



Government of **Western Australia**
Department of **Mines, Industry Regulation and Safety**

POLICY

Approach to Risk-based Environmental Compliance for the Resource Industry

For activities regulated under the *Mining Act 1978*, *Petroleum and Geothermal Energy Resources Act 1967*, *Petroleum Pipelines Act 1969* and *Petroleum (Submerged Lands) Act 1982* and *Environmental Protection (Clearing of Native Vegetation) Regulations 2004*.

Version 1.0

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Document Hierarchy

Legislation	<i>Mining Act 1978</i> <i>Petroleum and Geothermal Energy Resources Act 1967</i> <i>Petroleum Pipelines Act 1969</i> <i>Petroleum (Submerged Lands) Act 1982</i> Environmental Protection (Clearing of Native Vegetation) Regulations 2004
Statutory Documents	Environmental Regulatory Strategy Environmental Objectives Policy for Mining Departmental Enforcement Policy
Policy	Approach to Risk-based Environmental Compliance for the Resource Industry
Guidelines	Guidance Note on Environmental Non-compliance and Incident Reporting
Procedures	

Version History

Version	Date	Changes
1.0	2023	Initial Publication

Purpose

This policy demonstrates how the Department of Mines, Industry Regulation and Safety (DMIRS) Resource and Environmental Compliance (REC) Division delivers on its principal objective for environmental regulation using a risk-based compliance approach.

Principal Environmental Regulation Objective:

Resource industry activities are designed, operated, closed, decommissioned and rehabilitated in an ecologically sustainable manner, consistent with agreed environmental outcomes and post-mining land-uses without unacceptable liability to the State.

Objective

The objective of this policy is to outline the risk based environmental compliance approach for mining and petroleum activities regulated by the REC Division of DMIRS.

Scope

The policy applies to all mining and petroleum activities regulated by the REC Division. This includes all mining and petroleum (exploration, development, operation, and closure) activities that are regulated under the:

- *Mining Act 1978 (Mining Act)*;
- *Petroleum and Geothermal Energy Resources Act 1967*;
- *Petroleum Pipelines Act 1969*;
- *Petroleum (Submerged Lands) Act 1982*;
- *Offshore Minerals Act 1994*; and
- Environmental Protection (Clearing of Native Vegetation) Regulations 2004.

This document is effective from 1 July 2023.

Compliance monitoring approach

1. Overarching purpose of compliance activities

Environmental compliance activities are undertaken to assist in determining if companies are undertaking their operations in accordance with relevant environmental approvals and legislation and meet DMIRS' environmental regulation objectives as identified in the Environmental Regulatory Strategy and Environmental Objectives Policy.

Compliance activities also provide an opportunity for DMIRS to identify and communicate leading practice environmental management or areas for improvement, fostering a culture of continuous improvement.

2. Risk-based compliance planning

The REC Division implements a risk-based compliance approach across the lifecycle of a resources operation, whereby the level of monitoring and surveillance is proportionate to the level of risk an activity or operation poses to the environment of Western Australia.

A risk-based approach enables the REC Division to allocate resources proportionate to risk and more closely monitor higher risk activities.

3. Types of compliance activities

The REC Division utilises a variety of activities to verify compliance with DMIRS' regulatory objectives, approval documents, reports and plans. These activities include those scheduled in the annual compliance plan and those undertaken as responsive compliance activities:

- Compliance inspections are undertaken by certified environmental inspectors on site.
- Desktop compliance assessments utilise information submitted to the department such as annual environmental reports, incident reports, closure completion reports and data obtained from remote sensing, satellite imagery, and financial databases.

4. Compliance planning and establishing priorities

Each financial year, the REC Division establishes annual compliance plans which includes the type, number, and focus of compliance activities that will be undertaken during the year.

Decisions on which sites will be subject to compliance activities and the type of compliance activity to be undertaken are informed by a number of factors, including:

- a site’s risk rating (section 5); and
- DMIRS’ compliance activity targets (section 6).

DMIRS also undertakes responsive or opportunistic compliance activities. These responsive activities are those that were not originally included in the annual compliance plans, but are undertaken in response to a change in site risk, an incident, opportunity arising (i.e. officers in the area undertaking other compliance activities) or stakeholder feedback.

5. Risk rating

All sites regulated by the REC Division are assigned a risk rating. This is based on consideration of the consequence and likelihood of the activities on a site not meeting DMIRS’ principal regulatory objective:

Resource industry activities are designed, operated, closed, decommissioned and rehabilitated in an ecologically sustainable manner, consistent with agreed environmental outcomes and post-mining land-uses without unacceptable liability to the State.

The risk ratings are Very Low, Low, Moderate, High, Very High or Extreme (Table 1).

Table 1 – REC Division Site Risk Matrix

Risk Matrix	Most Credible Consequence Level				
	Insignificant	Minor	Moderate	Major	Catastrophic
Rare	Very Low	Low	Low	Low	Moderate
Unlikely	Low	Low	Moderate	Moderate	High
Possible	Low	Moderate	Moderate	High	High
Likely	Low	Moderate	High	Very High	Very High
Almost certain	Moderate	High	High	Very High	Extreme

Very Low
 Low
 Moderate
 High
 Very High
 Extreme

Consequence is determined by the scale of the site and the presence of environmental receptors. The likelihood is determined by the type of mining or petroleum activity, experience of the operator, environmental management or compliance history and the sites preparedness for closure.

Factors that are considered during the risk assessment process include:

- Scale
- Land tenure
- Biodiversity and water receptors
- Type of mining or petroleum activity
- Tenement/Title holder compliance history

- Environmental Management as determined from the Annual Environmental Reports or compliance investigations
- Closure Preparedness
- Presence or absence of non-standard approval conditions.

6. DMIRS' environmental compliance activity targets

DMIRS' management response and annual compliance planning is informed by each site's overall risk rating and compliance activity targets.

Compliance activity targets for mining and petroleum sites and native vegetation clearing activities are provided in Table 2.

Table 2 – Compliance activity targets

Risk Category	Compliance activity management target	Management target as percentage of sites/year	Explanation
Very low and Low	Compliance activity as required	As required	Low risk sites are subject to compliance activity as required. Risk assessment maintained within five years currency.
Moderate	100% over 5 years	20%	Moderate risk sites are subject to compliance activity every five years.
High	100% over 2 years	50%	High risk sites are subject to compliance activity every two years.
Very High	100% per annum	100%	Very high risk sites are subject to compliance activity every year.
Extreme	100% per annum (and Case Management)	100%	Extreme risk sites are subject to compliance activity every year (and are subject to ongoing case management).

■ Very Low
 ■ Low
 ■ Moderate
 ■ High
 ■ Very High
 ■ Extreme

Due to the high volume of individual mineral exploration applications (programmes of work) received each year, DMIRS considers the cumulative risk of this activity across the State and targets its compliance verification effort accordingly (e.g. target areas with large cumulative disturbance or areas of particular environmental sensitivity).

Government of Western Australia

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