensure that all significant issues are identified at the start of proceedings, reducing the possibility of new issues being introduced later in the approval process that cause excessive delays, as has happened in recent years with major development proposals.

If the scope for the impact assessment was developed taking account of a risk assessment framework, then key issues would be identified at the beginning and the energy, efforts and resources of the proponent, assessment agencies and external stakeholders would be focused on addressing these issues, without the distraction of low risk issues which are more effectively dealt with in Part V processes, through other regulations or left to the proponent to manage.

APPEA and the CME believe the scoping process must be open and transparent to ensure community acceptance and trust in the process.

The initial benefit of such a process would be an agreement on the issues to be addressed in the EIA process, an agreement on how issues would be addressed and outcomes achieved. There also would be an implied commitment to work together – a significant advance on the current system, where proponents and agencies tend to work at arm's length for much of the process.

Such an approach would provide greater certainty for the proponent, government and the community. It would help to ensure that impact assessments were focused, more concise and of greater use as a planning and decision-making tool.

Key Features

The use of a risk-based approach to define the scope of an EIA process for a proposal at the beginning of the process is considered critical to the success of a revised EIA process.

A preliminary risk assessment, using an agreed risk assessment framework (discussed in section 4 below) would direct, firstly, the preparation of initial referral documentation used to determine the level of EPA assessment and, secondly, the scope of the impact assessment, particularly the specialist studies. High and moderate risks would gain the greatest attention, with studies aimed at sufficiently understanding potential interactions between project and environment to be confident of employing avoidance, management and mitigation measures that would achieve acceptable environmental outcomes.

The scope of the assessment would be captured in a Scoping Document. This document would clearly outline the approach to the assessment, the nature, comprehensiveness and level of detail of the specialist studies to be undertaken. In some cases (particularly in high risk issues), the methodology would be detailed.

The scoping process would also establish the nature of consultation to be undertaken and identify how more strategic matters – such as sustainability, cumulative risk and offsets would be addressed.

The scoping process must continue to involve agency personnel. In these cases the ground rules need to be clear: participation in the process would not mean agencies condone the proposal, but are providing advice that will inform the proponent's scope. However, once finalised and submitted to government an approved scope would be binding on both the EPA and the proponent.

Currently, the proponent is under no obligation to comply with the commitments made in the Scoping Document – this needs to change. Some form of administrative penalties (such as stopping the clock) should be explored. Likewise during the assessment process agencies are currently able to insist on studies and assessments over and above those outlined in the Scoping Document. This too needs to change. A more binding Scoping Document would provide greater trust – providing proponents and government with an agreed work plan and identifying environmental outcomes (or objectives).

However, the scope should not be set in stone – the ability to change the scope is an important aspect of the flexibility of the streamlined system that needs to be introduced. APPEA and the CME believe that the process for changing the scope needs to be clearly documented in administrative procedures.

Legitimate changes that arise due to changes in project scope or new information becoming available from field studies – or the like – need to be able to be incorporated without the penalty of re-referral or re-submission of the Scoping Document and the resultant re-starting of the clock. Formal changes to the scope need only occur where there is a material change to the risk profile.

Process

Upfront scoping would be an integral part of the risk-based approach. The following is a summary of key steps in a suggested approach.

Step	Note
<ul style="list-style-type: none"> ▪ Proponent identifies a project 	<ul style="list-style-type: none"> ▪ Project needs to be of sufficient definition (scope, location, activities etc) to enable hazards to be identified and potential impacts considered
<ul style="list-style-type: none"> ▪ Proponent undertakes Preliminary Risk Assessment 	<ul style="list-style-type: none"> ▪ Key risks and potential impacts are identified ▪ The proponent would compile a register of matters that would need to be addressed (the beginnings of a scope) ▪ Emphasis would be on those issues of moderate to high risk, acknowledging that the scope of work to address issues of low risk would need less attention as part of the impact assessment as these matters would be dealt with via other processes
<ul style="list-style-type: none"> ▪ Proponent refers the project to the EPA 	<ul style="list-style-type: none"> ▪ The referral and accompanying information would guide the level of assessment set ▪ The level of assessment would in turn guide the scope, with a consistent approach being adopted for the various assessment levels
<ul style="list-style-type: none"> ▪ Proponent conducts EIA 	<ul style="list-style-type: none"> ▪ The proponent would conduct the impact assessment in a manner that complies with the agreed scope ▪ The scope of the assessment may be varied during the course of work only in accordance with an agreed process
<ul style="list-style-type: none"> ▪ Agency assessment 	<ul style="list-style-type: none"> ▪ The EPA would adopt a compliance function (either conducted by agency staff or third party consultants) to confirm that the assessment has been conducted in accordance with the agreed scope, and on this basis alone would determine whether the EIA document is acceptable for public release.

Initial Actions

In order to facilitate the streamlining of the upfront scoping process, a Scoping Guidance Document needs to be prepared to define the process by which risks will influence level of assessment, and level of assessment will shape the scope of the environmental impact assessment.

A procedure for undertaking the scoping process that is integrated into the risk-based approach needs to be prepared and incorporated into the Scoping Guidance Document. This would also outline the process by which changes to the scope would be handled.

Finally, administrative arrangements need to be developed under which the EPA would conduct a review of the effectiveness of the scoping process. This can assist accuracy for future projects. As an input to this process, the EPA Service Unit may provide an assessment to identify gaps and learnings from the scoping review.

Both APPEA and the CME are keen to work cooperatively with government and other stakeholders to improve the current environmental assessment system and implement agreed reforms. In this regard, industry would be pleased to assist with the preparation of the above guidance and policy documents.

4 Risk-based Assessment

It is suggested that high-risk issues are identified and addressed through EIA and that moderate risk issues (that are handled by other instruments, e.g. Mining Act approvals) and low-risk issues do not require consideration by EPA.

Benefits

APPEA and the CME support the introduction of a risk-based assessment process, which industry believes would improve efficiencies, reduce timeframes, provide for greater certainty, transparency and consistency, alleviate unnecessary work and reduce costs.

A risk-based approach to environmental impact assessment would greatly reduce the EPA workload and enable it to concentrate on the matters that require its attention – those that are important, strategic or challenging – and avoid being bogged down with issues that can and will be effectively managed through standard industry practice or administered by existing regulatory processes.

A risk-based approach would allow all parties – industry, government and the community – to focus their energy and effort on the key issues. This would produce better environmental outcomes – a key objective for all parties.

Key Features

Environmental risk assessment is a process adopted internally by many APPEA and CME members. It involves the identification of the potential impacts of practices and events, and the systematic consideration of the likelihood and significance of potential environmental impacts. It forms the basis for focussed, objective risk mitigation and management.

Unlike more traditional risk assessments for workforce or public safety, environmental risk assessment relies heavily on both qualitative judgement and quantitative measurement.

The risk-based approach should commence early in the process and be applied throughout. Risk assessment should be a phased process which recognises that the level of information regarding risks increases during the impact assessment process. In this regard, a Preliminary Risk Assessment should be used to inform decisions on which projects require assessment under Part IV of the EP Act and to guide the

scoping process. A more detailed risk assessment would be conducted during the impact assessment.

Projects that present only low risks – which can be dealt with by established industry practices and governed by existing regulation and licensing processes – may not need to be assessed under Part IV.

Within projects, low-level risks identified by the proponent would require limited assessment (only to the extent of confirming the conclusions of the risk assessment), and would be managed via detailed environment management plans.

The proposal that lesser potential risks be dealt with outside Part IV is in line with a recommendation of the recent review of the AACR process (report currently with the Minister for Environment), which said that conditions should not necessarily be imposed where it has been demonstrated in the EPA assessment process that issues are capable of being managed under other statutory approvals.

For those projects that present a higher level of risk, a Preliminary Risk Assessment would provide a valuable guide to setting the level of assessment – and, in fact, would allow for greater consistency and transparency in this regard.

APPEA and the CME recognise the need for strong and clear guidance for risk assessment and a system that requires proponents to competently apply the process. This will require the preparation of a Guidance Document by the EPA, the adoption of a standard risk matrix and the establishment of clear and consistent definitions of likelihood and consequence (a working example of which is provided in Attachment #1). The Guidance Document would also describe how the results of the Preliminary Risk Assessment would be used to inform decisions regarding the level of assessment.

APPEA and the CME believe that the risk assessment process – and in particular, its application to the scoping stage – must be open and transparent to ensure community trust in the process. It would be undertaken in consultation with the EPA to ensure trust in, and agreement with, the process and outcomes.

If the risk assessment process was made a formal requirement, there would be greater trust in the system and compliance with its outcomes. However, the process would need to be streamlined so that it did not add further bureaucracy to the approval process.

The system also would require understanding and acceptance by NGOs and other community stakeholders. This would necessitate careful consultation, which ensured that stakeholders understood that the outcomes of the proponent-government risk assessment were not simply a pre-emptive approval process.

APPEA and the CME members propose consideration of independent, third party facilitation in the risk assessment process. This may be a specialist consultant who would help guide and assist both the EPA and industry in the application of the risk-based approach. The facilitator may fill a coaching role and assist, particularly during the initial transition phase, in improving the quality and consistency of risk assessment. In time, it is considered that this role may be filled from within the EPA Service Unit.

It would be necessary to emphasise from the start the independent facilitator's role would be advisory, and not a *de facto* approval process. It also would be important to ensure that this process was efficient – adding value, not time.

Process

There are countless texts on environmental risk assessment and an Australian Standard for risk assessment more generally. The following provides a high-level summary of the process as it could be applied to the environmental assessment of resource developments.

Step	Note
<ul style="list-style-type: none"> ▪ Proponent identifies a project 	<ul style="list-style-type: none"> ▪ Project needs to be of sufficient definition (scope, location, activities etc) to enable hazards to be identified and potential impacts considered
<ul style="list-style-type: none"> ▪ Proponent undertakes Preliminary Risk Assessment 	<ul style="list-style-type: none"> ▪ This may be undertaken by a small group of relevant company personnel, or may involve an independent facilitator.
<ul style="list-style-type: none"> ▪ Proponent prepares referral and submits 	<ul style="list-style-type: none"> ▪ The Preliminary Risk Assessment accompanies the referral (thus being available to the public) ▪ EPA considers the referral and risk assessment ▪ The risk assessment would inform the decision regarding whether the project required assessment under Part IV – with low risk project less likely to require such assessment ▪ The risk assessment would also guide the level of assessment – with project presenting higher risks receiving a higher level of assessment
<ul style="list-style-type: none"> ▪ Proponent uses Preliminary Risk Assessment as input to Scoping Process 	<ul style="list-style-type: none"> ▪ See Upfront Scoping Process, herein
<ul style="list-style-type: none"> ▪ Proponent conducts EIA 	<ul style="list-style-type: none"> ▪ Low risk issues: <ul style="list-style-type: none"> ▪ <u>only</u> studied to the extent required to confirm conclusions of Screening Risk Assessment ▪ No detailed management measures required in EIA documentation ▪ Moderate and High risk issues studied in more detail ▪ Risk levels quantified and qualified as appropriate

Step	Note
<ul style="list-style-type: none"> ▪ Detailed risk assessment conducted during EIA 	<ul style="list-style-type: none"> ▪ Involves internal and external subject matter experts ▪ May involve independent facilitation (at proponent's discretion) ▪ May involve government agency personnel ▪ Proponents may choose to consult community stakeholders, NGOs etc regarding the risk assessment during this phase ▪ Important that the risk assessment remains current in light of increasing knowledge and understanding of the project and the environment
<ul style="list-style-type: none"> ▪ Agency assessment 	<ul style="list-style-type: none"> ▪ Assessment guided by risk assessment ▪ Projects that present a number of high risks are unlikely to be approved ▪ Projects that present moderate to high risks may be approved (depending on the issues) but are likely to require appropriate environmental offsets ▪ Projects that only present moderate risks are likely to be approved, subject to appropriate outcomes-based commitments (refer to Outcomes -based Assessment, herein)

Initial Actions

Industry considers that it has a significant role to play in the development of a risk-based approach, and is keen to participate in this regard.

There are good working examples of risk-based approach to assessment and management, such as those under the Petroleum (Submerged Lands) Act as applied by the Department of Industry and Resources, the Dangerous Goods Safety Act 2004, and the Contaminated Sites Act guidelines which embody the concept of risk. The precautionary principle in section 4A of the EP Act also deals with decisions being guided by an assessment of the risk-weighted consequences of various options.

These are an indication of the general acceptability of a risk-based approach within the WA regulatory framework.

In line with growing acceptability of the practice, many member companies of APPEA and the CME have developed their own approach to risk assessment, consistent with AS4360, but applied in a manner that recognises the issues faced by their specific activities. The HAZID process, in particular, offers great potential as a model to be applied to the development of a risk-based assessment process.

APPEA and the CME believe a key to the success of the risk-based approach to assessment is the development of a comprehensive, fit-for-purpose Guidance Document to direct the application of a risk-based approach.

APPEA and the CME would be happy to contribute to the development of the Guidance Document.

5 Outcomes-based Assessment

It is acknowledged that the EPA has already gone some way in implementing outcome-based assessments.

Benefits

An outcomes-based assessment process would shift the focus from detail for details sake to the environmental outcomes required to be achieved. This means that the focus is higher level – often involving matters of principle – and so proponents can consult the community on such matters much earlier in the project.

The move away from setting prescriptive environmental management measures in conditions allows the proponent room to use adaptive management to develop controls. This provides some flexibility, as long as the outcomes are achieved or exceeded.

The recent review of the AACR process (report currently with the Minister for Environment) also supported this change, saying the current reliance on management detail takes the focus off “achieving environmental outcomes, environmental standards and monitoring the environmental performance of the proposal”. It also discouraged continuous improvement or adaptive management, and added to the DEC workload without improved environmental outcomes.

Key Features

An outcomes-based assessment requires a proponent to develop a set of specific environmental objectives (or outcomes) and commit to conducting all necessary planning, assessment and management actions to achieve them. An important feature is that the proponent needs to outline what criteria will be used to measure the achievement of the objective.

To be effective, these objectives need to be defined in the context of government policy – which in turn needs to reflect community values.

As the process does not rely on agencies approving management measures, an effective outcomes-based assessment process needs to include an effective monitoring process and a method of ensuring that the nominated outcomes are achieved.

The South Australian *Petroleum Act 2000* provides a good example of an outcomes-based assessment process. The Act requires a proponent to conduct an environmental impact assessment for certain activities and then to prepare a Statement of Environmental Objectives (or SEO). The SEO must be developed through an open, consultative process and the project can only proceed if the SEO is approved by the Minister.

The SEO must state the environmental objectives to be achieved in carrying out the specified activities, as well as the measurement criteria used to assess whether the objectives have been achieved by the proponent.

The main focus of the regulatory process is to ensure that the environmental objectives outlined in the SEO are achieved. In so doing, the Act aims to ensure that proponent activities are properly managed within an ecologically sustainable framework to reduce environmental damage as far as reasonably practicable and acceptable to stakeholders and to eliminate the risk of significant long-term environmental damage.

The performance of the proponent against the SEO is publicly disclosed annually on an environmental register (<http://www.pir.sa.gov.au/petroleum/legislation>).

Public disclosure is an important aspect. APPEA and the CME believe that a suitable framework for reporting performance is currently provided under the Annual Audit Compliance Reporting process, which applies to licence holders under Part IV and V of the EP Act.

However, APPEA and the CME agree with the recommendations of the recent review of the AACR process (report currently with the Minister for Environment) which concluded that the preference of both the EPA and DEC was for the application of outcomes-based conditions on the basis of environmental risk, rather than requiring the preparation and implementation of environmental management plans through conditions.

Rather, the report said, proponents should be encouraged to propose such conditions in assessment documents to enable input by the community during public review of the project documentation.

This approach was seen as encouraging continuous improvement, or adaptive management of environmental issues. In other words, managing beyond compliance was regarded as a beneficial goal.

APPEA's revised Code of Environmental Practice (currently in draft form) also provides a good example of an outcomes-based approach to assessment and management, requiring environmental objectives to be developed that reflect the environmental outcome following successful management of activities and (where appropriate) remediation of impacts.

Process

An outcomes-based assessment process would be an integral part of the risk-based assessment process, with outcomes (or environmental objectives) being developed during the early screening and scoping stages and refined during the environmental impact assessment. The following is a summary of the key steps.

Step	Note
▪ Proponent identifies a project	▪ Project needs to be of sufficient definition (scope, location, activities etc) to enable hazards to be identified and potential impacts considered

Step	Note
<ul style="list-style-type: none"> ▪ Proponent undertakes Preliminary Risk Assessment 	<ul style="list-style-type: none"> ▪ Key risks and potential impacts are identified ▪ The proponent formulates the preliminary environmental objectives based on available knowledge
<ul style="list-style-type: none"> ▪ Proponent refers the project to the EPA 	<ul style="list-style-type: none"> ▪ The referral would include preliminary environmental objectives ▪ Public and government would have opportunity to comment on the acceptability of the objectives
<ul style="list-style-type: none"> ▪ Proponent conducts EIA 	<ul style="list-style-type: none"> ▪ The environmental objectives are refined and included in the environmental impact assessment document
<ul style="list-style-type: none"> ▪ EPA assessment 	<ul style="list-style-type: none"> ▪ The EPA would assess the appropriateness of the outcomes-based commitments and environmental objectives.
<ul style="list-style-type: none"> ▪ Compliance 	<ul style="list-style-type: none"> ▪ The proponent undertakes an assessment of the achievement of objectives in accordance with an approved program ▪ The EPA undertake audits of (say) 5% of approved projects selected randomly to confirm achievement of objectives
<ul style="list-style-type: none"> ▪ Disclosure 	<ul style="list-style-type: none"> ▪ Proponents issue a report to the EPA outlining performance against agreed outcomes ▪ This report is publicly disclosed annually by the EPA

Initial Actions

A Guidance Document would assist the outcomes-based assessment process to function effectively. This document should not only provide guidance on the establishment of environmental objectives and measurement criteria, but should provide examples.

Project-specific objectives can only be prepared effectively within the context of community values. These are often reflected in government policy. Where policy is found to be deficient, the EPA should – as a priority – seek to establish a comprehensive environmental policy framework.

APPEA and the CME are committed to assisting the EPA, as appropriate, in such areas. The representative bodies are able to facilitate effective liaison with a wide range of member companies to assist EPA with a streamlined consultation process.

6 Administrative Processes

APPEA and CME have identified that the EPA SU resourcing and administrative processes are critical to a streamlined and efficient approvals process.

Of key concern in this area is the loss of senior agency personnel able to guide and assist proponents based on experience, and who possess the necessary confidence to apply professional judgement. The current problems are further exacerbated by the cumbersome approval process which is complex and involves some duplication of responsibilities.

While foundation funding of the EPA is a responsibility of government, APPEA and CME members are keen to explore ways to augment resources for the environmental approval process, allow the use of specialist consultants, or boost salary packages in a way that retained experienced staff within the agency.

Such an innovation would require transparency and a clear indication that the additional resources from non-government sources are in no way tied to approval. However, there would be an expectation that any resources provided would be afforded to assist the approvals process and the assigning of priorities that ensured agencies met specified timeframes.

Going forward, it will be important that relevant agencies have in place appropriate training, career development and mentoring programs. These will not only directly add value to the assessment process, but will improve staff retention.

The following are some key strategies that APPEA and the CME believe could be implemented to address the current resource constraints and inefficiencies:

- Allow projects to fund contract positions within the EPA Service Unit. The EPA would select and appoint contractors, industry would fund the positions and the position would be dedicated to supporting the assessment process for the specific project.
- Adoption of a risk-based assessment system to allow EPA personnel to limit their focus to key issues.
- Use of an independent, third party to facilitate and guide the risk assessment process.
- Review of agency responsibilities that removed duplication between regional and head office personnel.
- Development and implementation of improved communication protocols and systems both within agencies and between agencies and industry.
- Establishment of fixed timelines for relevant steps of the assessment process. Both EPA and proponent would be bound by these.
- Establishment of a process which allows non-statutory timelines to be agreed and fixed on a project-by-project basis for all relevant steps.

7 Conclusion

APPEA and the CME welcome the EPA's review of the EIA process, which is seen as the timely beginning of a new chapter in environmental approvals in WA. APPEA and CME believe that important and beneficial changes can be made to the

approvals system without compromising WA's high level of protection and environmental controls.

Industry also sees the review as an opportunity to strengthen productive working relationships between proponents, government and the community at a time when the resources industry is playing an increasingly dominant part in the State's development and prosperity.

APPEA and the CME believe the EIA process requires change to operate effectively in this development climate. Three major changes are recommended:

- Adoption of a risk-based assessment process that incorporates an outcomes-based approach. A risk-based approach to scoping in particular, would address many of the concerns held by the resources sector. It also would simplify and streamline the system and make it more transparent, while increasing focus on the key environmental issues for each project.
- The introduction of a number of administrative changes within the EPA Service Unit, including increased service-orientated approach, improved communications, the mentoring and coaching of younger staff, aligning risk-based approach to staff decision making, and avoiding duplication and reducing the administrative burden by streamlining the handling and review of proponent documentation. Certainty of timelines for all aspects of the approvals process, with well documented and transparent stop-the-clock mechanisms is also required.
- The shift to an outcomes-based approach to environmental risk assessment and performance has considerable support within government. The recent review of the AACR process (report currently with the Minister for Environment) reported that this was the preferred approach to environmental assessment of both the EPA and the DEC.


Developing such a system and bringing it into practice would require wide consultation and agreement between proponents, government and the community stakeholders. Industry is willing to participate fully in both phases of the process.


Overall, APPEA and the CME believe the EIA review provides government with an opportunity to give WA a world-class approvals system - one which encourages investment and expedites development, while maintaining the highest standards of environmental protection.


Attachment #1

Example Risk Matrix

		Consequence category				
		5	4	3	2	1
		Minor	Moderate	Serious	Major	Critical
Likelihood category	1 Almost certain					
	2 Likely					
	3 Possible					
	4 Unlikely					
	5 Remote					

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Low risk: Further assessment in EIA not required

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Medium risk: Further assessment in EIA required

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High risk: Further assessment in EIA required

Example definitions for likelihood

Likelihood category	Description
1 Almost certain	Very likely to occur on an annual basis, includes planned activities. Socio-economic description includes the period during construction.
2 Likely	Likely to occur more than once during the life of the proposed development.

Likelihood category	Description
3 Possible	May occur within the life of the proposed development.
4 Unlikely	Not likely to occur within the life of the proposed development.
5 Remote	Highly unlikely and unheard of in industry, but theoretically possible.

Example definitions for consequence

	1	2	3	4	5
	Critical	Major	Serious	Moderate	Minor
Restricted flora and vegetation	Widespread and long-term decrease in abundance of flora or impact to community structure.	Widespread and long-term decrease in abundance of flora or impact to community structure.	Widespread, short-term or local, long-term decrease in abundance of flora or impact to community structure.	Widespread, short-term or local, long-term decrease in abundance of flora or impact to community structure.	Local and short-term decrease in abundance of flora or impact on community structure. Sub-lethal physiological impacts.
	Extinction in the Project Area, or reduced viability in the immediate region.	Reduction in viability of taxon or community in the Project Area.	Reduced viability of community taxon in local area, no reduction in viability in the Project Area.	No reduction in community/taxon viability in local area.	
General flora and vegetation	Widespread and long-term decrease in abundance of flora or impact to community structure.	Widespread and long-term decrease in abundance of flora or impact to community structure.	Widespread and long-term decrease in abundance of flora or impact to community structure.	Widespread, short-term or local, long-term decrease in abundance of flora or impact to community structure.	Widespread, short-term or local, long-term decrease in abundance of flora or impact to community structure. Sub-lethal physiological impacts.

	1	2	3	4	5
	Critical	Major	Serious	Moderate	Minor
	Extinction in immediate area.	Extinction in the Project Area, or reduced viability in the immediate region.	Reduced viability of taxon or community in the Project Area.	Reduced viability of community or taxon in local areas, no reduction in viability in the Project Area.	No reduction in community/taxon viability in local area.
Listed terrestrial fauna	Widespread, long-term impact to population. Extinction any Project Area race.	Local, long-term or widespread, short-term impact leads to loss of local population/s and reduced viability of any Project Area race.	Widespread, long-term behavioural impact.	Local, long-term or widespread, short-term behavioural impact.	Local, short-term behavioural impact.
			Local, long-term or widespread short-term decrease in abundance.	Local, long-term or widespread, short-term decrease in abundance.	Local, short-term decrease in abundance. No lasting effects on local population.
			Loss of individuals leads to reduction in viability of local population. No reduction in viability of race in the Project Area.	Loss of small number of individuals without reduction in local population viability.	
General terrestrial fauna	Loss from immediate region.	Widespread, long-term impact on population. Extinction in the Project Area.	Local, long-term or widespread, short-term impact leads to loss of local population/s and reduced viability in the Project Area.	Widespread, long-term behavioural impact.	Local, long-term or widespread, short-term behavioural impact.
				Local, long-term or widespread, short-term decrease in abundance.	Local, long-term or widespread, short-term decrease in abundance. Loss of small number of individuals without reduction in local population viability.

	1	2	3	4	5
	Critical	Major	Serious	Moderate	Minor
				Loss of individuals leads to reduction in viability of local population. No reduction in viability in the Project Area.	
Subterranean fauna	Loss from immediate region.	Widespread, long-term impact on population. Extinction in the Project Area.	Local, long-term or widespread, short-term impact leads to loss of local population/s and reduced viability in the Project Area.	Widespread, long-term behavioural impact.	Local, long-term or widespread, short-term behavioural impact.
				Local, long-term or widespread, short-term decrease in abundance.	Local, long-term or widespread, short-term decrease in abundance. Loss of small number of individuals without reduction in local population viability.
				Loss of individuals leads to reduction in viability of local population. No reduction in viability in the Project Area.	