ISO 14001:2015 Draft International Standard

Proposed revisions to the environmental management and its progression towards final publication.
The upcoming third revision to ISO 14001 focuses on helping organizations develop sustainable business practices that will reenergize, restructure and improve their environmental management practices while driving business performance to a higher level. The revised standard offers organizations the framework to prepare for future environmental challenges and business opportunities.

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Background on the ISO 14001 standard

ISO 14001 is part of a growing “family” of environmentally specific standards. All International Standards Organization (ISO) management system standards go through an in-depth review every five years to determine if they still fulfill the needs of the businesses that rely on them.

First published in 1996, the International Environmental Management Systems Standard, ISO 14001, forever changed the perception of environmental management. It became much more of a mainstream concept, applicable to all sizes and types of organizations. Today, it is the most popular environmental management system standard, and over 250,000 facilities in about 160 countries have been certified since its initial publication.

The standard was republished in 2004 with minor changes designed to clarify the standard requirements language. Other revisions were also made to align ISO 14001 to key updates of the ISO 9001 Quality Management Systems Standard.

In 2008, the 14001 standard was re-affirmed, and now, pending its third iteration, the ISO 14001:2015 DIS represents the first full revision since the original publication. And with changing attitudes and new environmental challenges facing industry and society, it is certainly coming at an appropriate time.

ISO 14001 is part of a growing “family” of environmentally specific standards, which provide guidance on managing specific environmental issues and management tools for improving environmental performance.
In late 2011, representatives of the National Standards Boards voted to revise ISO 14001, and by early 2012, the revision process had begun. It culminated in July 2014 with the publication of the Draft International Standard. Starting on August 28, and for a period of three months, the ISO/DIS 14001:2015 will be available for comment and balloting by authorized representatives of the National Standards Board. This is the fourth stage of a six-stage revision process.

The proposed changes to the standard must still go through a Final Draft Stage (ISO/FDIS 14001:2015), which will be published following review and comments due to be published in May, 2015. The finalized International Standard will then be published in October, 2015.

SAI Global is providing the following information to keep organizations informed on the progress of the ISO 14001 revision and its pending new structure and requirements. It is based on information publically available at this stage.

The ISO Technical Committee ISO/TC 207 Environmental Management, sub-committee SC1, Environmental Management Systems, is responsible for developing ISO 14001. So far, the committee has agreed to base revisions on “Annex SL” (formally ISO Guide 83) which defines a common high level structure, text and common terms and definitions for the next generation of management systems. Having a common platform will help ensure consistency among future and revised management systems standards and ultimately make the standards easier for users to understand. It will also make it easier and more efficient to integrate multiple standards within one organization.

Here is the Annex SL-based ISO/DIS 14001:2014 structure:

- 0 - Introduction
- 1 - Scope
- 2 - Normative References
- 3 - Terms and Definitions
- 4 - Context of the organization
- 5 - Leadership
- 6 - Planning
- 7 - Support
- 8 - Operation
- 9 - Performance Evaluation
- 10 - Improvement

Anyone familiar with the current ISO 14001 model will notice that the ISO 14001:2015 standard represents a significant change in structure. This revised format, in addition to adopting the Annex SL-based structure, will consist of multiple discipline-specific requirements to make it a fully functional environmental management system standard.
The overall goal of this revision is to help companies improve their environmental performance and to reduce the burden of management system documentation in the pursuit of more environmentally sustainable practices. It seeks to accomplish this outcome by prescribing an operational framework to protect the environment throughout every level of a company’s operations. It also introduces methods to respond to changing environmental conditions driven by societal and economic needs.

ISO 14001:1996 and ISO 14001:2004 focused on managing legal compliance within an environmental system and on prevention of pollution. ISO/DIS14001:2014 builds on these aims, but gives clearer direction on how to use resources more efficiently and how to properly manage waste, climate change and degradation of eco-systems. Some of the changes have been clearly influenced by other guidance documents in the ISO 14001 “family,” but the system model is still based on the familiar PLAN, DO, CHECK, ACT cycle of improvement, which provides confidence to the organization’s stakeholders and allows easier and less costly integration of management systems.

Here is a summary of other significant changes coming with the ISO 14001:2015 revision:

- **Terms and definitions.** The DIS now defines 33 commonly used management system terms instead of the current 20 terms in ISO 14001:2008. In addition to new terminology, some of the existing definitions have been modified to give a different emphasis and to improve clarity. For example, compliance obligation, which replaces legal and other requirements in the text, is defined as a “requirement that an organization has to or chooses to comply with.” Some terms may already be familiar to organizations, which have explored other standards in the ISO 14001 series. Some of the new terms include life cycle analysis and indicators. Some of the changes in terminology, meanwhile, are subtle. For example, management system becomes environmental management system and interested parties becomes a catch-all term for all persons or organizations which perceive themselves to be affected by a decision or activity. Risk has been introduced, but it is a specific definition most would not consider when using this term in a general sense. It remains to be seen whether all of these definitions will make it to the finalized ISO 14001:2015 standard.

- **Annex SL** has introduced new clauses, two of which relate to the context of the organization:
  
  - **4.1 Understanding the organization and its context** and
  - **4.2 Understanding the needs and expectations of interested parties.**

Together, these clauses will require an organization to determine the issues and requirements that can influence the scope of its environmental management system. Understandings and conclusions developed as a result should then be used to direct revisions to the environmental management system. Although the requirements of relevant interested parties should be considered, it is ultimately up to the organization to determine relevance to its customers, regulatory bodies, industry groups and others as required.
- **Leadership.** The success of an environmental management system—or any management system for that matter—depends on the commitment and buy-in from top management. Top management is defined as “a person or group of people who direct and control an organization at the highest level.” The standard mandates that top management must take the lead in integrating the environmental management practices into their organization’s core strategies, processes, and priorities.

- **Changes in requirements for the environmental policy** include a new commitment to compliance obligations instead of legal and other requirements. Organizations are still required to engage in “continual improvement” of the system, but the revised standard takes the position that this goes hand-in-hand with enhanced environmental performance. The key change is that the organization should be committed to the “protection of the environment, including the prevention of pollution and others specific to the context of the organization.” This requires a deeper level of knowledge, and therefore, more strategic decision-making from top management, regarding what constitutes “others.”

- **Risk-based approach.** A part of a risk-based approach involves determining the significant aspects and the identifying and including relevant compliance measures within the system. Both of these actions are similar to previous requirements, but greater emphasis is placed on an organization determining its own risk profile.

There is a new requirement to consider a “life-cycle perspective” when identifying aspects. The risk-based approach requires risk-based thinking and risk-based preventive action throughout the development, implementation, maintenance and improvement of the environmental management system. However, there is no specific requirement in the present version of the DIS for how a risk management process should take shape. The identification of environmental aspects and the evaluation of significant aspects—including normal and abnormal processes taken together with the identification of potential environmental emergencies—is a recognized approach, and is applicable for many organizations.

- **Support processes.** Competency of persons who can affect environmental performance has been given its own sub-clause as has Awareness (7.3) and Communication (7.4). While these clauses were previously grouped together under the same clause (4.4.2) in the ISO 14001:2004 standard, the requirements have not significantly changed. In a similar fashion, Resources (7.1) and Documentation (7.5) have been taken from Roles, Responsibilities, Accountability and Resources (4.4.1), Documentation (4.4.4), and Control of Documents (4.4.5)—and they are closely modeled on the changes already present in ISO 9001:2008.

- **Operation includes** control or influence of processes and services associated with significant environmental aspects, organizational risks, and lifecycle and emergency preparedness in “Operational planning and control” (8.1) and “Emergency preparedness and response” (8.2). There are no significant changes to emergency preparedness other than its relocation. However, Operational Planning and Control covers significantly different concepts. A “life cycle perspective” must be considered in an organization’s procurement of products and services. Other considerations apply to design processes of products and services and extend to end-of-life treatments, including appropriate contractors and decisions on whether information should be provided on the life cycle of a product or service as a general caveat—but without defining to whom it should be made available. Consumers, recyclers and regulators are perhaps the most obvious parties that should hear about such things, but organizations must ensure they give due consideration to any and all who may be “interested parties.”
This clause identifies establishing criteria for the processes and implementing control of the processes, but does not mandate documented procedures, which makes the standard a “process-based approach” (as it has been in practice since the introduction of the ISO 9001:2000 standard.) There is an interesting note, however, in regard to controls, which references a hierarchy, starting with elimination, substitution, administrative, etc. This is very similar to what is outlined in a number of existing health and safety management system models and in the health and safety legislation of some countries.

- **Performance evaluation.** Use of performance indicator criteria and the term environmental condition has been introduced to the DIS in conjunction with the definition of performance. For those familiar with other standards in the ISO 14001 series, environmental condition described in the DIS as a “state or characteristic of the environment as determined at a certain point in time” should be familiar. ISO 14031:2013 Environmental Performance Evaluation Guidelines introduced this term alongside other types of performance indicator criteria, which should be easily identifiable in a successful environmental management system.

- **Preventive Action.** The Draft International Standard does not include specific requirements for preventive action. This is because one of the key purposes of a formal management system is to act as a preventive tool. Consequently, the standard requires:
  
  - “An assessment of the organization’s external and internal issues that are relevant to its purpose and that affect its ability to achieve the intended outcome(s).” (clause 4.1)
  
  - “Actions to address risks associated with threats and opportunities” which includes specific sub-clauses on determining “significant environmental aspects,” “compliance obligations,” and “risks associated with threats and opportunities.” These need to be addressed in order to assure the environmental management system can achieve its intended outcome(s), prevent or reduce undesired effects, and achieve continual improvement. (clause 6.1)

These two sets of requirements cover the intent of “preventive action. Organizations are encouraged to take a big-picture view on the risks and opportunities arising from its operations when planning the system.

- Changes to the management review inputs and outputs contain additional requirements, environmental objectives and planning needs to achieve them (6.2). Not only are significant environmental aspects and compliance to be considered, but also risks associated with threats and opportunities. Environmental objectives have been given a separate sub-clause from the rather clunky expression management program, which has its own sub-clause and has been replaced with the more obvious “planning actions to achieve environmental objectives.”

- The terms document and record have both been replaced throughout the DIS with the term documented information. The need for documented procedures is not identified. The current ISO 14001:2004 standard’s only reference to documented procedures is included within “Operational Control,” but in clause 8.1 of the DIS, “Operational planning and control,” it states documented information must be maintained to the extent necessary to have confidence that the processes have been carried out as planned. This approach has also been taken in, and may have more impact for, ISO/DIS 9001:2014.
One of the expected benefits of adopting a common management system structure will be to make it easier for organizations to implement several management systems in a harmonized, structured and efficient manner. This should allow them to focus their attention on understanding, planning and operating their business processes. A properly designed and implemented management system should provide ample objective evidence of conformance with the relevant management system standards, as well as the appropriate regulatory and customer requirements to which that organization subscribes. SAI Global has always encouraged organizations to develop a document convention numbering system/structure independent of a management system standard. Reorganizing the documentation is not required and actually is not a constructive use of the organization’s resources, unless the current management system is not adequate.

We would like to emphasize once again that ISO 14001:2015 is still evolving. The changes to this version of the standard are comprehensive, and it is reasonable to assume that numerous modifications will be forthcoming before the document reaches its final version. SAI Global will keep you informed of any new developments as they become available, and we will be holding workshops internationally on “Preparing for the ISO 14001:2015 Transition,” based on the Draft International Standard.

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