

DEPARTMENT OF DEFENCE
CANBERRA ACT 2600, AUSTRALIA

1 December 98

Dr Neil Byron
Presiding Commissioner
Productivity Commission
Level 28 Telstra Tower
35 Collins Street
Melbourne VIC 3000

Dear Dr Byron,

**Review of Implementation of Ecologically Sustainable Development by
Commonwealth Departments and Agencies.**

Please find attached a 'supplementary statement' in support of the previously submitted Defence Questionnaire response to the review of implementation of Ecologically Sustainable Development.

If you require further discussion on the Defence response, please contact Ms Kim Isaacs, Director Environment and Heritage on 02 6266 3707.

We look forward to the outcomes of your review.

Yours sincerely

David Templeman
Assistant Secretary Resources and Policy
Defence Estate Organisation

PRODUCTIVITY COMMISSION REVIEW

Implementation of Ecologically Sustainable Development by Commonwealth Departments and Agencies.

DEPARTMENT OF DEFENCE SUPPLEMENTARY STATEMENT

INTRODUCTION

The Defence Organisation's approach to implementation of the National Strategy on Ecologically Sustainable Development (ESD) was addressed in the Defence response to the Review Questionnaire. That response contained details of the key programs demonstrating implementation in Defence.

The aim of this supplementary statement is to expand on the information provided in the Defence questionnaire response, by addressing some more specific Defence initiatives and additional issues, including the relationship between Defence and other Commonwealth agencies, and our recent adoption of the risk management approach to environmental management.

RELATIONSHIPS WITH COMMONWEALTH AGENCIES

In addressing Ecologically Sustainable Development principles, through environmental management, Defence deals mainly with Environment Australia (EA). Aspects of the working relationship with EA have been codified in a Memoranda of Understanding. These were described in the Questionnaire response. The most important arrangement is the delegation of authority for environmental assessment under the Environment Protection (Impact of Proposals) Act 1974.

DELEGATED AUTHORITY

Environmental responsibility in Defence is based on a system of delegated authority. Authority is delegated to Defence from the Minister for the Environment. This removes the requirement under the EPIP Act to refer environmental impacts to EA, but places an onus on Defence to assess impacts of activities and maintain a system of environmental clearances, including Environmental Certificates of Compliance (ECC's).

Within the Department delegated authority rests with the Head, Defence Estate who in turn has issued delegation for clearance to relevant people at the regional/operational level.

Delegation of Environmental Impact Assessment and Clearance to Defence

In September 1980, Ministers for Defence and Environment agreed:

"that the decision as to whether a Defence proposal or activity is likely to effect the environment significantly may be taken by the Minister for Defence or his Ministry."

"..if after full and proper considerations Defence considered the environment would not be affected significantly, provisions of the Act would be satisfied. If there will be a significant effect or if there is reasonable doubt about the effect, must refer to the Environment Minister for determination."

Broad Guidelines were given as to when this authority applies. These include:

- Defence practices within declared practice areas on commonwealth or non-commonwealth land;

Routine activities for which Blanket clearances have been given, and

- Trials and experiments on Defence controlled property maintained specifically for those purposes.

EIA and Clearance Procedures

Within Defence - delegated authority has been established so that:

"The bulk of Defence activities and proposals which have no significant impacts in the terms of the EPIP and AHC Acts, are to be given environmental clearance without the need for referral beyond a delegates area of functional responsibility. "

Blanket ECC's can be issued for long term / ongoing activities. These however, must be reviewed within 18 months of issue, or renewed if activity changes at all.

In practice, the system of delegated authority does not negate the need for clearances on Defence land, rather, it passes the responsibility for clearance to Defence. The exemption often claimed for defence activity on Defence land is an exemption of referral to Environment Australia - not an exemption of the need for clearances.

RISK MANAGEMENT

To inform our approaches to Environmental Management, Defence is in the process of adopting a Risk Assessment Protocol, based on the Australian/New Zealand Standard for Risk Management AS/NZS 4360:1995. This recognises that the level of risk is proportional to the consequences of the impact and the likelihood of the event causing an environmental impact.

The risk assessment protocol will provide a semi-quantitative ranking for the risks of environmental harm resulting from activities on the Defence Estate. Assessment and management of potentially harmful Environmental Aspects, associated with existing and identified future activities will be a key function of all Defence Environmental Impact Assessments. As such the Risk Assessment Protocol will be applied to development of all future Environmental Management Plans, and in the assessment processes for major exercises.

ADDITIONAL DEFENCE INITIATIVES

- Maritime Environmental Management - "Clean Ships"
- RAAF Environmental Initiatives
- Acquisition and Procurement
- Environmental Management in Major Defence Exercises

Maritime Environmental Management

The Royal Australian Navy (RAN) operates ships in many environmentally sensitive areas, such as the Great Barrier Reef Marine Park, Jervis Bay and Sydney Harbour and has committed to preservation of the maritime environment by controlling discharge of waste and pollution at sea. The Navy has expended large amounts on equipment, training and personnel in developing sound environmental practice.

The waste originating from the normal operation of a ship can present a serious source of pollution, including oily and waste water, sewerage, garbage, air emissions, ballast water, haloes and CFC replacements, noise, and radiation emissions. Maritime Command staff began production of a generic fleet EMP in 1996. The following guidelines are applied to the development of Maritime Environmental Management Plans:

Improvement of ships equipment for the handling, minimising, storing and discharge of waste as well as the regular maintenance of this equipment;

Fostering the motivation and qualifications of crew members to adopt environmentally acceptable practices including the regulated disposal of waste;

· Improvement of ships orders and regulations awareness for the protection of the environment, and monitoring and compliance with these regulations through accountability;

Installation of acceptable reception facilities for disposal of wastes, on shore; and

· Maintenance of accountability and commitment during refits.

The Navy is increasingly required to seek new or alternative materials and/or practices to address environmental issues. Anti-fouling coatings on ship hulls, particularly those containing tributyltin, are under scrutiny as are other coating and painting practices. The Defence Science and Technology Organisation is investigating environmentally acceptable methods of fouling control for RAN ships (and submarines), and assessing the levels of anti-fouling biocides in marine waters adjacent to Navy facilities.

The Marine and Pollution Control project is an example of a cooperative approach between the Defence Acquisition Organisation and Navy from the acquisition stage. This project acquires and installs equipment to certain existing RAN ships and support craft to ensure that the operation conforms to the International Maritime Organisation's (IMO) current and proposed regulations for the prevention of pollution of the sea by sewage, oil and garbage. The project was also assigned responsibility for the replacement of ozone depleting substances (CFC and Halon) on selected RAN ships to accord with Australia's international obligations arising from the Commonwealth Government's acceptance of the Montreal Protocol on substances which deplete the ozone layer.

RAAF Environmental Initiatives

RAAF Base Scherger. Construction of the Base at Weipa, on the Cape York Peninsula in Queensland was carried out in such a way as to minimise its environmental impact. Twenty four sites were initially selected, of which five were short-listed after the completion of an Environmental Impact statement. Before construction was commenced, an Environmental Management Plan was formulated to minimise the impact of the work. An Environmental Awareness Handbook was produced, and everyone working on or visiting the site received a compulsory briefing on:

Community relations;

Aboriginals, their land and sensitive sites;

Nature conservation;

Avoidance of contamination of surface and ground water;

Soil conservation and rehabilitation;

· Responsible waste recycling and disposal; and

· Fire control.

All topsoil removed during construction was stockpiled and used to regenerate 'borrow pits' and other disturbed areas. Impervious linings are installed at all sewage lagoons,

wet waste trenches, aircraft manoeuvring areas, and fuel storage and handling areas. There is a Bushfire Management Plan and an Environmental Contingency Plan in place.

RAAF Base Learmonth. Redevelopment of this Base, at North West Cape - Western Australia is also being undertaken in such a way as to minimise its environmental impact. Proximity to the Cape Range National Park has influenced the siting of such things as the small arms and Explosive Ordnance (EO) demolition ranges.

Cartier Island Air Weapons Range. Environment Australia (EA) is proposing to declare a number of locations off the Australian coast as Marine Protected Areas (MPA). One of these is the Ashmore Island, Cartier Island and Hibernia Reef Group, some 340 km north west of the Kimberley Coast. Cartier Island (CI) is a designated Defence Practice Area (DPA), gazetted for air to surface weapons firing.

CI is also a breeding ground for the Green Turtle, a Schedule 1 endangered species under the Wildlife Protection Act. The migratory bird period does not align with the turtle breeding period.

EA have made a strong environmental case for declaring The Territory of Ashmore and Cartier Islands as a MPA. There are significant environmental, legal, and practical difficulties with continued use of Cartier Island as an air weapons range. Accordingly, it has been proposed that its gazettal as a DPA be cancelled, so allowing Environment Australia to establish an Ashmore and Cartier Islands MPA. Action is in hand to achieve this.

Acquisition and Procurement

As a major Commonwealth purchaser, environmental aspects of Defence acquisition and procurement processes continue to rise in prominence, and management of these aspects has been approached in a number of ways.

The Defence Acquisition Organisation adopts a 'cradle to grave' approach in managing environmental issues in the acquisition of major equipment. This approach entails an assessment of the environmental impacts throughout the life of the equipment - from the proposal of the capability, acquisition, through to use and operation, and finally decommissioning and disposal.

Materiel Definition. Environmental issues are considered by Project Sponsors during the Materiel Definition stage and included in the capability investment documentation. Project Manager's are responsible for ensuring that appropriate environmental clearances are obtained, and that Environmental Management Plans (EMPs) are developed and implemented where the environmental impact of the proposal is considered to be significant.

Specification. In developing specifications for Major Capital Equipment (MCE),

Defence considers the following issues and procedures:

- Assessing the likely environmental impact,

Identifying options to minimise potential environmental damage;

Identifying environmental legislation which could impact on the use or operation of the capability;

The need to seek exemptions to environmental legislation where necessary ea. National Interests;

An indication of the extent to which environmental information will be required to focus on optimising the positive aspects of the environment considerations; and

Determining as accurately as possible the associated life-cycle costs taking into account both the cost and benefit of complying with appropriate environmental legislation and measures.

Consideration of the environmental impact of equipment is conducted at an early stage in the procurement process and recognised as a key aspect of the risk management process. Project Managers review and monitor the environmental aspects of MCE regularly throughout the acquisition phase.

Tendering. Where environmental criteria are important, requests for offers or tenders require the following:

- Tenderers provide information on the environmental impact of their bids for the equipment;

- Tenderers to identify any harmful or dangerous materials and processes which are contained within or generated by the equipment and whether they have programs to eliminate such materials and processes;

- Information on the methodologies they currently use to assess the environmental impact of their finished outputs;

- Information on the overall impact of their activities;

- Details of the environmental standards they use to measure their environmental performance and whether they have been accredited by an appropriate environmental authority, ea. ISO 14000 series;

Tenderers to identify whether they have environmental policies and plans;

Tenderers to identify whether they have waste and energy management programs;

Tenderers to detail any programs to identify and adopt best practice in environmental management;

Information on their recycling and disposal activities, and

· Tenderers to state whether they conduct regular environmental audits and if so, what are their environmental audit processes.

Contract Implications. The Commonwealth should avoid dealing with potential contractors who have a high probability of not complying with Commonwealth and State or Territory environmental legislation. Contracts include environmental and management clauses making, among other things, contractors responsible for their own environmental risks.

Acceptance into Service. Compliance certificates and operating and maintenance manuals ensure pollution prevention and safety standards are adequately addressed for the equipment being introduced into service.

The Defence Capital Equipment Manual (CEPMAN) guides the project management of Major Capital Acquisitions. A chapter on environmental management responsibilities was recently added to this manual, and it will guide project managers in their responsibilities in undertaking environment impact assessment of new capabilities.

The Defence Procurement Policy Manual provides directions on Environmentally responsible procurement and requirements to consider energy efficiency in purchasing, in line with the Department of Administrative Services Environment Purchasing Policy (1992). Defence has also been involved in the Department of Finance and Administration's development of the Commonwealth Procurement Guidelines (1998) and the draft Commonwealth Policy on Implementing Waste Minimisation and Purchasing.

Research and Development

Townsville Field Training Area (TFTA). In 1997 the Department of Defence initiated an agreement with the Land and Water Resource Research Development Corporation (LWRRDC) to jointly fund a three-quarter of a million dollar research and development program for environmental management of military lands, specifically developing a broader management framework based on ESD principles. This research has compared the impacts of military activity to the impacts of grazing on the TFTA. The results will lead to development of an Environmental Management of Military Training Lands program, and will help to refine the existing Environmental Management Plan, thereby ensuring that the TFTA is managed so that it will, simultaneously:

- Provide quality military training suitable for current and next generation technology over the next 50-100 years;
- Conform with the Department's obligations to meet the Commonwealth's Ecologically Sustainable Development Strategy; and
- Increase Defence personnel's understanding of the ecology of tropical savannahs as it applies to the management of TFTA and other training areas.

The assumptions underlying the program are that the goals of quality military training and sustainable land management are not mutually exclusive, and that wise use of appropriate information can contribute to achieving both goals.

SUMMARY

The principles of Ecologically Sustainable Development as outlined in the national Strategy, have been incorporated into a range of defence activities, mostly concerned with good environmental management and the long term sustainability of Defence operations and capability within our existing resources. In the coming years, the emphasis will be to broaden the Defence response, and to consider appropriate integration of ESD principles into central decision making.

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