



# COMPLIANCE MONITORING AND AUDITING

Under national environment law—the *Environment Protection and Biodiversity Conservation Act 1999*—any activities or projects which are likely to have a significant impact on nationally protected matters will need to get approval from the Federal Environment Minister.

These activities or projects, also called “actions” must be referred to the federal environment department to see whether or not they need to undergo federal assessment.

The department will decide if the action is:

- a *controlled action*, meaning it needs to be assessed
- a *not-controlled action*, meaning it does not need to be assessed, or
- a *not-controlled action* – particular manner, which means it can proceed without federal assessment as long as is carried out in the manner outlined in the referral material.

Controlled action approvals and particular manner decisions include special conditions or requirements the proponent must comply with.

## Monitoring program

The department has implemented a program of monitoring and auditing projects that have been referred under national environment law to ensure they are complying with their approval conditions or requirements and the legislation.

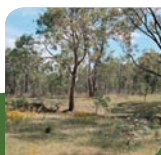
Post approval monitoring and audits help to ensure projects with the potential to impact on nationally protected matters are implemented as planned. They also help the Australian Government to understand how well approval conditions are being understood and applied, and contribute to improving the effectiveness of the department’s operations.

## What is a compliance audit?

A compliance audit is an objective assessment of a project’s compliance against selected criteria.

Projects are audited against the conditions or requirements that were set by the department when it approved the project.

A compliance audit usually takes the form of a desktop document review followed by a site inspection, if necessary. In some cases, the document review provides the department



with enough information to verify that a project is compliant with conditions or requirements under national environment law.

If your project is selected for audit, you will be contacted by a departmental officer who will outline the process and explain any requirements.

## What is a monitoring inspection?

A monitoring inspection is less formal and less extensive than an audit and involves a site visit to ensure the project complies with the set conditions or any requirements that can be readily assessed on the ground. Usually a monitoring inspection will not involve a formal review of documentation and records.

Why monitor post approval compliance?

The aim of monitoring compliance is to gather information on levels of compliance; to communicate the findings to the project's proponent and to the department; and, if necessary, to recommend appropriate corrective action.

Both audits and monitoring inspections are part of the department's post approvals monitoring regime. Monitoring also involves regular contact with proponents to ensure projects are running to schedule and in line with requirements.

Information about how well proponents are complying with and performing under national environment law is used to help the department protect the matters listed under the legislation.

By intervening early through monitoring it is less likely that serious non-compliance issues will arise inadvertently.

Post approval monitoring also demonstrates to the community that there are systems in place for measuring and improving compliance, and increases community confidence in the regulatory system.

## Who will be monitored?

Monitoring is carried out on projects across all areas including mining and energy, government, transport, ports and marine, urban development, tourism and recreation. Any project that has been referred to the Minister since national environment legislation commenced can be selected for compliance monitoring and audit.

All audit activity and report summaries are posted on the department's website. Selected cases will also be made public through environmental industry and general media. This is to encourage best practice behaviour within the regulated community.

## Further information

For further information on the monitoring and audit program, please contact:

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