

CHEMICALS ACTION PLAN FOR THE ENVIRONMENT

2<sup>nd</sup> PROGRESS REPORT  
1 July 2008 – 30 June 2010

## INTRODUCTION

This is the second progress report to the Environment Protection and Heritage Council (EPHC) on the implementation of the National framework for Chemicals Environmental Management since the signing of the 2007 NChEM Ministerial Agreement. Chairing of the EPHC NChEM Working Group, which is responsible for progressing the Chemicals Action Plan for the Environment, transferred from New South Wales to South Australia in September 2008. The NChEM Working Group met eight times between July 2008 to June 2010. A chart of key dates and events of the Working Group since its inception is attached (Attachment 1).

A key feature of the NChEM Working Group's activities during this reporting period has been to give effect to decisions by the EPHC and the Council of Australian Governments (COAG) in response to the 2008 Productivity Commission investigation into chemicals and plastics regulation. At the same time good progress continued to be made with the implementation of other priorities identified in the NChEM Chemicals Action Plan for the Environment that formed part of the 2007 Ministerial Agreement. A number of priority activities have been completed while others have been subsumed under actions to implement the more recent decisions by Environment Ministers and COAG in response to the Productivity Commission Report. Details are provided in the 'Background' section below.

To reflect this change in focus, a revised NChEM Chemicals Action Plan for the Environment has been prepared to guide the next phase of the NChEM work program. To accomplish the objectives set by Environment Ministers and COAG, this next phase will be characterised by the establishment of new governance arrangements including the proposed Environmental Chemicals Bureau and strengthening relationships with coordinating structures such as the recently formed COAG Standing Committee on Chemicals (SCOC). EPHC is represented on SCOC by the Chair of the NChEM Working Group. Attention will be given to improving the effectiveness and efficiency of managing chemicals in the environment through further development of control manuals, assessment of chemical labelling options, and consideration of the need for a performance measurement framework for monitoring the impact of chemicals in the environment in addition to periodic reporting to EPHC and COAG on implementation of the NChEM Chemicals Action Plan for the Environment.

## BACKGROUND

The National Chemicals Working Group was established by EPHC in October 2003. Following extensive consultation with stakeholders, the National framework for Chemicals Environmental Management was endorsed by Environment Ministers on 2 June 2007. The NChEM package that was endorsed by Ministers comprises a Ministerial Agreement on *Principles for Better Environmental Management of Chemicals* which provides an overarching framework for action, and a *Chemicals Action Plan for the Environment* containing detailed actions. The actions are aimed at identifying chemicals of concern with an initial focus on industrial chemicals, efficiently assessing their risks for the environment and promoting effective controls for their use. It also seeks to improve stakeholder engagement and public information.

The key elements of NChEM are a set of four linked action areas:

1. Environmental Risk Assessment
2. Environmental Controls
3. Feedback of Information
4. Prioritising Action

NChEM is designed to achieve a number of key outcomes including:

- giving Australians greater confidence that potentially harmful high risk chemicals are subject to appropriate and consistent environmental controls across the nation;
- making it simpler and more cost effective for industry to fulfil its obligations for managing the environmental implications of chemicals by streamlining current systems, reducing fragmentation, and bringing transparency, simplicity and consistency;
- increasing information about and understanding of chemicals and the environment so that governments, industry and the community can make informed choices about chemicals and help identify areas needing greater attention so that resources can be allocated strategically and proactively to produce improved outcomes; and
- helping Australia meet its international obligations for sound management of chemicals, for example under the Stockholm Convention on Persistent Organic Pollutants.

The first progress report by the NChEM Working Group to the EPHC covered the initial implementation stage of the National framework for Chemicals Environmental Management from June 2007 to June 2008 (a copy of this report is available on the EPHC's website [www.ephc.gov.au](http://www.ephc.gov.au)).

In July 2008 the Productivity Commission (PC) released a report into the regulation of chemicals and plastics, which included a number of recommendations relating to managing the impact of chemicals in the environment. A key focus of the NChEM Working Group's work following the release of the report was development of an EPHC Implementation Plan for putting in place COAG's response to these recommendations. After considering the proposals contained in the Plan, COAG made the following decisions:

**Environmental Labelling (in response to PC Recommendation 9.1)**

COAG agrees that the Environment Protection and Heritage Council (EPHC) will examine the costs and benefits of mandatory environmental labelling of chemicals, recognising that environmental labelling of industrial chemicals is not mandatory at present. COAG notes that the study will have some resource implications and that legislative change may be required should the study demonstrate net benefit to the community from mandatory labelling.

**Environmental Chemicals Bureau (in response to PC Recommendation 9.2)**

COAG requests the Environment Protection and Heritage Council (EPHC) to report back to COAG with a proposal for consideration in the first half of 2009 for establishing a standard-setting body for chemicals in the environment which will report to the EPHC. COAG notes that this will close a significant gap in the current arrangements for environmental protection and provide for a single national decision on the environmental management of chemicals which can be adopted by reference and applied consistently in all jurisdictions.

**Performance Measurement Framework (in response to PC Recommendation 9.3)**

COAG agrees that the Environment Protection and Heritage Council (EPHC) will examine the feasibility of developing a performance measurement framework for monitoring the impact of chemicals in the environment, both for impacts on the environment and human health. In developing the study, the EPHC will consult closely with other ministerial councils with an interest in the environmental monitoring of chemicals, noting the need to avoid duplicating effort across jurisdictions or portfolios.

Work on implementation of these decisions commenced and will remain a key feature of the NChEM work program over the next two years.

**KEY ACHIEVEMENTS TO JUNE 2010**

The following results to achieve the objectives in the NChEM Chemicals Action Plan for the Environment: 2007 and to give effect to subsequent EPHC and COAG decisions have been achieved:

- EPHC and COAG approved the EPHC Implementation Plans (developed by the NChEM Working Group) detailing proposals for progressing COAG's responses to the environment protection recommendations contained in the Productivity Commission's report on Chemicals and Plastics Regulation.

- The consultant engaged to review current overseas and Australian institutional arrangements for environmental labelling of chemicals, and to identify gaps in environmental labelling and possible responses, completed their report.
- EPHC, and subsequently COAG, approved a proposed model for establishing a national standard setting body which set out an approach to its composition and operation. Approval was also given for further work to be undertaken by the NChEM Working Group to develop legislative and funding options in support of the body, prior to broader community consultation.
- A legal consultant has been engaged to provide advice on legal options for establishing the proposed national standard setting body.
- Detailed information on available state and territory regulatory and other tools and existing requirements to manage the environmental impacts of chemicals, has been completed by most jurisdictions relating to three key methods of disposal (disposal to sewer/trade waste; disposal to landfill and other eg used tyres and waster rubber etc). Following collation of the relevant informationl a publicly available fact sheet will be developed, which will outline, using examples, how the resulting manual will be used to produce more targeted risk management recommendations.
- Streamlined referral of and participation in NICNAS risk assessments, such as sodium cyanide or new chemicals; participated in development of criteria for prioritisation of assessments of existing chemicals
- Workshop on performance measurement framework
- The Chair of the NChEM Working Group represents the EPHC on the new COAG coordination structure – the COAG Standing Committee on Chemicals
- The National Chemicals Monitoring Database, which provides a snapshot of chemical monitoring activities in Australia, was released on 24 November 2009, complementing the existing National Chemical Information Gateway and the National Chemical Reference Guide (<http://www.environment.gov.au/settlements/chemicals/monitoring/index.html>).
- Following the release by the National Industrial Chemical Notification and Assessment Scheme's (NICNAS) priority risk assessment report relating to triclosan, national, state and territory environment agencies, have worked together through the NChEM Working Group to design and commence an Australia-wide targeted sampling study of the levels of triclosan in sewage effluent in reponse to data gaps identified in the report.
- The NChEM Advisory Group, which includes industry and non-government organisation representation, met three times since December 2008. Over this time, the Advisory Group has provided stakeholder perspectives on the work of NChEM, including the COAG decisions on chemicals reform.

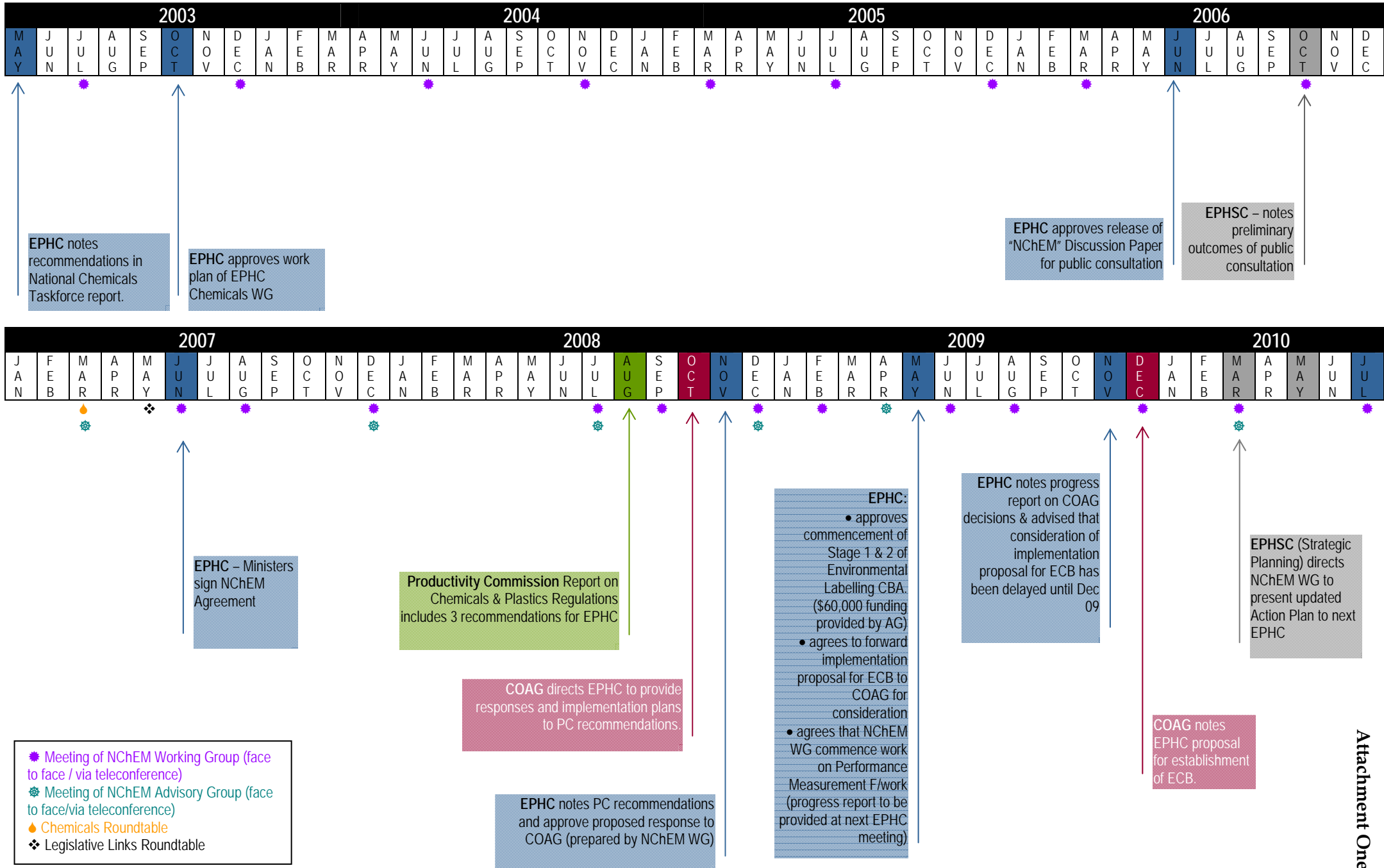
The remaining actions in the NChEM Chemicals Action Plan for the Environment: 2007 have either been incorporated in or amended by COAG decisions in response to the Productivity Commission's 2008 Report. The NChEM Working Group acknowledges the importance of improving linkages with various structures involved in the regulation of chemicals and engagement with key stakeholders. Some of this will take place through the proposed Environmental Chemicals Bureau and the Standing Committee on Chemicals, while the Working Group continue to ensure optimal communication and consultation with industry and community groups through various means such as workshops, communiqués and web information.

**For enquiries please contact:**

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**Attachment 1:** Chart of key dates and events

# Chart of Key Dates and Events: NChEM Working Group



- ✿ Meeting of NChEM Working Group (face to face / via teleconference)
- ⚙ Meeting of NChEM Advisory Group (face to face/via teleconference)
- 🔴 Chemicals Roundtable
- ❖ Legislative Links Roundtable