



INFORMATION SHEET

THINGS YOU NEED TO KNOW ABOUT EPA'S LICENSING REFORM PROGRAM

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HOW DOES EPA'S LICENSING SYSTEM WORK?

EPA Victoria (EPA) is responsible for preventing or controlling pollution and improving the quality of the environment for the benefit of all Victorians. EPA licenses premises that present a risk to the environment. These premises are defined in the *Environment Protection (Scheduled Premises and Exemptions) Regulations 2007* and are required by the [Environment Protection Act 1970](#) to be licensed to discharge, handle, treat or dispose of waste.

WHY IS LICENSING BEING REFORMED?

EPA's licensing system is over 30 years old. Environmental challenges have changed, communities are more aware and have higher expectations, and businesses are more responsive to environmental needs. EPA and its systems need to adapt to these changes.



HOW WILL THE ENVIRONMENT BENEFIT?

Environmental licences will be more accessible, will look different and will be easier to understand and manage. Ultimately, the environment will benefit from a more streamlined, consistent, and efficient licensing system.



Licence-holders will be responsible for understanding how their operations impact the environment. A more tailored approach to monitoring a site's environmental performance will ensure that key potential impacts are managed more appropriately – and licence-holders' senior executives will be more accountable for the risks their operations present to the environment.

With a more efficient system, EPA can focus on improving compliance. EPA will also have a greater capacity to assist businesses that want to move beyond simply complying with their licence.

WHAT WILL CHANGE?

- **Responsibilities will be clearer**, so that both licence-holders' and EPA's obligations are easier to understand and fulfil.
- **Annual reporting will be more straightforward:** Licence-holders will submit an annual performance statement (APS) via an online system every financial year. This will lead to reduced administrative costs. And it will mean performance against obligations is easier to determine, interpret and take action against where necessary.

- **Licence conditions are more standardised:** Conditions have been modified to be more consistent in language and intent. This ensures greater consistency across sectors and makes licences easier to read, understand and comply with.
- **Licences will be more accessible:** Licences and annual reports will be available online and free to access, increasing transparency and community awareness. Go to the licensing reform section of the EPA website, www.epa.vic.gov.au, to see what a new licence will look like.
- **Licence conditions are more ‘outcome-focused’:** Licence-holders themselves are now able to work out how to achieve the outcomes specified by the conditions in their licences, with support and guidance provided by EPA. This new accountability will lead to improved compliance across businesses and create more opportunities for businesses to adapt to today’s environmental challenges.
- **Monitoring programs will no longer be reviewed or approved by EPA.** However, it is the responsibility of each licence-holder to build a monitoring program that will enable them and EPA to determine compliance with their licence. EPA will inspect and audit premises to ensure limits are complied with and appropriately monitored.
- **Environment improvement plans (EIPs)¹ will no longer be submitted to EPA.** But EPA encourages licence-holders to retain existing EIPs as a way of driving continuous improvement.



WHAT WON’T CHANGE?

- **EPA will continue to fulfil its regulatory role:** Non-compliance and performance below licence requirements will be dealt with consistently and transparently.
- **Type of business requiring a licence:** Businesses listed in the *Environment Protection (Scheduled Premises and Exemptions) Regulations 2007* will still require a licence.
- **Compliance with licence conditions is still required:** Licence-holders must still comply with their licence requirements and the [Environment Protection Act](#). With clearer and more consistent conditions, EPA will be in a better position to prevent non-compliance and use enforcement tools. The Environment Protection Act specifies penalties for breach of licence conditions or for operating a site without a licence.
- **Licences will still contain discharge limits:** Unless lower limits are requested, existing discharge limits will transfer over to the reformed licence.
- **EPA will continue to provide support** to improve environmental performance through guidance materials, personal site visits, performance audits, meetings, and other sustainability services.

Q. I’m part of a community that takes interest in its local environment – how will this reform affect us and the businesses around us?

A. You can be assured licence-holders will be responsible for having a greater understanding of the impacts their operations have on your environment. Licence-holders will need to prioritise the protection of the community and environment in their systems and take more responsibility for their business’s environmental performance.

You’ll have easier access to more current information. You can read about the environmental conditions a licence-holder is required to comply with and how they’ve performed against them on a yearly basis. With significant penalties associated with companies providing false, misleading or inadequate information in their APS, you can be more confident that the information provided is current, relevant and accurate.

Community liaison committees (CLCs) will function as usual. If you’re a member of a local CLC, you’ll still be able to liaise with the licence-holder to ensure both parties are benefiting from a better understanding of all concerns, restrictions and drivers.

And with less time required to administer licences, EPA can spend more time ensuring compliance and enforcing where required.

¹ EIPs submitted as a response to another mechanism (such as a State environment protection policy, notifiable chemical order or accredited licence requirement) will still be required. Similarly, EIPs that are the basis for a works approval or licence exemption will also be required.

Q. I run a business that’s licensed by EPA – how will this reform affect me?

A. Your licence will be easier to understand and comply with. It will allow more flexibility to prevent non-compliance. We hope it will also allow you more scope for adapting to other environmental challenges such as climate change. And it will ensure greater consistency across industry sectors so that environmental conditions, standards and expectations are understood by the whole industry.

You’ll need to have a good understanding of the environmental risks and impacts your business presents. You’ll then be responsible for managing these risks so that pollution incidents can be predicted, prevented and more appropriately responded to.

You’ll develop your monitoring program, which will be based on your risk assessment. Your licence will still have the same discharge limits, and waste types if you’re a landfill operator or waste treater. Reporting via an APS will take less time, allowing you to spend more time on your environmental responsibilities.

If you need help, there are draft guidance materials to help you to interpret your conditions, develop an adequate monitoring program and report to EPA:

- Licence management guidelines help you to understand the content of your licence, what you need to do to comply, and how EPA expects you to perform and respond to non-compliance incidents.
- Licence assessment guidelines help you with your risk assessment, the development of your monitoring program, interpreting and using your data.
- Annual performance statement guidelines help you prepare your APS.
- Landfill licensing guidelines help you, if you’re a landfill operator, to understand specific landfill licensing requirements.

Visit our website at www.epa.vic.gov.au to read these guidelines. They will be open for comment for four weeks from the week of 22 February 2010.

To ensure you stay informed, EPA will be contacting you directly over the next few months. We’ll also be using letters, emails and faxes, so please make sure we have your most current key contact details.

HOW WILL LICENSING REFORM WORK?

Licensing reform will be a staged process. With over 600 licences, it is impossible to reform all licences at once. EPA will progressively roll out the reform between March and December 2010.

Licences are developed by specialised EPA staff. During the roll-out, each licence-holder will have the opportunity to comment on the proposed revisions to their licence via the online licence portal.



HOW WILL EPA KNOW IF A BUSINESS IS COMPLYING WITH ITS LICENCE?

- **Annual performance statements (APS)** must be submitted by every licence-holder. Each APS will list a company’s performance against each licence condition and must be signed off by the most senior officer in the company. Incidents of non-compliance must be reported immediately to EPA. The APS will report information on how these incidents were followed up.

EPA will review each APS to ensure it is complete with relevant information. Significant penalties, including two years imprisonment, exist for providing false or misleading information in an APS, or concealing relevant information and are specified in the [Environment Protection Act](#).

- **Monitoring programs** must be developed by each licence-holder to ensure they, and EPA, can determine licence compliance. To do this, licence-holders must use a risk-based approach to determine the level of monitoring required. They'll be familiar with how their site interacts with the environment and community, and able to develop an appropriate monitoring program.

These monitoring programs will be auditable documents that must be retained on premises for seven years. Documents older than three years may be archived, but must be made available to EPA at the premises on request. Licence-holders will have until 30 June 2011 to review and implement an appropriate monitoring plan.

- **Ongoing contact** with EPA through meetings, random and targeted audits, site visits and inspections will continue as part of EPA's new business model.

WHAT ABOUT ONGOING ENVIRONMENTAL IMPROVEMENT?

Today, businesses have much better systems and processes to manage their environmental risk without the extra task of submitting an EIP to EPA. This is often unnecessary and duplicative 'red tape'. Licence-holders will no longer be required to submit EIPs, but they are still expected to have appropriate management systems in place, and to use them. EIPs can act as effective drivers for continuous improvement and/or as community engagement mechanisms. By reducing reliance on EPA approval of EIPs, licence-holders will need to take a greater ownership of how they ensure ongoing environmental improvement.

Removing the requirement for EIPs will not affect the operation of any voluntary EIP a client may have developed with the community, as this has never been a licence requirement. EPA expects that engagement driven by these EIPs will continue.

Regular contact with EPA will also mean licence-holders will be more aware of the range of business development and sustainability services EPA provides. Using such services will result in much broader outcomes for the environment, such as reduced waste generation, more efficient use of energy and water, and reduced carbon footprint.

EPA will continue to take enforcement action against licence-holders for non-compliance where appropriate. The [Environment Protection Act](#) specifies penalties and other enforcement tools that can be used in the event of a breach of licence, or if a business is operating a site without a licence.

FURTHER INFORMATION

Visit EPA's website www.epa.vic.gov.au to stay updated on licensing reform, find guidance, read Frequently Asked Questions, and learn about upcoming events.

Contact us at licensing.reform@epa.vic.gov.au for further information.