

CLEAR Info

Company Level

Environmental Accountability
Information and Reporting

Laymans Report
LIFE10 ENVUK175



www.gov.uk/ea/clear-info

The LIFE Programme

The LIFE Programme is the EU's funding instrument for the environment and climate action. The general objective of LIFE is to contribute to the implementation, updating and development of EU environmental and climate policy and legislation by co-financing projects with European added value.

The CLEAR Info project was co-financed by the 4th phase of the LIFE Programme called LIFE+.

The project started on 1 November 2011 and ended on 19 December 2014.

The challenge

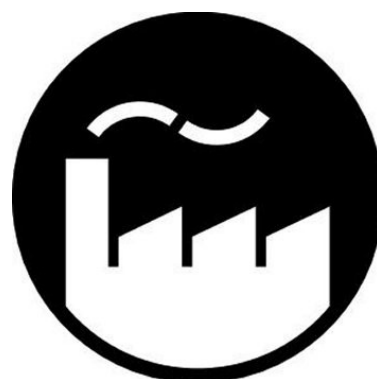
There is a correlation between economic growth and environmental damage, and links between the quality of environmental data and the impact of investment decisions on the environment.

A constant challenge for implementing environmental legislation is seeing where best to target resources to protect the environment and people.

For example, although the Environment Agency (England) collects data on more than 500,000 businesses, information on environmental impact is stored at a site level.

Holding data in isolated data sets makes it difficult to see the environmental performance of a whole company, and to compare performance across a sector.

Without such information, companies, regulators and investors won't always be able to focus their activities or investments in the most appropriate place.



The CLEAR Info Project

The CLEAR Info project aimed to demonstrate how clear information on the environmental performance of companies could be used to promote effective implementation of European environmental legislation.

This involved generating the data needed to test different approaches which could improve environmental compliance by highlighting where regulated businesses, investors and EU environmental regulators could focus their activities and investments.

Aims and objectives

Table 1 shows the links between the primary activities and the key aims and objectives of the project.

		Aims and objectives			
Activities	Develop a data integration system	Provide clear information on the environmental performance of parent companies	Improve the quality, efficiency, access to and exchange of data and information		
	Conduct parent company trials				
	Engage with investors			Influence investment decisions in the finance sector	Share intelligence gathered to inform future policy on data
	Engage with EU regulators			Inform development of more efficient and effective regulatory interventions	

The project also explored the potential for using integrated data to improve the ability of other organisations to comply with environmental legislation, such as SMEs (small to medium sized enterprise), academia and non-listed companies.

Activities and findings

The Environment Agency (England) mainly collects environmental data from sites and companies which hold a permit to conduct activities with potentially harmful environmental impacts.

The CLEAR Info project developed technical systems and processes to integrate site level data with company hierarchy data.

Developing a data integration system was more challenging than expected. Issues with data quality and standards made it difficult to match permits with company data. However, these challenges were overcome to create a prototype.

Integrating environmental data

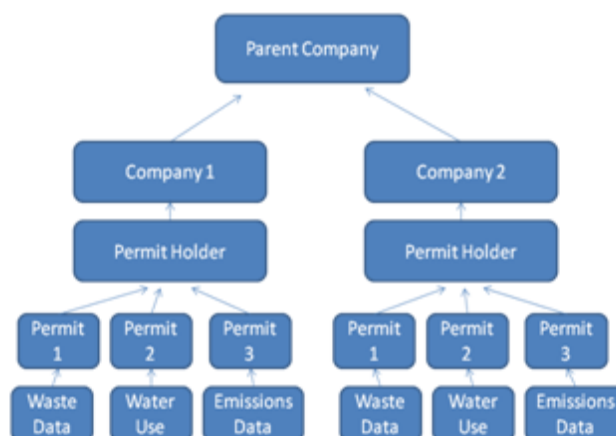
A range of data from different environmental regulatory regimes was brought together by the data integration system.

By matching the permit holder's name to a company name, and then matching the company name to a family of companies, the system was able to group all of the different environmental regulatory regime data relating to the companies in the family hierarchy (see Figure 1).

The resulting collated data showed the total environmental impact for

the regulated activities carried out within the parent company.

Figure 1 Simplified Model of Data Integration

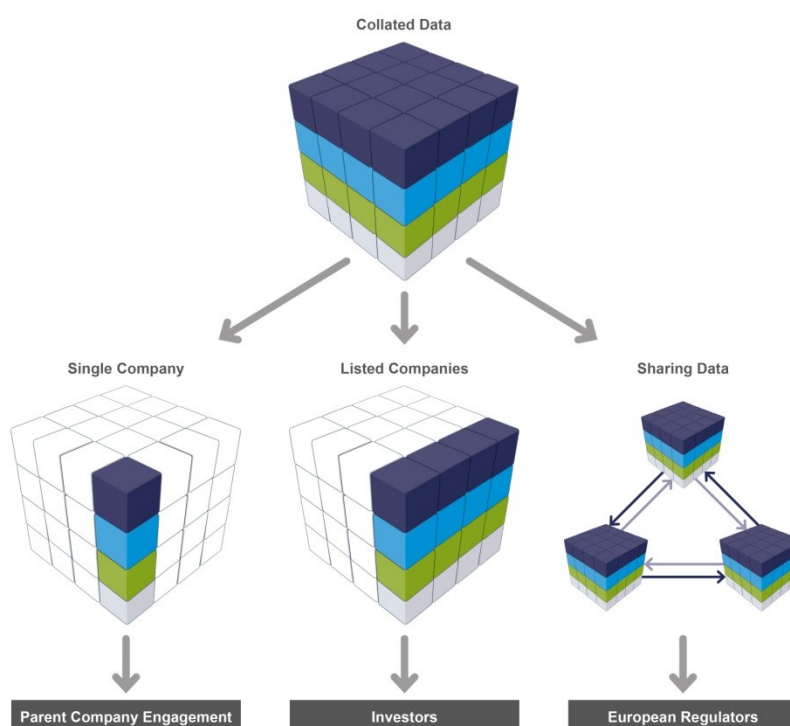


Despite difficulties, the system generated the data needed to test different approaches for increasing compliance with EU legislation.

Using integrated data to increase compliance with EU legislation

The collated data was used to test different approaches for increasing compliance with EU legislation. These approaches focused on using integrated data to engage with three key audiences:

- Parent companies
- Investors
- Regulators



By cutting and slicing data in different ways for each audience, the project could look at:

- A complete view of a company's compliance across a number of regulatory regimes.
- A high level view of relative company performance within a sector.
- The steps needed to allow data to be shared with other EU regulators.

Parent Company engagement

These trials involved a face to face meeting between the Environment Agency and parent company where interactive dashboard reports created from the integrated data sets were used to highlight key compliance issues at a company level.

The dashboard reports included data on:

- Compliance
- Resource Use
- Waste
- Emissions and Carbon

A follow up phone call was used to explain how their feedback had helped to develop the dashboard reports further, and to identify the potential for using this type of engagement to agree compliance improvement plans in future.

Listed companies were selected from 3 sectors to take part in the parent company engagement trials:



Chemicals sector:
Glaxosmithkline



Food and drink sector:
Premier Foods



Waste sector:
Veolia

Feedback from all participants was positive.

“The CLEAR Info Data collation tool gave quick and flexible analysis of our environmental performance, providing helpful insights in some key areas. Compliance data and trends over time could be very useful for driving change in our business.”

Graham Paterson, Group Head of Manufacturing,
Premier Foods

“The CLEAR Info Data collation tool could give us a really clear and useful picture of a range of environmental impacts across our activities. We can see real potential for expanding the scope of the current company level engagement to identify priority areas for action.”

Alan Timperley, Group Environmental Manager,
Veolia UK Ltd

“The CLEAR Info tool has the potential to be very useful for helping us to incorporate environmental performance into the management of our supply chain”

Mark Rhodes, Vice President of Sustainability, GSK

Case studies for each trial are available on www.gov.uk/ea/clear-info

Investor engagement

Investors use data from many sources to inform their investment decisions.

The CLEAR Info project aimed to establish whether regulatory environmental data could be used by investors to evaluate financial or investment risks.

To do this, three workshops were held with a range of investors between March 2013 and July 2014.

Through these workshops, investors identified the information the Environment Agency held which could be material to, or may influence, investment decisions.

From the information presented, investors saw most potential value in the datasets specific to an environmental regulator. This is because datasets are collected using standard methods about regulatory issues such as compliance breaches, pollution incidents, enforcement and the Environment Agency's Operational Risk Appraisal (OPRA) data.

Whilst carbon and water are commonly used environmental indicators, and such datasets are available, investors suggested that this data was better sourced from other providers.

By working in collaboration with investors, the project team was able to produce an investor data set.

Investors indicated that as the data was for England only; it could not be used for investment decisions which require global coverage. Instead, its use would be limited to companies with mainly UK assets or holdings and for private equity firms carrying out due diligence checks.

Informed by the workshops, Project partners Trucost also produced CLEAR Info case studies for active and passive investors on investment strategies incorporating environmental operational risk assessment data.

Copies of the case studies for investors are available on www.gov.uk/ea/clear-info

Working with Regulators

The project team and project partners engaged with other European regulators throughout the project to identify the opportunities, risks and challenges of enabling pan-European sharing of data and information.

European Regulators were invited to a series of workshops to explore the potential for integrating data across Europe.

With their guidance, and input from investors and other organisations, CLEAR Info aimed to identify and integrate a range of spatial datasets to create influential information on parent company performance.

However, accessing the data was difficult and this could not be achieved.

Common issues included:

- Data was not available at country level.
- Data was not accessible, for example held in Pdf format.
- Differences in the collection, storage and permitting methods.

The project was able to demonstrate the potential uses for integrating data across Europe by developing a hypothetical case study.

The project also aimed to publish a full INSPIRE data set, however the complexity of INSPIRE meant that in the time available, only an exploratory data set could be developed. This revealed that INSPIRE standards for sharing data do not provide a mechanism for including company information.

Engaging with regulators, and creating the INSPIRE schema demonstrated that we need simple measures to improve the quality, efficiency, access to and exchange of data and information across Europe – measures which make the data more easy to interrogate, and to integrate.

By sharing these findings across Europe the project will act as a catalyst for other regulators to use integrated data and novel interventions to drive compliance with EU legislation.

Exploring the wider application of integrated data

This involved looking at alternative audiences and exploring how using integrated data in novel ways might drive compliance with EU legislation

Key activities included holding a ‘hackathon’. The event brought together a cross-section of data users who were tasked with finding innovative solutions to a range of environment related problems.

With access to regulatory and company data, the hackers used their coding and data skills to try different ways of integrating the data, coming up with novel ways of encouraging compliance.

As figure 3 shows, the hackers proposed creating transparency in the supply chain by enabling a company to look up any of its suppliers and have a simple image which allows them to quickly assess how compliant the supplier is.

This approach could be used by companies who want to ensure their supply chain is sustainable.

The project also conducted a desk based review of academic and research material to identify the benefits, opportunities and challenges of the wider application of integrated data and outputs from CLEAR Info.

The review considered the potential benefits offered from integrating data to a wide audience including SMEs, supply chain, higher education, consumers and citizen advocacy groups, manufacturers, farmers, charities and local authorities.

A copy of the report is available on www.gov.uk/ea/clear-info

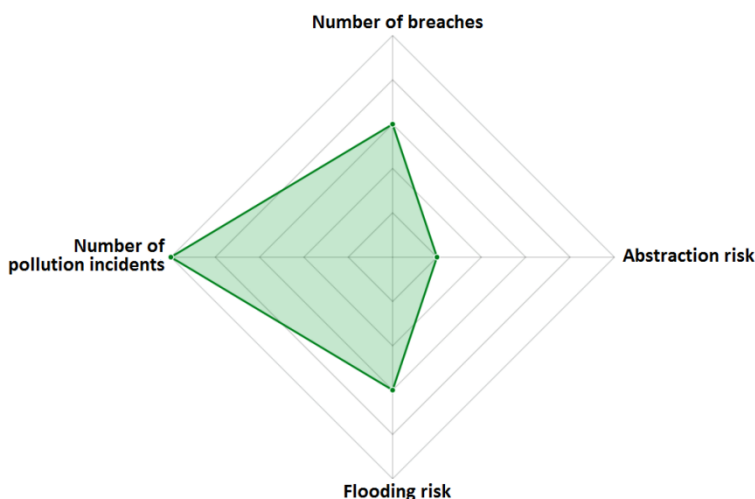


Figure 3 Hackathon output - compliance footprint of a company.

Results

CLEAR Info demonstrated the potential for integrating data to drive compliance with EU legislation. However, a number of issues were identified which would need to be addressed if a pan-European view of compliance is to be achieved.

In the longer term, the findings from CLEAR Info will enable the Environment Agency to move to more integrated environmental data systems, improving the service they provide and reducing the regulatory burden on business.

The findings from the project were shared with a cross section of EU environmental regulators through a series of webinars:

- A practical guide for regulators on the challenges and potential benefits of integrating environmental data.
- Better regulation using integrated data.
- Data sharing across Europe: the trials and tribulations of integrating company data on a European scale.

Future activities for policy makers to consider, which would make analysis at company level more easily achievable, include:

- Require mandatory reporting of parent company ownership, as well as subsidiary ownership, including percentage ownership and who shares this ownership.
- Implement a unique referencing system for identifying sites and companies in the EU.
- Standardise the way that permit information is recorded, and establish a platform where permit data can be published.
- Publish permit data on an annual basis.
- When permit data is published, make sure that it can be accessed using an application interface (API).
- Standardise the use of codes and other information within the European Environment Agency, Eurostat and other European agencies.

Communications

All project partners were involved in delivering communications on behalf of the project. A communications strategy and dissemination plan was developed which incorporated stakeholder engagement plans, identified key audiences and the communications channels the project would use.

The CLEAR Info communications working group met regularly to discuss progress and allocate work between the partners.

Visual materials & events

Visual materials were created to use for engaging with stakeholders, including a CLEAR Info logo.



Using these materials, the CLEAR Info project team and partners presented to a wide range of audiences at 26 events across Europe.

Highlights included hosting a stand at EU Green Week 2014 and Recycling Waste Management (RWM 2014) Conference.

Press articles and coverage

Press outlets such as independent online and printed journals and partner newsletters were used to reach a wide audience.

Highlights included articles in:

- [ENDS report](#), an environmentally focused news publication.
- [Blue and Green Tomorrow](#), an online magazine for ethical investment, socially responsible investors and green investment.
- [IMPEL newsletter](#).

An academic paper produced about the project won the Waste Regulation Award 2014 from the Chartered Institution of Wastes Management (CIWM).

Social media

Social media was used to reach a broad audience, relay interest-raising information and generate traffic to the project website.



Eurosif made use of its newsletters and its Twitter, LinkedIn™ and Facebook accounts. In promoting the hackathon event, the project team used Twitter to reach over 37,000 accounts.

Website

A CLEAR Info website has been live, and updated regularly, since March 2012.

www.gov.uk/ea/clear-info

The website contains copies of all key project outputs.

Project partners Eurosif also included a section on their website dedicated to CLEAR Info.

CLEAR Info Partners

