



**GLADSTONE  
INDUSTRY**  
LEADERSHIP GROUP

# Gladstone Industry Leadership Group Environmental Transparency Framework (ETF): Elements and options

**Public document for consultation with stakeholders**

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## 1.0 Framework Purpose and Document Outline

Engagement with stakeholders and community members in 2008 confirmed that industry must close the current gap between its performance and community expectations. A core issue is the perceived lack of transparency about site emissions and their impacts on the community and environment.

In response, at the public launch on 16<sup>th</sup> December 2008, Gladstone Industry Leadership Group (GILG) Chairman Doug Grimmond committed to increasing transparency and building trust through effective community engagement:

*“Industry was given a very clear message: That you [the community] want more environmental transparency and for us to engage more openly and honestly.*

*That means you need to know what we emit, what we are licensed for, how we compare on the world stage and what impact our emissions might have on the community.*

*We will be reaching out to all of those who want to be involved, from the activists and the general community, to find out exactly how we might achieve these tasks. To start with, we will be working to develop a website that explains our license conditions, but we will need to define what else you’d like to see.”*

To begin enacting this GILG has committed to developing and adhering to a voluntary framework, called the **Environmental Transparency Framework** (referred to hereafter as the “ETF”). The ETF will serve to improve communication with the community, direct collaborative and individual company actions, and provide an overarching structure to how industry will respond to transparency concerns. It will be finalised for implementation in June 2009.

As part of the ETF creation process Futureye will be interviewing key stakeholders. These interviews will be used to collect feedback on the ETF elements and options being considered and to gain an understanding of what stakeholders see as critical deliverables. This document outlines the broad ETF elements and a range of alternative implementation options which are being considered. **It is being shared with stakeholders for discussions in interviews that will be conducted on April 23<sup>rd</sup>.**

## 2.0 Overview of ETF Goals and Elements

This section provides a brief outline of the goals and elements that will serve to guide discussions on ETF design and implementation. (A more detailed description is provided in *APPENDIX 1 – Description of Key Framework Elements if you want more information*).

Four strategic goals have been agreed to inform considerations of ETF options and the overarching ETF design. These are to:

- openly table industry emissions, and assist stakeholders in understanding associated impacts and uncertainties;
- enable industry to collectively respond to changing stakeholder expectations;
- establish the required processes and capability to demonstrate openness; and
- provide the required meaningful information about emissions and air quality to the Gladstone community and government.

The six ETF Elements are:

1. **Public commitment:** Invite stakeholders to hold member companies accountable through a public commitment to particular behaviours and desired changes;
2. **Performance (transparency) targets:** Develop and use suitable measures of 'good/industry performance', informed by consideration of stakeholder needs and aspirations, that serve as targets for improved environmental transparency;
3. **Assessment and amelioration of issues:** Identify and implement agreed activities and strategies to achieve these targets and resolve core issues and transparency concerns;
4. **Monitoring and evaluation:** Achieve greater transparency through a stakeholder-inclusive monitoring and evaluation of performance against these targets (and license conditions);
5. **Common platform and approach:** Develop and implement new approaches to industry collaboration and collective reporting so that industry's performance and impact as-a-whole is more easily communicated and better understood by the community; and
6. **Communications:** Ensure there is both open and regular communication between GILG and external (community) and internal (employees) stakeholders.

These elements provide a broad outline of what is involved with an ETF. Exactly what will be delivered in each area will be defined through a process grounded in stakeholder input (interviews on April 23<sup>rd</sup>) and consideration of alternative implementation options.

### 3.0 Overview of Alternative Implementation Options

Thirteen implementation options have been developed to inform in-depth discussions on the design of the ETF, stakeholder priorities and longer-term aspirations for GILG. These options fall into four categories:

- Communication tools and approaches;
- GILG member company collaborations and performance improvements;
- Stakeholder and/or Campaigner Involvement and Collaboration; and
- Stakeholder and/or Campaigner Empowerment.

#### 3.1 *Communication Tools and Approaches*

*The following five options aim to assist the community in developing their capacity (to receive and interpret emissions information), facilitate greater feedback, and increase the level of perceived transparency.*

- **OPTION 1: Develop a public GILG report on industry air emissions and how they are measured and analysed to manage risks.** Such a report would also detail relevant national and international standards, and current government regulations.
- **OPTION 2: GILG provides community training sessions** to increase community understanding air quality, how they are managed and the level of community risk (e.g. regular sessions could be held at CQUniversity). GILG could also partner with The Gladstone Observer (providing promotion and support) and CQU (session development and delivery) to deliver such sessions.
- **OPTION 3: Industry publicly self-evaluates its performance via preparation of an annual public Air Emissions Management Report** (similar to the “report card” system used by the Port Curtis Integrated Monitoring Program<sup>1</sup> [PCIMP]) that outlines actions and performance against the agreed ETF and/or rates industry’s performance against the GILG Code of Conduct. Industry would work with the community to develop agreed indicators and targets that will then be reported against. This action will also invite stakeholder review and monitoring.
- **OPTION 4: Concentrate on using the GILG website (at [www.gilg.com.au](http://www.gilg.com.au)) and emails and “blogs” to increase industry responsiveness and transparency**, for example by:
  - Responding to enquiries to [ask@gilg.com.au](mailto:ask@gilg.com.au) within 1 to 2 working days (in short form) by the GILG CEO;
  - Providing member company licenses accompanied by plain-English guides;
  - Providing online information resources for the community, such as discussion of exposure to relevant issues in air pollution and debate (including key areas of uncertainty and expert debate) and inclusion of a timeline of past emissions which will estimate historical emissions; and
  - Publicizing EPA benchmarking of GILG industry emissions with world’s best-practice.

<sup>1</sup> See: <http://www.pcimp.com.au/report.html> for an example (2007 PCIMP report card)

- **OPTION 5: Building GILG’s public presence and increase the level of communication with the community and member company employees.** Implementing this option could include:
  - Regularly participating in community forums and “town hall” meeting, in conjunction with GILG member companies;
  - Having a presence at community events (such as EcoFest), in conjunction with GILG member companies;
  - Undertaking greater sharing of information with similar intentions groups such as PCIMP, LandCare, or Rotary;
  - Continuing to prepare regular columns for the *Gladstone Observer* (authored by Group CEO) and conduct regular media and interested stakeholder briefings; and
  - Providing communications materials to assist with engagement of the employees of the Gladstone Industry Leadership Group member companies (e.g. information on intranets, pamphlets, etc).

### **3.2 GILG Member Company Collaborations and Performance Improvements**

*The following three options aim to create a common platform for environmental improvements and to respond to concerns about the ability of company employees to raise issues they are worried about (e.g. regarding management of health issues).*

- **OPTION 6: Develop and provide a GILG interface to the community that draws on the EPA modelling and monitoring of the regional airshed.** This “interface” would translate the raw EPA data into an easily understood description for the community that can act as a measure for environmental improvement.
- **OPTION 7: GILG will create an employee environmental notification process in order to enable staff to anonymously and more “safely” to express any concerns they have about industry performance** (e.g. through GILG website). This initiative will also make GILG and its Members aware of issues, enabling timely and non-confrontational responses to concerns.
- **OPTION 8: GILG will work with all Member companies to communicate all health monitoring and environmental activities in one easily accessible place** (e.g. on the GILG website). This option could potentially involve:
  - Collating and communicating employee health monitoring data collected and published by Members (e.g. in their Annual and Sustainability Reports); and
  - Identifying and communicating performance improvements including environmental improvement activities of each site (e.g. emission reduction), and broader Member activities on impact reduction and sustainability (e.g. dust control, waste reuse, and greenhouse gas reduction).

### 3.3 Stakeholder and/or Campaigner Involvement and Collaboration

*The following three options aim to enable a deeper level of stakeholder engagement through involvement and independent oversight.*

- **OPTION 9: Seek regular community input and feedback on GILG's performance**, for example by making the CEO available to meet with community members and interested groups to identify desired performance targets and gain feedback on the Group.
- **OPTION 10:** Work with external stakeholders, community campaigners and/or experts to provide **independent third-party verification of GILG publications and website**. Implementation of this option could, for example, provide these parties with the opportunity to review annual public Air Emissions Management Reports and for these comments before they are published and industry including their comments in the final document. It could also involve providing particular stakeholders with a dedicated area on the GILG website where they communicate their views.
- **OPTION 11: Support 'community-based monitoring' activities**, in which members of the Gladstone community are encouraged to participate in air and environmental quality monitoring activities (i.e. air, water, and soil). Such activities would empower concerned citizens to collect valuable information and encourage local understanding of the scientific aspects of air quality monitoring and interpretation of data. Industry could support these activities in a number of ways, such as:
  - Creating a *Community Monitoring Framework Tool Kit* that would combine practical "hands-on" and information resources to help community groups to get started with planning and to develop good practice in data collection, management, analysis and progress review;
  - Publicly supporting these activities (i.e. endorsing it); and
  - Providing equipment/financial support or liaising with other parties (e.g. government) to identify resources.

### 3.4 Stakeholder and/or Campaigner Empowerment

*The following two options aim to incorporate measures that will empower concerned citizens and stakeholders and allow them to participate in the management of GILG or to develop related skills.*

- **OPTION 12: Invited stakeholders and/or campaigners to participate in a Regional GILG Advisory Committee**. This Committee would advise GILG on environmental transparency and industry's progress against key performance targets.
- **OPTION 13: Provide or encourage community training in environmental monitoring**. This option is linked with Option 11 – support 'community-based monitoring' activities, and Option 2 – GILG provides community training sessions.

#### 4.0 Key Questions for Stakeholder Consideration

There are a number of questions that we would like stakeholders to consider ahead of the interviews and focus groups. These are:

- **What does “environmental transparency” mean to you and, given these views, are the ETF elements and options satisfactory?**
- **What would you like to see from industry in relation to environmental transparency over different time periods** – for example, which of the alternative ETF options should be:
  - Implemented as an urgent priority over the next year?
  - Implemented in the medium-term: between 2010 and 2012?
  - Considered more a longer-term aspiration?
- **Are you clear on your priority concerns?** If so, what are the most important things GILG can do to improve transparency, why, and how will you measure industry’s progress on these?

**APPENDIX 1 – Description of Key Framework Elements**

An ETF needs to contain six key elements in order to win trust and demonstrate both transparency and accountability. An overview of these key framework elements is provided in *Table 1* below:

*Table 1. Outline of six key ETF elements*

<b>Element</b>	<b>Purpose</b>
<b>Public commitment</b>	To invite stakeholders and activists to hold member companies accountable through shared goals which are publicly stated
<b>Performance (transparency) targets</b>	<p>To define what performance member companies are aspiring to and/or what would be suitable measures of 'good/improved performance'. Such measures should include the following two types of transparency targets:</p> <ul style="list-style-type: none"> <li>• <i>Process</i> targets and indicators (e.g. around disclosure, good governance, and stakeholder inclusion); and</li> <li>• <i>Emissions</i> targets and indicators (e.g. timely, meaningful presentation of member company emissions).</li> </ul> <p>This element also involves stakeholders in identifying these measures and defining key indicators, for example for:</p> <ul style="list-style-type: none"> <li>• External engagement and transparency;</li> <li>• Capacity of industry to manage and operate in an accountable fashion; and</li> <li>• Meeting community needs.</li> </ul>
<b>Assessment and Amelioration</b>	<p>To identify and implement agreed activities and strategies to achieve agreed targets (as set in previous element). This could include:</p> <ul style="list-style-type: none"> <li>• Identifying and communicating the full range of activities currently conducted by member companies;</li> <li>• Providing information on industry performance, based on new research (e.g. benchmarking against similar industrial regions);</li> <li>• Identifying synergies and collaboration opportunities; and</li> <li>• Identifying new strategies to achieve targets.</li> </ul>
<b>Monitoring and Evaluation</b>	<p>To publicly and credibly measure performance against agreed performance targets and indicators.</p> <p>To establish processes for periodically evaluating the performance of the Gladstone Industry Leadership Group and publicly reporting the results to stakeholders and the community.</p>
<b>Common platform and approach</b>	<p>To create a unified approach and system to aid the collection, compiling and public communication of relevant data. This could involve:</p> <ul style="list-style-type: none"> <li>• Gaining an accurate, complete and auditable understanding of the type, concentration, volume and time profile of member emissions;</li> <li>• Enabling greater sharing of other relevant information on air emissions reduction or improvement projects; and</li> <li>• Improving comparability (between different company and sites).</li> </ul>
<b>Communications</b>	<p>To openly communicate internally and to external stakeholders, including</p> <ul style="list-style-type: none"> <li>• Disclosure of data;</li> <li>• Regular, open communication with key stakeholders, activists and the media; and</li> <li>• Establishing new communication mechanisms (e.g. the GILG website).</li> </ul>

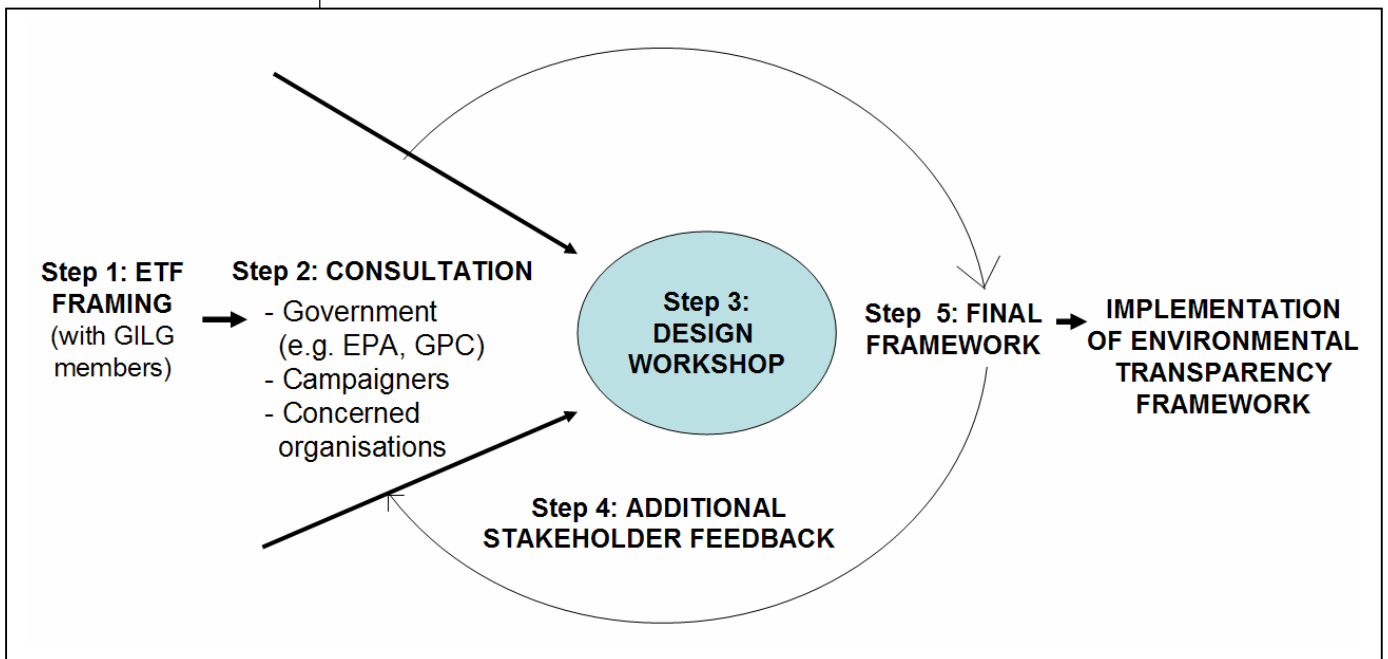
The above framework elements need to be applied to the Gladstone context through industry group consideration and stakeholder consultation on ETF elements and options. This development process will define the appropriate ETF.

## APPENDIX 2 – Framework Development Methodology

This Appendix presents the process Futureye developed to create an effective ETF for GILG. Along the way, all relevant stakeholders need to be involved in the development of a practical framework that can be implemented and is supported by important stakeholders and concerned organisations/campaigners. Stakeholder views and expectations should, therefore, guide the process of planning actions within the framework.

A five step process, represented by *Figure 1* and described in this section, is being used to develop the ETF:

**Figure 1. ETF Development Process.**



### **Step 1: Framing with industry group members (completed)**

The initial step involved establishing broad parameters for the ETF. Futureye sought input from Gladstone Industry Leadership Group (GILG) members and discussed framework options. The options presented in this document were approved at a GILG Board meeting.

### **Step 2: Consultation (the current stage of development) – to be conducted with stakeholders in late April, 2009.**

Interviews will be conducted with stakeholders drawn from government, campaigners and concerned organisations. The interviews will be used to collect feedback on the ETF elements and options being considered and to gain an understanding of what stakeholders see as critical deliverables. An interview guide will be developed that expands on the questions for stakeholder consideration outlined in Section 4.0.

Additionally, two focus groups and an online survey will be conducted with interested members of the general Gladstone public.

Futureye will undertake analysis to compile all the feedback for the GILG Board. This will be presented to the Board at the design workshop (Step 3).

***Step 3: Design workshop (6<sup>th</sup> May)***

Futureye will facilitate a design workshop for the GILG Board to develop a draft ETF. This ETF will initially focus on 2009-10, however, it will also have a longer-term vision. Interview findings will be presented to inform a general discussion of suggestions from stakeholders. As a starting point, the discussion will focus on understanding and discussing the priorities and aspirations that have emerged from Step 2. Actions/considerations will then be assessed by the GILG Board and prioritised actions will be shaped into a draft framework.

The workshop summary will include a brief process of assigning roles and responsibilities for actions to be taken for 2009. Futureye's role will be to draft the outcomes of the workshop into an ETF for 2009-10 to gain further feedback from stakeholders.

***Step 4: Stakeholder feedback (May 11 – 15)***

Key stakeholders from Step 2 will be contacted to gain feedback on the draft ETF to ensure that there is broad endorsement. Any suggested changes will be communicated to the GILG Board.

***Step 5: Finalisation of transparency framework (22<sup>nd</sup> May)***

Futureye will review feedback gained from important stakeholders and the GILG Board and develop a final framework for approval. The initial ETF will focus on 2009-2010 and have an additional longer-term vision.

***Step 6: Launch and implementation (June 2009 onwards)***