

NATIONAL CHEMICALS ENVIRONMENTAL MANAGEMENT - A FRAMEWORK FOR SUSTAINABLE USE OF CHEMICALS IN AUSTRALIA

NChEM QUESTIONS AND ANSWERS

What is NChEM?

- NChEM is a proposal for a national approach to deal more effectively with the potential environmental risks that chemicals pose.
- NChEM covers four key areas:
 - **Strengthening Environmental Risk Assessment** – by establishing agreed methods and better consultation so that potential problems are identified and may be prevented up-front.
 - **Streamlining Environmental Controls** – by introducing nationally consistent controls for chemicals of high environmental concern, industry can more effectively plan and manage their business and governments can make better use of resources through a joint approach.
 - **Informing our Decisions** – by improving feedback on chemical impacts so that decisions are practical, fit the problem and are informed by on-the-ground experience.
 - **Prioritising Action** – by identifying our highest areas of environmental concern while working with the public, environment groups, industry and chemical users so that we can be pro-active and strategically focused.

What is the focus of NChEM?

- The primary focus for NChEM is to improve the way we protect the environment from chemical risks.
- The NChEM proposal is designed to link with the frameworks already in place for protecting worker safety, human health and international trade. The proposal would assist existing national chemical assessment and regulatory agencies to do their job effectively.
- In Australia, chemicals are assessed and approved according to their end use – industrial chemicals, agricultural and veterinary chemicals (agvets), therapeutics and food additives. The focus for improving the current system is primarily on the industrial chemicals management system, with some minor refinements suggested for the agvet system.
- NChEM aims to make improvements to the environmental management of chemicals in the industrial chemical management area because this is where significant gains can be made to the current systems in a reasonable timeframe.
- NChEM does not deal with ozone depleting substances, Genetically Modified Organisms (GMOs), radioactive substances, dangerous goods management systems or chemical weapons.

Why do we need NChEM?

- The sound management of chemicals is essential for the protection of the environment, human health and sustainable development. If the risks from certain chemicals are not managed appropriately, then they can have devastating impacts, as we have seen over time with substances like DDT and asbestos.
- NChEM is designed so that potential environmental problems can be better identified and managed up front. In this way we can protect the environment and minimise the risk of future costly chemical clean-ups for industry, governments and communities.

- Australia already has a robust chemical management system with frameworks in place that protect human health, worker safety and trade. As a result of the work by the National Chemicals Taskforce (http://www.ephc.gov.au/pdf/EPHC/chemicalsmgt_scoping.pdf) a nationally consistent framework for protecting the environment was recommended. Importantly, in relation to industrial chemicals there is no simple system to ensure decisions based on outcomes of environmental risk assessment processes are implemented consistently across Australia.
- Because chemicals provide society with so many benefits and the use of chemicals will continue to play a major role into the future, we need to act now to put in place the right tools and mechanisms to adequately deal with those high-concern chemicals that may present a problem for our environment now and into the future.

What are the benefits of NChEM?

- The NChEM proposal would deliver:
 - better coordination, transparency and consistency across all levels of government
 - application of appropriate and consistent controls across Australia for those chemicals that may be of higher environmental concern, through streamlined regulation
 - better information and understanding of chemicals and the environment so that governments, industry and the community can make informed choices about chemicals, and
 - the application of a strategic and proactive approach in allocating resources to those areas that require attention, thereby producing improved outcomes for the community, the economy and the environment.

How does NChEM fit with the Council of Australian Governments (COAG) reforms on regulation and reducing red tape?

- NChEM will assist in the reform agenda proposed under COAG by improving national consistency in chemicals management.
- Through NChEM, a more streamlined approach to managing the environmental impacts from chemicals would be implemented by Australian Government, states and territories. Agreement across Australia on how chemicals of concern would be regulated following their assessment or review at the national level is an important component of this approach.
- NChEM would reduce complexity and improve consistency across Australia, leading to significant environmental and economic benefits for industry and the community.

Would NChEM increase regulation?

- NChEM is not aiming to increase regulation. Rather NChEM aims to use existing policies to ensure that appropriate tools are in place to manage chemical-related risks. It also aims to ensure that responsible agencies have the capacity to implement those tools consistently.
- The reforms are intended to improve integration of national chemical assessments with state and territory management approaches. This would decrease complexity and improve consistency in chemicals regulation, and assist in reducing the regulatory burden on business in line with the current COAG agenda. Differences in chemical controls applied by states and territories should diminish, creating a more consistent regulatory environment across the country.

How would NChEM improve coordination and provide for better links between the environment and other portfolios and between different levels of government?

- NChEM would see environment agencies across Australia working together on key environmental chemical issues. Greater interaction and co-operation between state and territory environment agencies and national chemicals regulators would lead to improved environmental outcomes for chemicals and more efficient use of resources.
- The NChEM proposals are designed to build on and strengthen the current approaches to environment protection within Australia's chemical management systems. They would complement systems already in place for managing chemicals from occupational health and safety, dangerous goods, trade and public health perspectives.

How would NChEM streamline the existing chemical management processes?

- NChEM would ensure that management actions that are put in place to address environmental risks posed by chemicals are applied consistently across the nation. This would be largely achieved through the national assessment bodies having prime responsibility for making decisions about the availability, supply and use of chemicals in Australia (this is already the case for agvet chemicals, but not for industrial chemicals). The states and territories would be responsible for implementing and enforcing the decisions of the national chemical regulators in their jurisdictions.
- In order to implement NChEM, it is proposed that an intergovernmental agreement on managing chemicals in the environment would be signed by the Australian Government and each of the states and territories. The agreement would include the condition that all parties agree to apply the decisions of the national regulators in a consistent manner. There are many different models that could be used to implement these conditions and these will be discussed with stakeholders.

Would NChEM place new demands on the states and territories?

- It is expected that NChEM may see some upfront resourcing costs for jurisdictions (environment agencies). This would be balanced against the benefits flowing from greater prevention of problems down the track and reduction over time for the need for costly, resource intensive 'clean-up' of chemical legacies.
- A cost benefit analysis will be undertaken to quantify the potential financial costs associated with the State and Territories' expanded functions under NChEM as well as the broader economic impacts and benefits for all governments, industry and the wider community that would occur if NChEM were implemented. The analysis will be completed in the coming months.

Would NChEM environmental assessments continue to be based on risk?

- Yes. Australia takes a risk-based approach to assessing potential environmental impacts and this would continue.

Would NChEM slow down processes, as more people get involved in assessment decisions?

- Some parts may take longer while others will be shorter, but it is anticipated that requirements could be met within the existing legislative timeframes. For example, involving states and territories at an earlier stage in the assessment of some industrial chemicals may take a little extra time than is currently the case but there will likely be significant savings later on because there will no longer be investment of time and resources in pursuing options that are not suitable. Under NChEM, the outcome should be workable, relevant and acceptable to all jurisdictions. More involvement/input from states and territories will not be for all chemicals but only for a limited number of industrial chemicals of high environmental concern.

How are the environmental impacts of chemicals assessed anyway?

- As part of the proposed NChEM, there would be two ‘how-to’ assessment manuals released. These manuals would describe the process and the sorts of things that are considered when potential environmental impacts from chemicals are assessed.

Would the assessments consider the long-term impacts of chemicals after they have reached the market place?

- Environmental risk assessments already consider this. What the proposals under NChEM would add is a way to obtain better information about the use, disposal and fate of chemicals of high concern in the environment, so that the assessments would have better and more relevant information to draw upon. Overall, this would mean that there would be better consideration of the longer-term impacts of chemicals.

Would NChEM make it harder for industry to get a chemical assessed and approved?

- NChEM is not proposing to change the current timeframes for getting chemicals approved and assessed that are set in place by the national regulators.

Would NChEM reduce the costs associated with the assessment process?

- NChEM would not have any direct impact on the costs associated with getting a chemical assessed and approved. The current pricing structures set by NICNAS and the APVMA will be unaffected by NChEM. However, NChEM should deliver some second order efficiencies from a more coordinated and integrated system.
- NChEM aims to reduce complexity and improve consistency in the environmental management of chemicals, which should bring economic benefits for industry. Environment Ministers want to better protect the environment and community through NChEM and but will carefully consider the costs and benefits of any proposed changes before final decisions are made. A detailed analysis of the social costs and benefits of NChEM proposals is being undertaken. The value of this analysis will be in part dependent on the quality and quantity of information provided by industry, chemical users, environment groups and the public. **We encourage you to provide comprehensive information on how the NChEM proposals may impact on you or your business, organisation or community.**
- If you want to supply information about costs and benefits and want it to be treated confidentially please contact the Australian Government Department of the Environment and Heritage, which will be leading the economic analysis (*see Discussion Paper for contact details*).

Once implemented, would NChEM reduce access to chemicals?

- NChEM is not aimed at reducing access to chemicals. Rather, it aims to ensure that any environmental risks that may be identified are effectively and consistently managed.
- NChEM would help identify those cases where a chemical is of high environmental concern. Where the potential to harm the environment and humans cannot be effectively managed, NChEM would support mechanisms for removing the chemical from use.

How would NChEM ensure we get some “real-world” information about chemical use and environmental impacts?

- A key feature of NChEM is linking information about what we can and do observe about chemicals which are used in Australia back to the chemical management decision maker. This

would ensure that action could be taken to manage risks where we need to – but only where we need to.

- To make this happen NChEM proposes that:
 - state and territory agencies feed back information to the national regulators on the effectiveness of any chemical control measures being implemented within their jurisdictions;
 - » this will tell us, based on what is happening “on-the-ground”, whether the controls are right for the job
 - national regulators have simple to use systems that let the public, industry, chemical users and others provide information they may have about actual chemical use patterns, exposures or impacts;
 - » this will allow us to gather “real world” information in a central location so that it can be properly considered and acted on if necessary
 - national regulators consider expanding the use of their existing information gathering powers to obtain post-assessment information about chemicals of concern from those involved in the chemicals manufacture, import or use.
 - » this will give us “reality-based” information to replace the assumptions about possible impacts that we often have to rely on in the absence of other data. The better our real world exposure, use and impact data, the more we can confidently make science based risk management decisions.

How would NChEM help the national chemical assessment agencies understand what happens to chemicals in use?

- This is a valuable part of the proposed NChEM. It’s really important for risk assessors to be able to understand what happens on the ground. The proposals under NChEM would enable information to be provided or collected in those cases where there are doubts that the chemical is being used as it should be, or where new information has come to light that needs investigation. Such information may potentially include how much of a chemical is used in specific areas or crops, how it is applied, how much is left out there, and so on.

Would industry have to do anything extra that they are not doing now?

- On occasion, industry may need to provide some additional information or report on impacts about some of the chemicals it uses if they are of high concern, as directed by national assessment bodies.
- This would be limited to where there were significant concerns about the use of a particular chemical, and monitoring is needed to maintain confidence that potential risks are being effectively managed.
- Currently decisions by the regulators to curtail the use of certain chemicals are sometimes criticised by industry and users as being based on experimental predictions that do not reflect conditions of real use in the environment. Field monitoring would provide realistic field-based evidence and ensure that decisions by the regulators are sound.
- This potential “extra” action for industry would be balanced by the more consistent and streamlined national environmental control system that NChEM would deliver.

How will NChEM influence the process for action on priority and emerging chemical issues?

- NChEM would give the environment portfolio a more effective voice in determining priority chemicals of environmental concern. This is consistent with the nature of chemicals management

internationally, such as the recently agreed Strategic Approach to International Chemicals Management (SAICM).

- NChEM would establish a new national priority to identify chemical issues of environmental concern. It would prioritise issues based on transparent criteria and would establish a system to keep abreast of and filter new and emerging information from Australia and overseas on chemicals. Stakeholders, including from industry, environment and community groups would be given an opportunity to contribute to this process.
- Priority issues identified could be taken forward to the national regulators to include in their own processes for determining priority existing chemicals for review. NChEM would also use the capacity of Environment Ministers to take direct action on chemical priorities where it is appropriate, for example, a partnership with industry.

Would NChEM improve the process for nominating chemicals for review?

- While the processes for determining chemicals for review is the responsibility of NICNAS and the Australian Pesticides and Veterinary Medicines Authority (APVMA), NChEM would see better linkages to these systems. With the new enhancements, Environment Ministers would be able to jointly identify those chemicals that are a priority environmental concern and feed this information directly to the national regulators.

How can I get involved in setting priorities for chemicals and the environment?

- NChEM recognises that communities and industries need to be involved in setting priorities for chemicals and the environment. NChEM proposes to establish a stakeholder consultation forum, involving governments, industry, chemical users, environment groups and the general community to generate ideas, innovations and co-operative strategies for more effectively dealing with chemical problems in the environment. The forum would provide an open environment in which to raise concerns, identify emerging issues and discuss priorities.

We seem to be seeing more media stories about chemicals and new concerns about their possible adverse impacts. How will NChEM help us keep track of all this and know when we might need to take action to protect the environment?

- The national regulators already keep abreast of the latest information about chemicals from Australia and overseas. NChEM proposes to augment these systems through its priority and emerging issues model, which would see a greater focus on tracking and filtering new information to ascertain any environmental issues of potential concern. Ministers would then be in a better position to assess when and what action might be needed to protect the environment.

How would NChEM provide the public with information about chemicals and the environment? Would the information be easy to understand so that the community can make choices about what to do to reduce chemical exposures and risks?

Better information about chemicals and the environment is important if we are to feel confident about the choices we are making when we use chemicals and expose ourselves and the environment to them. Environment Ministers have already taken action to improve the information resources available to the public:

- The **Chemicals Information Gateway** is a website that makes it easy to access a wide range of information about chemicals on the internet. It is organised into key subject headings to make it easier to find information on particular aspects of chemicals. It is maintained by the Australian Government Department of the Environment and Heritage <www.deh.gov.au/chemicals-gateway>.

- The **National Chemical Reference Guide** is another web site that brings together all environmental standards and guidelines in Australia for over 600 chemicals in a central 'one-stop shop'. It is of great value for anyone seeking technical information about chemical properties and guidance information on environmental values for chemicals. It is also maintained by the Australian Government Department of the Environment and Heritage on its website at <www.deh.gov.au/chemicals-guide>.
- The Environment Protection and Heritage Council is working in partnership with other stakeholders to develop a **household chemicals education program**. The program is currently being developed in NSW by the Total Environment Centre in partnership with the NSW Environmental Trust and the NSW Department of Environment and Conservation, and will be made available to the other States and Territories. The program will cover: everyday chemical uses in products inside and outside the home; pesticides used in home gardening; and chemicals used by "do-it-yourself" renovators. The aim of the program is to educate householders and give them easy access to information about chemicals they normally come across in these situations, how to minimise risks and reduce exposure to their families and themselves.
- NChEM will also see the creation of several new manuals covering environmental chemical risk assessments and environmental chemical controls. These manuals will be valuable public resources that provide greater transparency and improved understanding of how chemicals are assessed and managed in Australia.

How would the community be able to get more involved in chemical issues under NChEM?

- NChEM proposes several significant roles for the community.
- The community would be asked to participate in decision making processes on chemicals in the proposed stakeholder forum. This will increase the community's influence in setting chemical priorities for the environment and will also help to increase transparency and generate confidence in decision making on chemicals.
- NChEM would also enable the community to more easily provide information on chemical impacts by working with national regulators to improve and promote post marketing chemical information reporting systems. Members of the public can already use the APVMA's Adverse Effects Reporting Program (AERP) to report any adverse experiences (whether related to health, environment, or effectiveness of agvet products) online at <http://www.apvma.gov.au/qa/aerp_ag_vet>.
- For industrial chemicals, the NICNAS Community Engagement Charter, applied to all NICNAS activities, sets out principles and the engagement protocol for dialogue with stakeholders. The NChEM initiative is seen as complementary to this Charter.

How would NChEM link in with other frameworks in place, such as worker safety and health?

- NChEM aims to link to other frameworks in place by:
 - ensuring risk management recommendations reflect the requirements for those areas e.g. application of dangerous goods rules
 - enhancing communication and coordination with the appropriate agencies responsible for worker safety and human health; and
 - greater interaction at the intra-jurisdictional level (i.e. between occupational health and safety, health, agricultural and environment agencies) to ensure that risk assessment recommendations are being applied, where required.

How would NChEM link to the introduction of a Globally Harmonised System on classification and labelling (GHS)?

- GHS hazard classifications for acute/chronic aquatic toxicity are already provided in environmental risk assessments for industrial chemicals. For other chemicals, NChEM will aim to ensure that the environmental risk assessments that are undertaken consider Australia's international obligations, including GHS classification.

How would NChEM contribute to international management of chemicals e.g. the 2020 goal established at the World Summit on Sustainable Development (WSSD) in 2002?

- NChEM would build upon Australia's activities to reach the 2020 goal that chemicals are produced and used in ways that minimize significant adverse impacts on the environment and human health. NChEM builds and strengthens Australia's approach to this goal by:
 - strengthening existing mechanisms that have been put in place, both by governments and industry,
 - promoting exchange of knowledge and information, and
 - providing opportunities for new initiatives and collaborative stakeholder involvement in the management of chemicals.