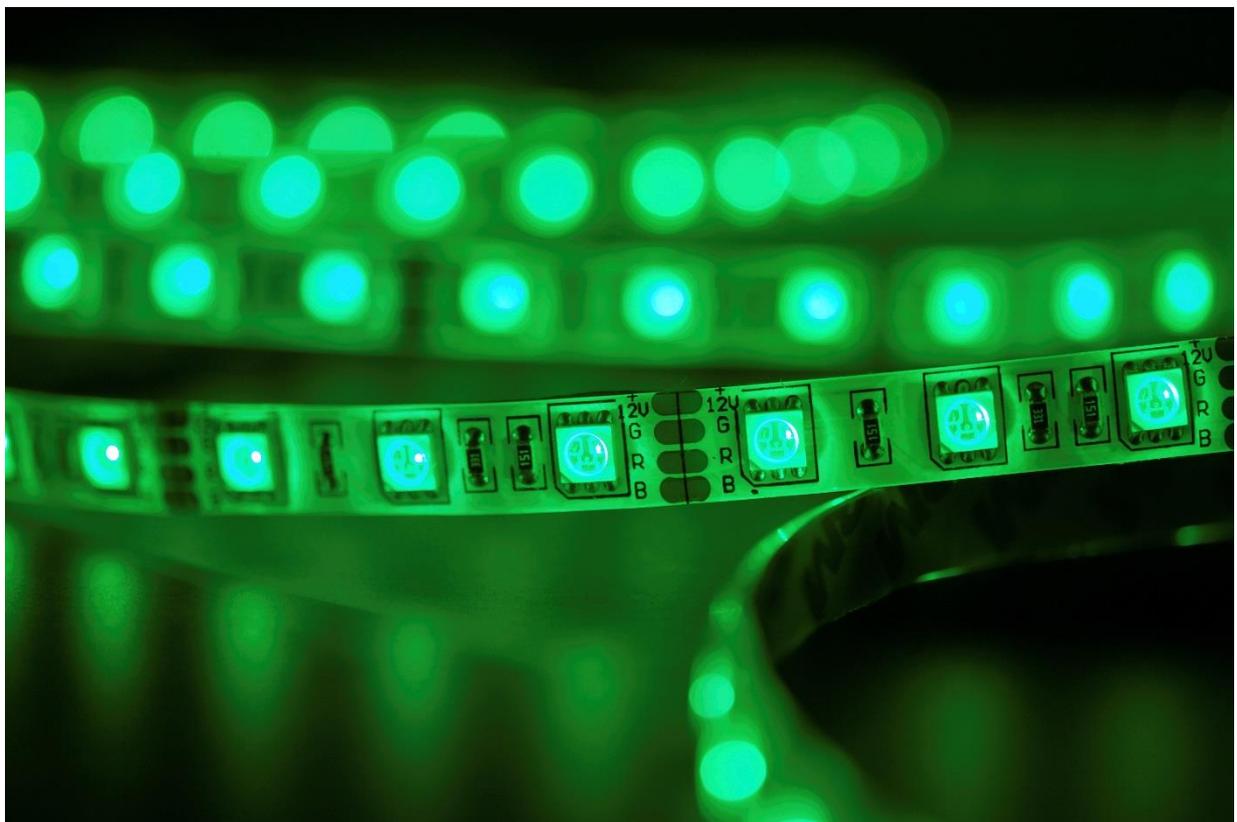


# 5 STEPS TO ISO 14001:2015

**GREG ROBERTS, MANAGER**



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## 5 STEPS TO ISO 14001:2015

### Summary

- New version of ISO 14001 now available
- Ramboll Environ has produced this five step guide to simplify your transition
- It presents significant change; more strategic, outward looking and business orientated
- Potential to deliver real business benefit including cutting further costs, increasing business resilience and gaining competitive advantage
- Without a timely transition plan, loss of the certificate is a real risk
- Organisations will have three years to become certified to the new standard, the next rectification being the most logical date
- Ramboll Environ is uniquely placed to help you implement and transition to the new standard

### Ramboll Environ

Ramboll Environ is uniquely positioned to help you meet the new and changed requirements. We have the only UK expert sitting on the ISO Technical Committee that is responsible for developing guidance on the new standard (ISO 14004), which gives us first hand insight into the detail of the requirements and how certifiers are likely to interpret them. Furthermore, our experts have practical experience of implementing or transitioning to ISO 14001:2015, having already helped over 50 organisations.

### Using This Document

This document is intended to demystify the changes by providing a simple and practical five step plan to implement the changes effectively and efficiently. We believe that early planning is the key to allow transition rather than last minute revolution of the system. Furthermore, it will not be possible to implement some of the changes, particularly around leadership and commitment, overnight. This guidance document provides you with approaches to assist your transition which will help develop ideas and facilitate discussion.

### Background

In 2011, the International Organisation for Standardisation (ISO) voted to revise ISO 14001. The new version of the standard will be published in September and will continue to be used until 2025 and beyond.

ISO 14001 is significant globally, with over 300,000 certificates currently issued worldwide. It was originally launched in 1996 and then updated in 2004. The 2015 version brings substantial changes and organisations are urged to take early action to ensure effective and efficient transition. Without a clear and timely plan, there is a real risk of losing the certificate. At the very least the new standard looks and feels different, with new clause headings and structure. This is due in part to it being based on the new ISO high level standard structure (Annex SL) that all new and revised management system standards will follow (for example 9001 and 45001).

## **2015 Update**

Environmental management systems (EMS) certified to ISO 14001 can be insular, peripheral, operational and ultimately a tick box exercise. The 2015 version is an improvement on its predecessor, bringing it up to date and strengthening its role in sustainable development and its integration with the rest of the business. Overall ISO 14001:2015 will drive real business value because it will help organisations to appreciate and respond to the risks and the opportunities presented from a changing environment.

Since the release of ISO 14001:2004, attitudes towards environmental management and sustainability have changed significantly and organisations, like individuals, have become increasingly aware of the need to better manage natural resources and reduce their impact, not just to protect the environment but because it's a business necessity.

The new standard offers an opportunity to those organisations whose EMS have stagnated, often as a result of a lack of leadership, to reinvigorate their approach to environmental management so that it drives real business value.

## **Sustainability & CSR**

The changes to 14001 firmly puts it centre stage as the instrument to manage the environmental pillar of sustainability. It is now more strategic, outward looking and places greater emphasis on products and services rather than just on-site activities. Consequently, the new standard can act as a stepping stone to developing a holistic sustainability or CSR strategy or supporting the implementation of an existing one. We would encourage organisations that are transitioning to consider how their EMS can support their wider sustainability aspirations.

## **Timeframes**

Organisations have three years to transition their EMS to the new version of the standard. The logical time to do so is at the recertification audit. Whilst recertification to the 2004 version is still possible up to September 2018, we would encourage organisations to upgrade to the new standard rather than keep the old. The new standard is not only better, by adopting it early will allow you to take advantage of the publicity surrounding the new standard and use this to gain internal momentum.

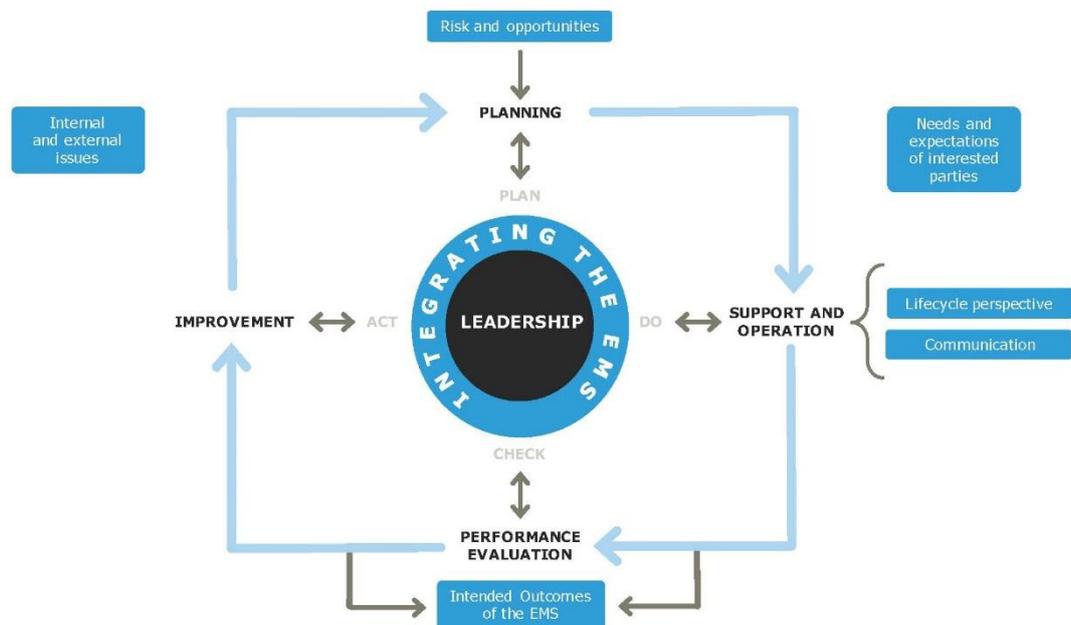
## **18001 and 9001 Also Changing**

The 2015 version of ISO 9001, is also now available and ISO 45001 (the ISO replacement of OHSAS 18001) will be published in 2016. The good news is all ISO management system standards will now need to follow an ISO high level standard structure which means that the majority of requirements will be common or at least comparable between the standards. The further integration of these standards can be built into your transition plan, so that for example a single context review or interested party analysis exercise can be undertaken.

## The Five Main Changes

The standard will look and feel quite different and there are numerous changes throughout the document. However, we have used our practical knowledge of the revised standard to condense the changes into five main areas which are presented in Figure 1 and explained below.

## PUTTING CONTEXT IN CONTEXT



**Figure 1 – ISO 14001:2015 the main changes**

### Strategic Leadership

Your cross functional senior managers will need to promote and be accountable for the EMS and ensure it achieves its intended outcomes. Your EMS should be integrated with your other business processes and compatible with your strategy so that decisions are made with consideration for the environment at all levels. Your environmental policy requires a commitment to environmental protection not just prevention of pollution. Specific commitments to sustainability principles are also encouraged.

### Strategic Context

You will be expected to demonstrate a broader understanding of the context in which you operate and ensure your EMS responds in order to meet its intended outcome. This requires an understanding of your organisation’s direction, culture and resources and external influences. The new standard flips the question “what’s your impact on the environment?” to also consider the impact of the environment on you, for example climate change and resource scarcity.

### **Interested Party Analysis and Communication**

Your EMS will need to become more outward looking by understanding the needs and expectations of your interested parties or stakeholders (customers, local communities, regulators, NGOs etc). This process will identify your stakeholders' requirements and which of these will become compliance obligations. Compliance obligations are the new legal and other requirements and include stakeholder requirements with which you are either legally bound to comply or can choose to adopt, such as a customer requirement or industry agreement. In addition to a compliance obligation register, you will also need to plan communication relevant to your obligations. Robust monitoring and measurement and internal auditing processes are required to provide reliable communication.

### **Risks and Opportunities**

There are three principle sources of risk and opportunity: environmental aspects, compliance obligations and other issues and requirements. You are required to assess these sources for risks and opportunities that need to be addressed to ensure the success of your EMS and benefit the organisation as a whole.

### **Lifecycle**

You should determine environmental aspects at each stage of the lifecycle of your product or service (acquisition of raw materials, design, production, transportation/delivery, use, end of life treatment and final disposal) and not just those relating to onsite activities. Where appropriate, environmental requirements can be included at the design stage and during procurement and information about potential significant environmental impacts can be provided during the delivery, use and end-of-life treatment of the product or service.

## GETTING STARTED

The degree of change required by each organisation could be significant and will largely depend upon the maturity and performance of the EMS, levels of integration with other business processes and the current engagement of top management. How you manage the change will be dependent upon the size and complexity of your organisation, the number of sites within scope, the location and structure of top management and the influence of wider CSR or sustainability strategies.

### Where Are Your Gaps?

Prior to commencing your transition to the new standard, answer the following 10 questions – a no indicates a gap and an area you will need to concentrate on.

1. Are top management engaged and involved with the EMS?
2. In addition to the EMS/H&S function, are other functions involved in the EMS (eg procurement, design, finance, HR, operations)?
3. Is the management system integrated with business processes such as project sign off, competency matrix, procurement requirements and business communications and meetings?
4. Does your EMS take account of the risks and opportunities resulting from megatrends, macro environmental or big picture issues (political, economic, social etc)?
5. Does the EMS consider the impact of a changing environment on your organisation?
6. Do the requirements of internal and external stakeholders help shape the EMS?
7. Is there an environmental communication plan (formal or informal) in place?
8. Are robust monitoring and measurement and internal audit procedures in place to ensure environmental data can be relied on?
9. Are environmental aspects considered at each stage of the lifecycle?
10. Are environmental requirements made of contractors and suppliers and/or is information on significant impacts made available to end users and those involved with final disposal and transport of the product or service?

### Step 1. Strategic Leadership

It will no longer be appropriate to have one representative driving the EMS on behalf of the rest of the organisation. Your top management is accountable for the success of your EMS and as such should lead, promote and direct others to ensure it drives environmental and business benefit. This is a step change from the existing, rudimentary requirement for top management to appoint a management representative, sign the environment policy and attend a management review meeting. Top management can be one or more people but must have cross-functional influence in order to:

- integrate the EMS with business processes
- ensure EMS compatibility with the strategic direction
- address the additional lifecycle focus of the revised 14001

If deficiencies exist it is arguably the clause that will require the longest lead-in time to implement given the potential shift in engagement required and the availability of senior managers. It's also the most important. Not only is it a requirement in its own right but all the other clauses depend upon it.

## **Engaging Your Senior Team**

The first step in engagement could be to brief your senior team on the changes. Attendance should be encouraged as failure to transition effectively could mean the loss of the certificate. However, on a more positive note, for many organisations the new standard could act as a watershed moment where environment plays a significant part in generating value for the organisation. Engagement can be further enhanced by reviewing the environmental achievements of the organisation. These are often greater and broader than expected because the initiatives are categorised under economic rather than environmental improvement. This realisation builds commitment to do more.

Next consider why, other than customer pressure, you have 14001 and identify the added benefits it could bring. Think about what you want the EMS to achieve over the long term. Much benefit is gained from developing a 5-10 year vision for your site or organisation that can form part of your intended outcomes. Visioning is a recognised sustainability tool that allows 'backcasting' to be performed, defining a desirable future and working backwards to identify the actions required to connect the future with the present. Improved environmental objectives are developed because you are looking from the opposite direction rather than taking actions which are merely an extension of present methods extrapolated into the future. This vision can support the intended outcomes of your EMS.

By developing engagement the senior team are more likely to contribute to the other changes such as the context review and stakeholder analysis.

## **Integrating the EMS**

To be able to integrate or further integrate the EMS, time should be taken to map other business policies and processes. This would include the mission or purpose of your organisation, project or financial sign off, competency or training matrices and communication, reporting and risk management procedures. This will provide an understanding of how your EMS and its intended outcomes (your vision) can be compatible with your business goals. Furthermore these processes can also provide valuable input into the other requirements, such as the context review (step 2) and stakeholder analysis (step 3).

## **Step 2. Strategic Context**

The revised standard will require you to understand the internal and external issues that are most important topics for your organisation, problems for debate and discussion or changing circumstances that can affect your ability to achieve the intended outcomes of your EMS.

These issues should include environmental conditions capable of affecting your organisation, as well as the environmental conditions you affect. Obvious examples are climate change, resource scarcity and decline in natural capital. Additional benefit can be gained because it supports business continuity and corporate risk processes and raises the value of 14001 across the organisation.

Reviewing context could include interviews, questionnaires, surveys and research. However, cross-functional input is essential for the specific expertise required to identify the full breadth of issues, such as finance, training, human resources, commercial and design. Not only will this ensure a broader appreciation of the context but also wider engagement, particularly with those functions not previously involved with the EMS.

A workshop approach will allow ideas to be shared and provides an effective and efficient way of achieving a valuable outcome. The workshop could simply be a discussion identifying the issues, but we find that a political, economic, social, technological, legal and environmental (PESTLE)

analysis can be used to structure the conversation, which, being a well-known management tool, will also help to achieve buy-in to what is often seen as a peripheral or niche area. The issues identified at this stage are then used in step 4 below.

### **Step 3. Stakeholder Analysis and Communication**

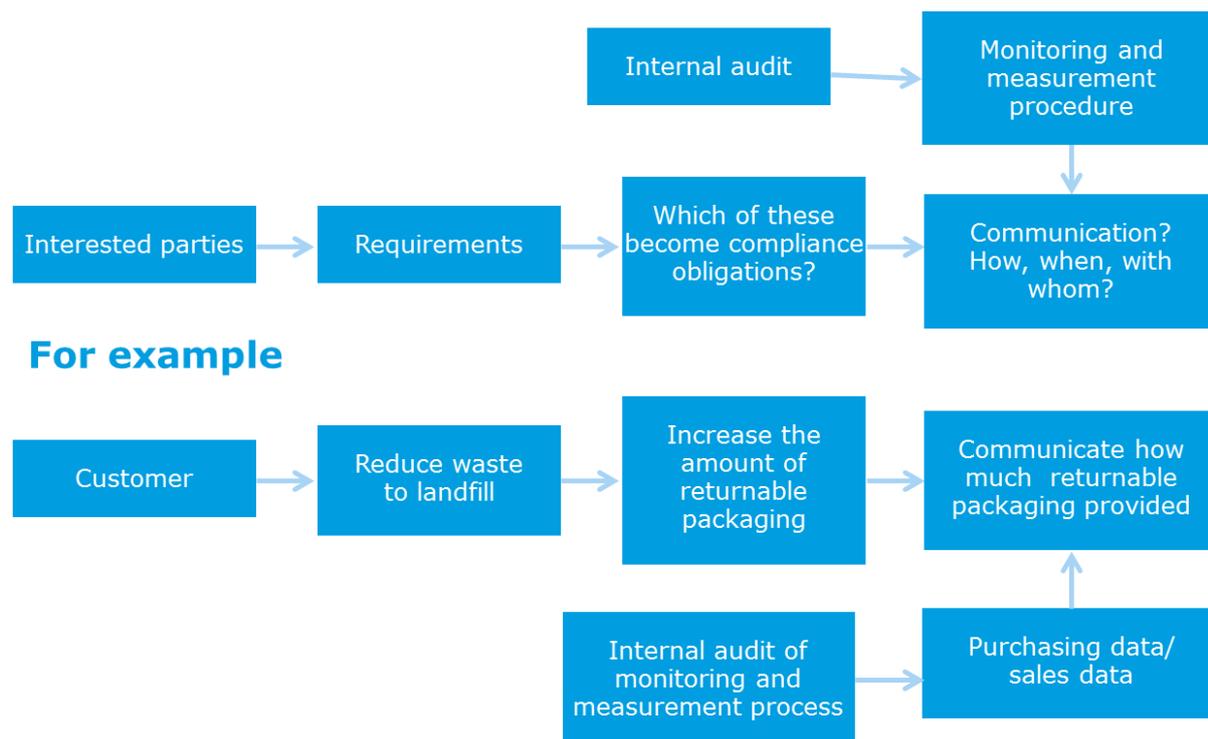
The insular approach of ISO 14001 is set to change. You will be required to identify relevant stakeholders (referred to as interested parties in ISO 14001) and their environmental needs and expectations. From this you can determine the legal and other requirements as well as those that you choose to comply with, for example a customer environmental objective. A stakeholder can be external (a community association, regulator, supplier or customer) or internal (as defined by the scope of the EMS, for example employees, trade unions and the senior management team). Additionally, interested parties can fall outside the scope of the EMS but still within the wider corporate entity. This will avoid scenarios where design or procurement functions are ignored completely because they sit outside the scope of a manufacturing site's EMS. You should also be conscious that your organisation will be an interested party to your customers. For this reason you may want to tackle this requirement early on.

Only relevant interested parties and relevant requirements need to be considered. ISO 14001 requires stakeholders and their requirements to be named at the group or broad level. However, additional opportunities can be identified when named stakeholders and their specific requirements are listed.

Similarly to the context review, cross functional input is vital, as certain functions will identify with particular stakeholders, for example procurement with suppliers and sales with customers. A workshop approach again is encouraged which can be undertaken independent to, or in conjunction with the context review workshop.

Once stakeholders and their requirements are identified, the next step is to consider which stakeholder requirements are compliance obligations. Legal requirements should be identified before other requirements. This formal process (figure 2) of adopting requirements will allow you to focus and coordinate on what's important, rather than meeting requirements in an *ad hoc* way.

Furthermore, 14001: 2015 recognises the importance of communicating with stakeholders, particularly in relation to compliance obligations. Communication should be based on information generated from your EMS, which will require robust monitoring and measurement to ensure that it can be relied upon. The use of indicators (*measurable representation of the condition or status of operations, management or conditions*) should be considered. The monitoring and measurement processes will benefit from being included in the internal audit programme. This way, an organisation can ensure it is communicating on what is most important to its stakeholders and that this data and information is reliable.



**Figure 2 – The process for determining compliance obligations and communication**

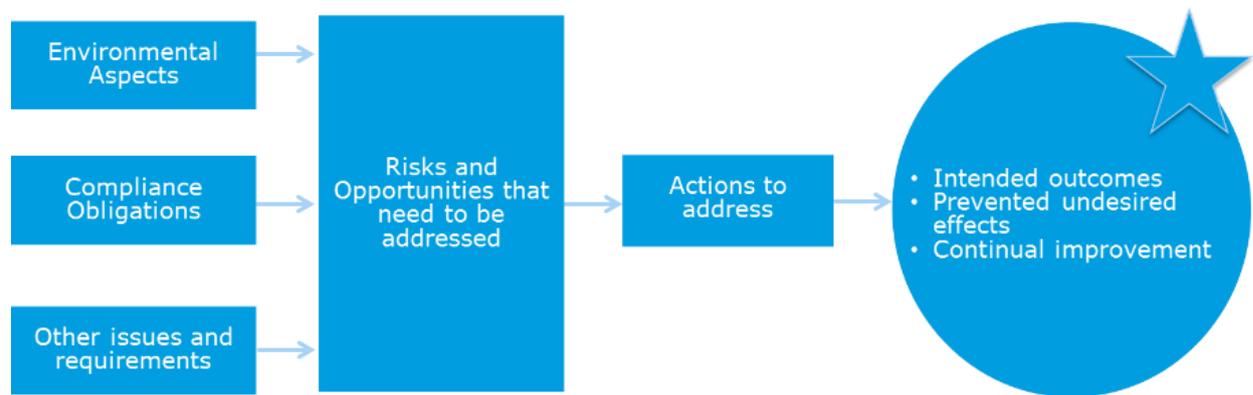
#### Step 4. Risks and Opportunities

The 2015 standard acknowledges that in order to have a successful EMS, an organisation needs to consider and manage risks and opportunities relating to its stakeholders, its external and internal context and from its environmental aspects. This part of the process takes the wealth of information collected during the context (PESTLE) review (step 1), the stakeholder analysis and from your aspects evaluation, and considers the risks and opportunities that need to be managed to ensure your EMS meets its intended outcomes, manages external environmental conditions and achieves continual improvement (figure 3).

The approach taken to assess risks and opportunities is up to you, though it makes sense to use an existing business process such as a decision matrix or risk assessment, where available.

#### Taking Action

Once the significant or material risks and opportunities are identified you can then plan actions to mitigate risk or take advantage of the opportunities. Action can be taken in a variety of ways using your EMS system processes for example setting an objective, operational control or emergency preparedness or other business processes eg through supplier evaluation.



**Figure 3 – Sources of risks and opportunities**

### Step 5. Life Cycle Perspective

Although ISO 14001:2004 requires environmental aspects to be identified that relate to products and services, many organisations' EMS concentrate on onsite activities only. This misses the environmental and business opportunity of addressing the often more significant environmental impacts occurring in the supply chain, in use phase or during disposal. The 2015 standard adds emphasis on lifecycle thinking (see figure 4). Specifically:

- Environmental aspects should be considered at each stage of the lifecycle (design, procurement, use, transport, end of life etc) and not just those relating to onsite activities
- Consideration of environmental requirements at the design stage and during procurement
- Information should be provided about potential significant environmental impacts during the delivery of the products or services, during use and at the end-of-life treatment of the product.

Whilst the revised standard does not go as far as requiring lifecycle assessment and the gathering of large quantities of data, it recognises that an understanding of environmental impacts even at a high level will help organisations concentrate their efforts on where it will matter most.

A first step is to ensure those with responsibility for each stage of the lifecycle, for example procurement, design, logistics, operations, sales and after sales, are represented in environmental aspects identification and evaluation. Again, a workshop scenario works well. Where significant aspects relate to other stages of the lifecycle, these can be managed or coordinated through the EMS, for example by operational control and environmental objectives. For those organisations where environmental improvement has stagnated, or where on site improvement is increasingly harder to find or justify, then this lifecycle approach will help to rejuvenate the EMS.

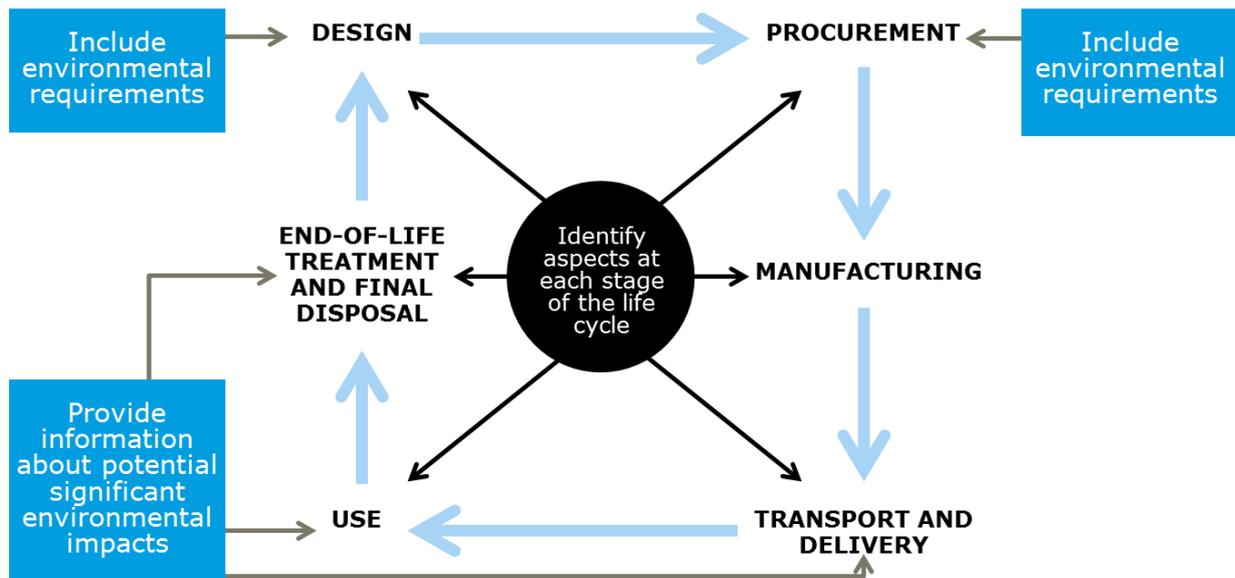


Figure 4 – The lifecycle and environmental requirements

## NEXT STEPS

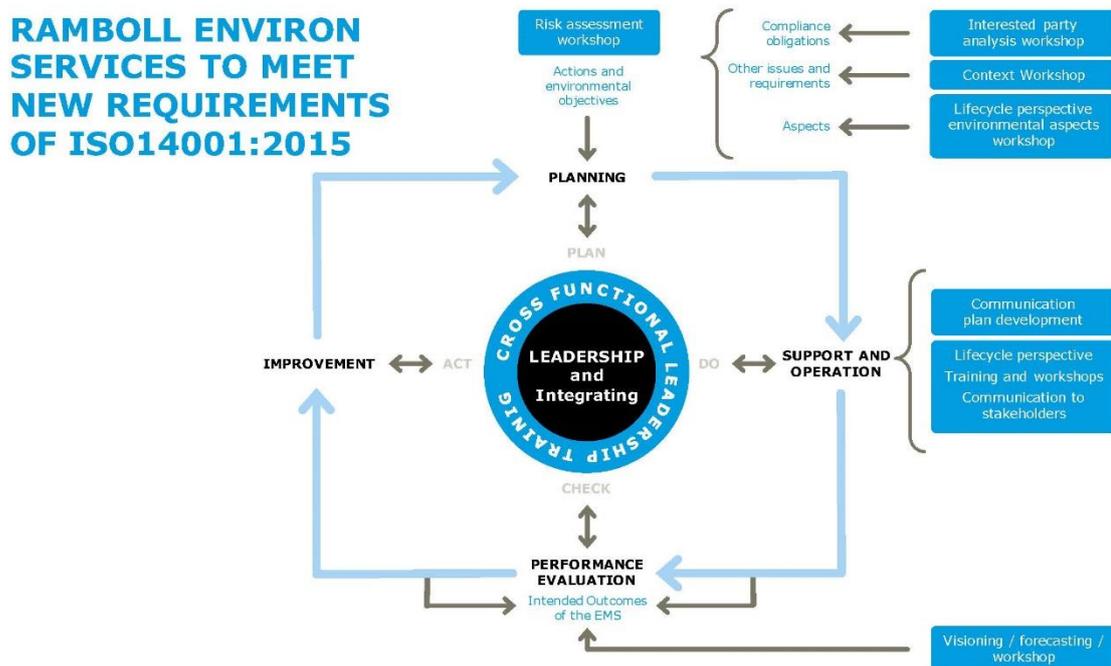
The main conceptual changes discussed above will take time to transition. We promote starting as soon as possible by undertaking a few relatively simple actions now to make the transition significantly smoother:

- Raise awareness of the changes with senior management (eg raise at the next management meeting, management review and subsequent meetings)
- Raise the profile of ISO 14001 cross-functionally
- Re-evaluate the business case for ISO 14001 – what benefit has it bought, what could it bring?
- Recognise and publicise your environmental achievements, remember those which may fall outside of the EMS because they were cost or customer driven
- When reviewing documents, consider ISO 14001 and make changes now rather than wait
- Take opportunities to become familiar with business processes such as risk management, mission, vision, values and project sign off
- Consider how the changes relate to your other management systems, ISO 9001 and OHSAS 18001/ ISO45001. Can you integrate your approach to meeting the changes to each of the standards?

### **Ramboll Environ Transitioning Services**

The time, resources and expertise required to properly transition to the new standard should not be underestimated. This workload will have to take place in addition to managing day-to-day environmental processes and issues. Ramboll Environ can not only provide you with the additional resource but also the expertise to make sure your transition is successful, not only in maintaining your certificate but ensuring your EMS is an intrinsic part of your organisation. We can help you understand the changes, plan your transition and provide the services to implement the changes, but the type and amount of support you receive is up to you.

We have already helped organisations to start transitioning to the new standard. Figure 5 provides an overview of where in the transition process we can help and further explanation is provided below.



**Figure 5 - Ramboll Environ services to meet ISO 14001:2015**

### Strategic Review and Gap Analysis

More than a bottom up gap assessment, this process delivers cross-functional senior management engagement, allowing for an effective transition process. The review comprises of a presentation to top management, a comparison of your current management system against ISO 14001:2015 and an analysis of your company’s business processes and how your EMS can be integrated within them. The resulting action plan can act as a road map to transition, detailing responsibilities, timeframes, human resource and budgetary requirements.

### Cross Functional Leadership Workshop

Engaging the senior management team at an early stage will be vital to the speed and success of your transition. A half day strategy workshop designed specifically for your organisation and facilitated by Ramboll Environ, would provide your top management with an understanding of the conceptual changes, your current approach to environmental management and a recognition of the changes required.

### ISO 14001:2015 Training

Various approaches are available to help you implement the changes, from a one day introductory course to masterclasses. Delivered in company to your environmental professionals, environmental champions or cross functional teams.

### Context and Interested Party Analysis and Risks and Opportunities assessment

A cross-functional workshop approach to determine contextual issues, interested party requirements and compliance obligations. From this risks and opportunities can be understood.

### Manual and Procedure Review

Ensuring your EMS documentation is ISO 14001:2015 ready.

### **Environmental Aspects Lifecycle Workshop**

Using a cross-functional workshop approach to identify and evaluate environmental aspects across the lifecycle of your products and services.

### **Re-Certification Readiness Audit.**

We would review your EMS and provide feedback on its readiness for recertification and include recommendations to fill any gaps. This can be undertaken in conjunction with other Ramboll Environ services or as a standalone service, perhaps where you want to check the effectiveness of your own internal changes.

### **Sustainability**

ISO 14001:2015 can be used as a stepping stone to wider sustainability, or can support such initiatives where they are already in place. We are able to assist you to develop a sustainability strategy, or where one exists to help implement it.

## CONTACT US

**Greg Roberts**

Manager

+44 29 2054 3552

[gproberts@ramboll.com](mailto:gproberts@ramboll.com)