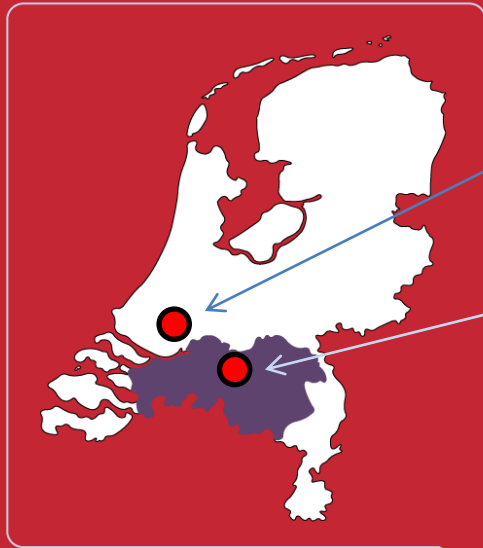


# Compliance assurance through company compliance management systems

*Next Generation Environmental Compliance*  
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Rotterdam

Den Bosch



# Content

1. Introduction and problem definition
2. System based supervision
3. Essential conditions
4. System based approaches in Europe
5. Developments
6. Conclusions



# Problem definition

1. Poor compliance & poor risk management
2. Reactive regulated companies
3. Too much & irrelevant legislation
4. Gap expectation of supervision vs. limited capacity

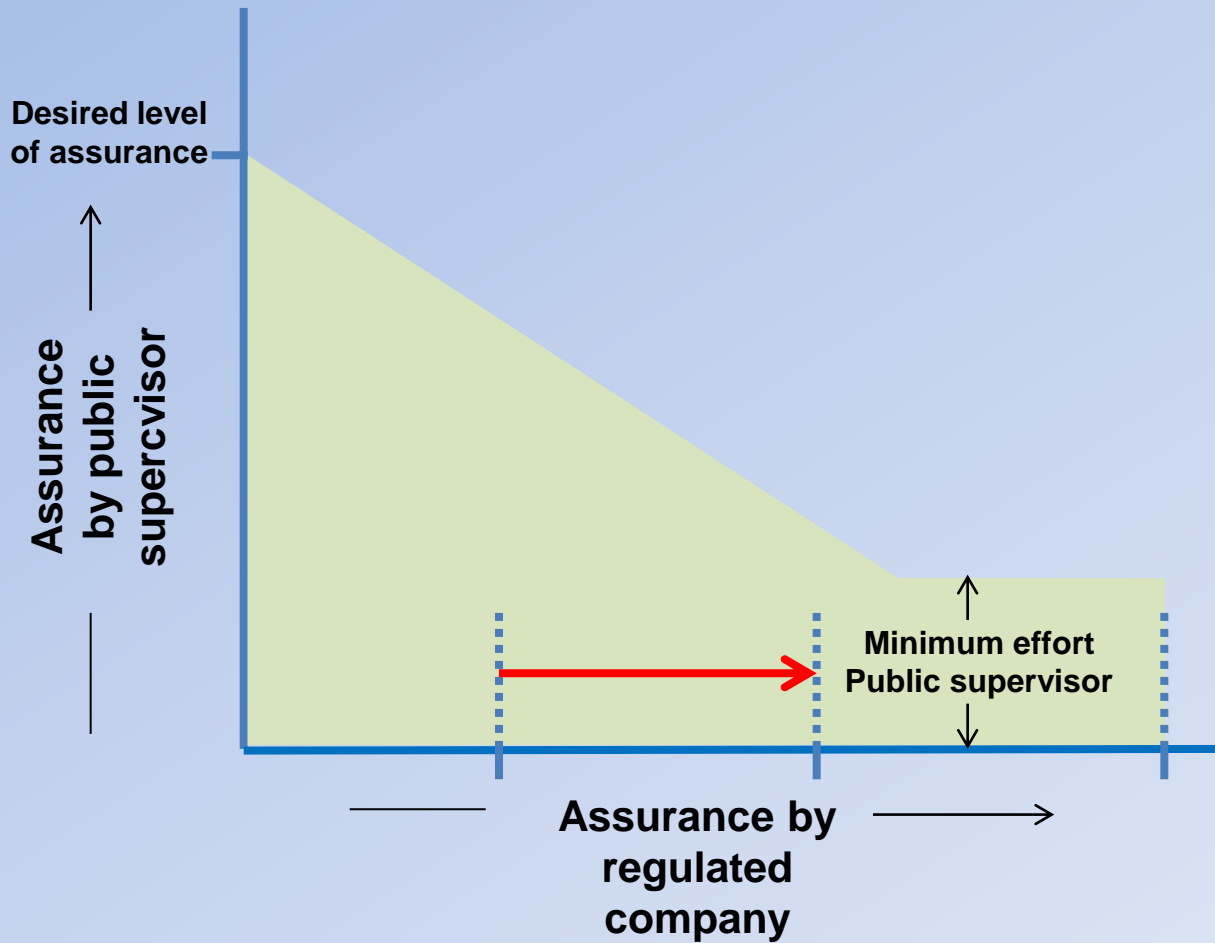


# System based supervision

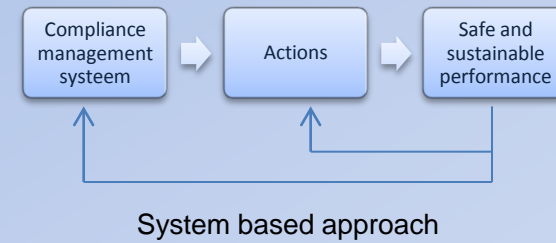
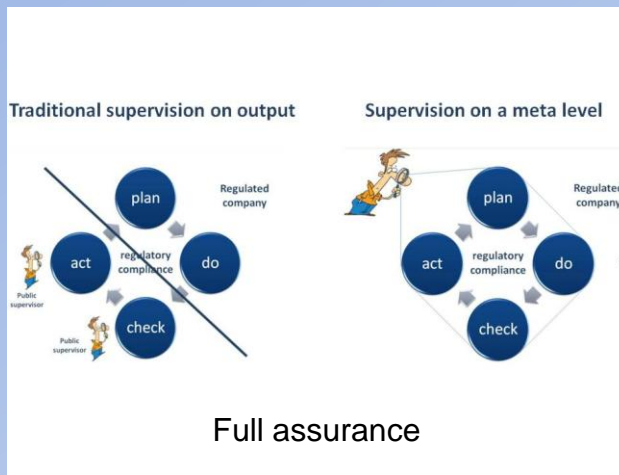
## Goals:

1. Smarter: Assessment of level compliance management and adjustment supervision
2. Leverage: Improvement of compliance by double loop learning





## Theoretical concepts



# How?

1. Compliance management assessment using own CM system standard
2. Result: CM level 1,2,3 or 4
3. Levels 3 and 4 receive adjusted supervision:
  - less output inspections
  - less sanctions if reaction is OK

## Daily practice



Levels of CM



# Essential conditions

- Commitment all stakeholders
- Ability regulated industry (CM systems)
- Attitude & education supervisors
- Effective self correction mechanism
- Shared vision about risk management
- Speak softly and carry a big stick

Some participants:





# Dilemmas

- Risk management versus compliance management
- Paradox of transparency (criminal law)
- Certification by third party verifiers

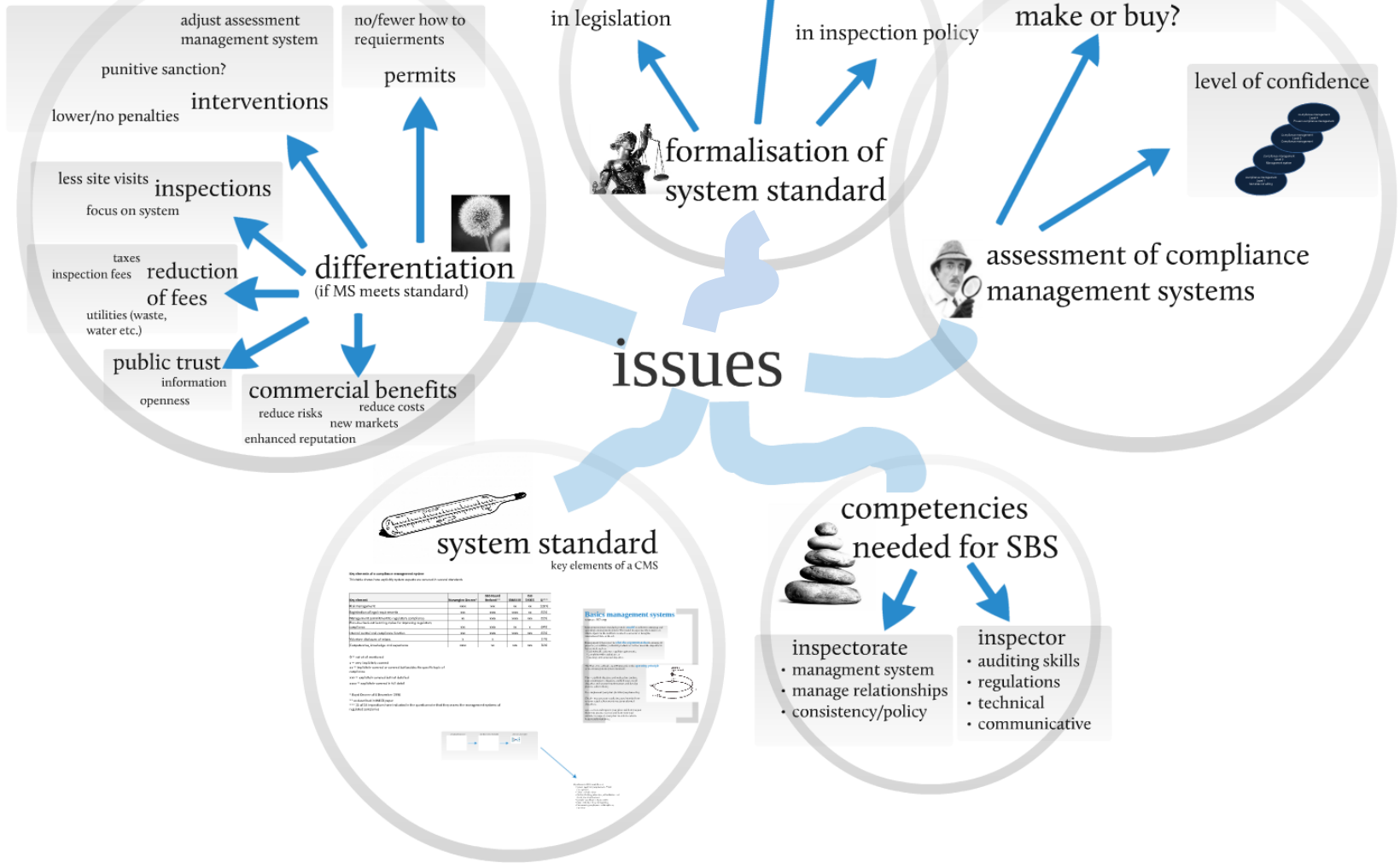


## IMPEL project (2010-2012)

- UK, Scotland, Germany, Italy, Norway, Netherlands (project lead)
- Use of compliance management systems
- Desk study, workshops, questionnaire, plant visits



# IMPEL project



# IMPEL project: findings

1. Big unused potential for self control

2. Criteria for effective CMSs:

- Risk management
- Registration of legal requirements
- Senior Management commitment
- PDCA cycle for compliance
- Internal control
- Competencies, knowledge and experience

3. Effective CMS supervision should:

- have standard criteria for an effective CMS,
- measure the level of confidence in the CMS,
- require actions that reflect the level of confidence in the CMS and
- be backed up by credible sanctions



# Developments

1. Adjustment regulations & licensing (New safety/construction/environment Act)
2. Alignment with criminal law
3. Other domains adopt SBS methodology (transport, health care)
4. PhD projects EUR
5. Follow up IMPEL project?



# Conclusions

1. Huge unused potential in CMS
2. Multi level assessment supports improvement of CMS effectiveness
3. Essential conditions (commitment, ability, methodology, balance reward/penalties)
4. Usefulness of certificates is limited



# Thank you !

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