

ENVIRONMENT INITIATIVE 2019

INITIATIVE : INCREASING ENFORCEMENT ACTION OF LICENCED PREMISES UNDER SECTION 18(1) EQA 1974 (PALM OIL MILLS, RUBBER MILLS AND SCHEDULED WASTE RECOVERY FACILITIES) AND NON-LICENCED PREMISES (MANUFACTURING INDUSTRIES, SEWAGE FACILITIES)

OUTCOME : 100% ENFORCEMENT INSPECTION FOR LICENCED AND NON-LICENCED PREMISES UNDER ENVIRONMENTAL QUALITY ACT 1974

The strategies planned by DOE in increasing enforcement are:

- 100% enforcement inspection for licenced facilities, manufacturing industries and sewage facilities
- Environmental compliance can be increased through field inspection and engagement with the industrial sectors. Field inspection comprises of command and control approach and complimented with self-regulation approach i.e. environmental mainstreaming tools verification.
- The DOE has embarked on a program entitled “Guided Self-Regulation” (GSR) to develop an industrial society that have an intrinsic culture of pride in environmental excellence. To assist the regulated community to achieve the state of self-regulation, the DOE has formulated a set of environmental mainstreaming tools

(EMT) to be implemented in the organizations and industrial premises. The environmental mainstreaming tools (EMT) include:

- i. Environmental Policy
- ii. Environmental Budgeting
- iii. Environmental Monitoring Committee
- iv. Environmental Facility
- v. Environmental Competency
- vi. Environmental Reporting and Communication
- vii. Environmental Transparency

The DOE targets 70% of the premises inventory to be fully compliant with EMT

ENVIRONMENT INITIATIVE 2019

INITIATIVE : ENFORCEMENT ON 100 ILLEGAL PLASTIC RECYCLING PREMISES

OUTCOME : ZERO ILLEGAL PLASTIC RECYCLING PREMISES

The Department of Environment (DOE) aims to shut down 100 illegal plastic waste recycling factories across the country by the end of March 2019. To achieve this goal, several measures have been planned as follows:

- i. Set up headquarter and state level task forces that would plan and implement integrated operation in their respective states and also to ensure existing illegal factories do not continue their operations;
- ii. Strict action will also be imposed on licensed plastic waste recycling factory operators who do not comply with the Environment Quality Act, 1974;
- iii. Reporting of enforcement activities operation to MESTECC every two (2) weeks;
- iv. Integrated enforcement operations with the relevant agencies;
and
- v. Engagement with EXCO, Members of Parliament (MPs) and State Assemblymen

ENVIRONMENT INITIATIVE 2019

INITIATIVE : JOHAN SETIA OPEN BURNING ACTION PLAN

OUTCOME : TOWARDS ZERO OPEN BURNING AND PREVENT LOCAL HAZE

FORMATION OF JOHAN SETIA OPEN BURNING ACTION PLAN - TOWARDS ZERO OPEN BURNING AND PREVENT LOCAL HAZE

1. In the previous years, open burning in Johan Setia Klang had become routine events that disturbed the livelihood of the surrounding people.
2. In mid-August 2018 when transboundary haze occurred in Klang, the local burnings in Johan Setia had further worsened the air quality condition and affected most of the surrounding residential.
3. Responding to local residents concerns and to further improve the situation, the action plan to mitigate the open burnings in Johan Setia has been developed by MESTECC in collaboration with other relevant federal and state of Selangor agencies.
4. The Johan Setia Open Burning Action Plan targets towards zero burning in that area and is one of the Minister's Performance Indicator for 2019.

In order to achieve the target, several measures have been planned as follows:

- i) To establish Johan Setia Open Burning Prevention Community
- ii) To conduct awareness program among farmers and related agencies
- iii) To enhance patrols in preventing open burning in Johan Setia
- iv) To ensure availability of water supply for fire suppression
- v) To have better coordination and response team among agencies led by Disaster Management Unit of Negeri Selangor (Unit Pengurusan Bencana Negeri Selangor (UPBN)) for full implementation of Action Plan.
- vi) To ensure Action Plan to be undertaken by various responsible department and agencies
- vii) To focus on 3 stages of actions:
 - o Prevention
 - o Fire suppression
 - o Enforcement

ENVIRONMENT INITIATIVE 2019

INITIATIVE : HOLISTIC AND COMPREHENSIVE APPROACH BY REDUCING CONFLICT OF INTEREST, ADOPTING MEASURES FOR CONTINUOUS ASSESSMENT AND STIFFER PENALTIES

OUTCOME : QUALITY CONTROL IN EIA REPORT/ PROCESS

- a) Improving EIA process – holistic and comprehensive approach by fortifying EIA procedures.**
- b) Improve EIA guidelines in accordance to current order, Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015.**

1. Environmental Impact Assessment (EIA) can be broadly defined as a study to identify, predict, evaluate, and communicate information about the impacts (both beneficial and adverse) on the environment of a proposed development activity and to detail out the mitigating measures prior to project approval and implementation.

2. Through the EIA process, the most environmentally suitable options from various perspectives such as site, manufacturing technology, resources, and mitigation measures can be identified at an early stage. As a consequence, not only positive impacts can be maximized, adverse and damaging impacts, and costly remedial measures can be prevented or reduced.

3. In Malaysia, EIA is a statutory requirement for activities which have been prescribed under Section 34A of the Environmental Quality Act (EQA) 1974. Section 34A (2C) of the Act stipulates that any person intending to carry out any of the prescribed activities is required to appoint a Qualified Person to conduct an EIA and submit a report to the Director General of Environment.

4. To improve EIA process, the Government proposed to have a stakeholder engagement on Q1 of 2019. This engagement session will involve all stakeholder such as approving authority from federal and state governments, government agencies, project proponents, developers, EIA consultants, institutes, non-governmental organizations (NGOs) and the public. The objective is to obtain proposal and opinion from all the stakeholders on the present EIA procedure. The findings of the stakeholder engagement will be analysis and a report of proposed improvement of EIA process will be produce in Q2 of 2019.

5. Besides that, 3 guidelines will be published in Q4 2019 in accordance to improve the EIA procedure which include following activities:

- (i) Agriculture, Fisheries and Forestry
- (ii) Industry
- (iii) Housing, Industrial Estate Development, New Township Development, Transportation, Road, and Aerodrome

ENVIRONMENT INITIATIVE 2019

INITIATIVE : CONTINUOUS MONITORING OF COMPLIANCE FOR PROJECTS

OUTCOME : 100% ENFORCEMENT INSPECTION OF EIA APPROVED PROJECTS

1. It is an ongoing process as required under Section 34A, EQA 1974. Beside the enforcement programed by DOE to ensure compliance of EIA project, the project proponent also required to implement third party audit under Section 33A by an auditor registered with the DOE to ensure continuous monitoring of compliance for projects. They are also need to do environmental monitoring programmed and submit their report via Online Environmental Reporting (OER) System to DOE.

2. With the lofty goal to develop an industrial society and those involved in development projects that have an intrinsic culture of **pride in environmental excellence (EE)**, the Department of Environment (DOE) has embarked on a program entitled “**Guided Self-Regulation**” (**GSR**). To assist the regulated community (RC) to achieve the state of self-regulation, the DOE has formulated a set of **environmental mainstreaming (EM)** tools to be implemented in the organizations and industrial premises.

3. The Environmental Mainstreaming Tools (**EM tools**) include:

- Environmental policy (EP)
- Environmental budgeting (EB)
- Environmental monitoring committee (EMC)
- Environmental facility (EF)
- Environmental competency (EC)
- Environmental reporting and communication (ERC)
- Environmental transparency (ET)

ENVIRONMENT INITIATIVE 2019

INITIATIVE : IMPLEMENTING MONETARY FINES FOR DAMAGING THE ENVIRONMENT

OUTCOME : DETERRENT SENTENCE TO THE ENVIRONMENTAL OFFENDERS AND CREATE ENVIRONMENTAL AWARENESS

1. DOE already set a KPI target 30 number of cases to be referred to Deputy Public Prosecutor (DPP) for court action and 150 number of cases compounded to the noncompliance EIA Project Proponent in 2019.
2. It is ongoing process under Section 34A(8) EQA 1974 to implementing monetary fines for damaging the environmental. DOE will ensure any noncompliance cases under Section 34A will be registered to the court. Court will decide the punishment base on the requirement under Section 34A(8) – Maximum fines RM500,000 and imprisonment not exceeding 5 years or both.
3. DOE currently make a total law reform for the existing EQA 1974. The new law already takes in to consideration any loophole and weakness of the existing act and already proposed new penalty amount. The new law will rename as Environmental Protection Act (EPA 20XX).

ENVIRONMENT INITIATIVE 2019

INITIATIVE : TO STRENGTHEN THE EXISTING DELEGATION OF POWER RELATED ORDERS (SECTION 49, EQA 1974)

OUTCOME : ENFORCEMENT OF OPEN BURNING, MARINE POLLUTION, HALON MANAGEMENT AND EROSION AND SEDIMENT CONTROL BY THE AUTHORIZED AGENCIES

1. The Department of Environment has delegated power to several government agencies for the purpose of investigating pollution cases under the Environmental Quality Act 1974, as follows:

- (i) Local authorities, Fire Department, Police, Health Department and Forest Department for the open burning;
- (ii) Enforcement of marine pollution to Maritime Agencies such as Marine Department, Fisheries Department, Custom Department, Police Marine and Royal Navy;
- (iii) Enforcement of halon management by Fire Department.
- (iv) Drainage and Irrigation Department for the enforcement of investigation on erosion and sediment control.

2. To strengthen the existing delegation of power to the relevant agencies, the following action plans will be implemented in 2019:

- (i) Department of Environment to prepare information on baseline data of current enforcement and investigation by the authorized agencies and targeted number;
- (ii) Department of Environment to prepare Standard Operating Procedures;
- (iii) Engagement with all stakeholders;
- (iv) Approval of Environmental Quality (Delegation of Powers) Order from Attorney General and endorsement from Minister;
- (v) Legislation to include prosecution power to the authorized agencies by quarter four.
- (vi) Environmental Quality (Delegation of Powers) Order gazetted;
- (vii) Department of Environment to report on the number of enforcement carried out with the agencies and impact to the communities to Minister.

ENVIRONMENT INITIATIVE 2019

INITIATIVE : LAW REFORM OF NEW ENVIRONMENT PROTECTION ACT (EPA)

OUTCOME : ENVIRONMENTAL PROTECTION, PREVENTION AND CONTROL AGAINST POLLUTION

1. The new draft Environmental Protection Environmental (EPA) Act 1974 seeks to strengthen the enforcement work to be more effective and relevant by emphasizing the following:

- (i) Introduction of new concepts such as environment protection, precautionary approach, sustainability, the user pay principle, Cradle to Cradle and Extended Producer Responsibility;
- (ii) Implementation of green industry practices is intended as a preventive, taking into account dynamic environmental management, climate change and social will in the operation of the industry;
- (iii) Household E-waste management;
- (iv) Implementation of Guided Self Regulation Approach;
- (v) Best Technology and Best Management Practice Implementation in line with International obligations on environmental protection;

- (vi) Introducing minimum and maximum fines and increasing compound value to show the environmental pollution/crime is a serious offence.

2. To achieve the objective of realizing the new law, Environmental Protection Act, the following action plans will be implemented in 2019;

- (i) Principle Approval on Policy of Environmental Protection Bill from MESTECC;
- (ii) Engagement with Members of Parliament (MPs);
- (iii) Stakeholder Engagement on Environmental Protection Bill;
- (iv) Approval of Environmental Bill from Attorney General;
- (v) Environmental Protection Bill to be tabled to Parliament by quarter four.

ENVIRONMENT INITIATIVE 2019

INITIATIVE : CLEAN AIR REGULATIONS 2014

**OUTCOME : 90% COMPLIANCE OF EMISSION STANDARD BY
THE INDUSTRIAL SECTORS**

COMPLIANCE WITH ENVIRONMENTAL QUALITY (AIR CLEAN) REGULATIONS 2014

1. The Environmental Quality (Clean Air) Regulations 2014 [CAR 2014] was gazetted on 23 April 2014 and came into force on 4 June 2014 in place of the Environmental Quality (Clean Air) Regulations 1978.
2. Existing industries are given a grace period of 5 years from the date of the regulations come into force and to take steps to comply with the opacity and limit values set out in Regulations 12 and 13. For any new industries that commence after the Regulations come into force, they must continue to comply with the new limit values and technical standards.
3. The Department of Environment (DOE) has received feedback from three (3) major industrial sectors which have challenges in complying with the new clean air regulations before 5 June 2019 particularly on high cost of investment for installing air pollution control equipment for industries with many facilities. Some industries need longer grace period for compliance due to technical challenges and poor planning.
4. Three industrial sectors are namely as follows:

(i) Palm Oil Mill sector

Require extension of time (the most is 2 years) for complying emission limit values of particulate matters (PM) of 150 microgram/m³ by adopting various air pollution technology such as Electrostatic precipitator (ESP), vorceps and wet scrubber

- Total number of palm oil mill = 460,
- Number of palm oil mill that have complied = 52,
- Number of palm oil mill that shall comply by year end = 152
- Number of palm oil mill that shall comply by 2020 = 41
- Number of palm oil mill that shall comply by 2021 = 19
- Number of palm oil mill that yet to give feedback = 196

(ii) Power Generation sector

Apply waiver for old power stations (before 2014) to comply parameters of SO_x, NO_x, CO etc. until the operating license expires. For new power stations, they can comply with CAR 2014.

42 power stations under the supervision of the Energy Commission (ST), in Peninsular Malaysia (28 stations) and Sabah (14 stations). Of the total power stations in Peninsular Malaysia, only 8 can comply with the CAR 2014.

DOE and ST have conducted compliance audits on four major power stations claiming to be very costly to upgrade i.e:

- Kapar Energy Ventures (Sultan Salahuddin Shah Power Station);

- TNB Janamanjung (Sultan Azlan Shah Power Station);
- Jimah Energy Ventures; dan
- Tanjung Bin Power

Audit findings show that the main issues of non-compliance were due to the lack of proper maintenance of the control tools and there was an opportunity to optimize the process to ensure that plant operations could comply with CAR 2014. The audit has found that Kapar Energy Ventures does not have the Flue Gas Desulphurization (FGD) since its inception.

It was also found that the cost of upgrading proposed by some existing power plants to comply with CAR 2014 is actually include the cost of maintenance for existing stations and not the cost to install new equipment.

(iii) Oil and Gas & Petrochemical Plant

Require extension of time

- The sector is ready to comply but takes a longer time up to 2025 to comply with NO_x limit value due to the high cost of installing air pollutant (De-NO_x) for the large number of turbine gas turbine facilities.
- The old petrochemical plants (established in the 80's) such as ABF in Bintulu, requested for waiver on ammonia limit value.
- For refineries, SO_x limit value for acid gas removal unit will be introduced in the amended CAR 2014.

ENVIRONMENT INITIATIVE 2019

INITIATIVE : ENDORSEMENT OF THE SCHEDULED ELECTRICAL AND ELECTRONIC EQUIPMENT WASTE REGULATIONS 20XX DRAFT BY ATTORNEY GENERAL CHAMBERS (AGC)

OUTCOME : FULL IMPLEMENTATION OF THE SCHEDULED E-WASTE MANAGEMENT SYSTEM BY THE KEY PLAYERS

1. Scheduled waste to be covered under these drafted regulations are waste electrical and electronic equipment (WEEE), commonly known as scheduled e-waste, particularly on (1) washing machines, (2) refrigerators, (3) air-conditioners, (4) computers, (5) televisions and (6) mobile phones. This list can be added on in the future depending on the types of scheduled e-waste to be regulated in a long run.
2. Under the current conditions, e-wastes are mostly ended up at informal sectors, where some of the recyclable parts are dismantled by the recyclers, while the unwanted residues are either disposed off at the landfills, or illegally dumped. This current practices have caused undesired contamination to the environment, as well as release of harmful CFC gaseous into the natural environment.
3. There are currently scheduled waste full recovery facilities (FRF) throughout the country, however, these FRF are mainly processing e-waste generated from the industrial sectors. Some of the e-wastes such as washing machines, refrigerators and televisions are not economically

viable to be recycled or recovered, because of transportation logistic, low contents of valuable materials and costly environmental protection equipment is required, such as proper Chlorofluorocarbons (CFC) destruction device.

4. A new regulation to regulate scheduled e-waste in an Environmentally Sound Management (ESM) is therefore needed, to ensure a mechanism is to be created for proper collection, transportation, treatment, recycling and recovery of scheduled e-waste. Due to the fact that the entire process of scheduled e-waste management may not be economically viable, the “Extended Producer Responsibility (EPR)” concept is adopted in this regulation, to emphasize on the “Shared Responsibility” by all regulated players involved in the entire flow of scheduled e-waste management, i.e. the collectors, collection centres, retailers, manufacturers, importers and recyclers.

5. Under the framework of the new regulation, the generated scheduled e-waste will be channeled to the authorized collectors and the licensed scheduled e-waste recovery facilities to be managed in an ESM.

ENVIRONMENT INITIATIVE 2019

INITIATIVE : DRAFTING OF THE PROCEDURES FOR APPLICATION OF LICENSE OF AUTHORISED AUTOMOTIVE TREATMENT FACILITIES (AATF)

OUTCOME : ESTABLISHMENT OF LICENSING GUIDELINES FOR AUTHORIZING AUTOMOTIVE TREATMENT FACILITIES (AATF) FOR MANAGEMENT OF SCHEDULED WASTES OF ABANDONED VEHICLES

1. Abandoned vehicles can pose risks to the environment because it contain scheduled waste such as waste oil, asbestos (from brake pad) and e-waste.
2. In order to ensure that the scheduled wastes originated from the treatment activity of abandoned vehicles is treated properly according to the scheduled wastes legislation, there is a need to control the treatment facilities to prevent mismanagement of these scheduled wastes which will pose hazards to the environment and human health.
3. In view of that, establishment of Procedures for Application of License of Authorised Automotive Treatment Facilities (AATF) has been one of DOE initiative in 2019. DOE is committed to:
 - (i) Organize engagement with stake holders : Government Agencies – MAI, MITI, MOT, RTD, Local Authority & DOE State & Potential Authorised Automotive Treatment Facilities (AATF)
 - (ii) Licensed Authorised Automotive Treatment Facilities (AATF)
 - (iii) Establishment of Communication Plan for Handling of Abandoned Vehicles

(iv) Conduct public awareness program

(v) Publicity and coverage throughout the nation (Media)

ENVIRONMENT INITIATIVE 2019

INITIATIVE : ENGAGING THE INDUSTRY PROGRAM – ENVIRONMENTAL SUSTAINABILITY MANAGER

OUTCOME : FACILITATE REGULATED COMMUNITIES/ ENVIRONMENTAL SUSTAINABILITY MANAGERS TOWARDS ENVIRONMENTAL COMPLIANCE

1. The Department of Environment (DOE) organized various environmental awareness program throughout the year and targeting various levels of society such as kindergartens, schools, institutions of higher learning (IPTs), non-governmental organizations (NGOs), local communities, government and private agencies, industries and the public.
2. The objectives are:
 - (i) To promote education and environmental awareness in a broader aspect;
 - (ii) To provide a platform to all Malaysians in celebrating and appreciating the environment;
 - (iii) To give recognition to those who have contributed towards the preservation and conservation of the environment; and
 - (iv) To increase public awareness towards the preservation and conservation of the environment.
3. The conduction of these programs has received cooperation and support from many stakeholders including the State Government, industry, private sector and NGOs.

4. In 2019, DOE is committed to conduct environmental awareness program and stakeholder engagement sessions as below:

- (i) Earth Day Program (22 April)
- (ii) World Environment Day Program (5 June)
- (iii) Dialogue with industries
- (iv) World Ozone Day Program (16 September)
- (v) Workshops on Sekolah Lestari – Anugerah Alam Sekitar (SLAAS)
- (vi) SLAAS Award
- (vii) National Environment Day (NED) (21 October)
- (viii) Interactive Exhibition
- (ix) Community Outreach Program

5. Other than that, participation and collaboration among industries and other agencies will be encouraged towards smart partnership on environmental education and awareness. 200 strategic partnerships will be engaged in 2019.

6. Capacity building of Competent Person and Environmental Officer through competency certification program will be conducted throughout the year by Environmental Institute of Malaysia (EiMAS) in various fields such as scheduled wastes management, air and water pollution control. The number of environmental sustainability managers (esm)/ competent persons is targeted to be 1700 in 2019.

7. In addition, an Environmental Awards program will be initiated in 2019 to nurture environmental stewardship as an appreciation towards various categories including industries (large, medium and small), local authorities, journalists and community.

ENVIRONMENT INITIATIVE 2019

INITIATIVE : DOE COMPLIANCE CONSULTATION

**OUTCOME : FACILITATE REGULATED COMMUNITIES/
ENVIRONMENTAL SUSTAINABILITY MANAGERS
TOWARDS ENVIRONMENTAL COMPLIANCE**

1. Environmental compliance consultation and engagement with relevant regulated communities such as industry (Palm Oil Mills, Rubber Mills, Scheduled Wastes Recovery Facilities and Manufacturing Industries and project proponents will be carried out in 2019 to increase compliance of standards and conditions.
2. Other than that, DOE will also conduct stakeholder engagement session prior to introduction of new regulations that will be established and enforced in Malaysia such as Scheduled Electrical and Electronic Equipment Waste Regulations 20xx Draft.

ENVIRONMENT INITIATIVE 2019

INITIATIVE : DEVELOP GUIDELINES ON NUDGE METHODOLOGY IN FORTIFYING ENVIRONMENTAL SUSTAINABILITY MANAGER

OUTCOME : EMPOWERING ENVIRONMENTAL SUSTAINABILITY MANAGER BY NUDGE APPROACH

NUDGE APPROACH

1. Nudge is a choice architecture technique using the **behavioural economic** concept to foster the desired outcome for better decision-making and behavioural adoption, **without it being compulsory** or the individual being **forced to adhere** to rules and regulations, as well as **forbidding the enjoyment of current economic incentives** (Thaler and Sunstein, 2008).
2. The nudge is intended to stimulate and foster the practise of pro-environmental behaviour among Malaysians. People can make better choices through simple discreet policies while still retaining their freedom of choice.
3. Nudge approach to instill environmental awareness culture and education for current and future generation. Under MESTECC Initiatives 2019, we proposed to develop guidelines on Nudge methodology in fortifying environmental sustainability manager.

4. The action plans for this initiative are:
 - (i) Establishment of Nudge committee (Q1);
 - (ii) Prepare Guidance Document (Q2);
 - (iii) Implementation & Measure (Q3-Q4);
 - (iv) Benchmark visits/ Demonstration projects (Q4).