

EPA Board Industry Summit 2018

summary report



The Environment Protection Authority (EPA) Board hosts an industry summit each year. The purpose of these forums is for business and the EPA to discuss topics of shared interest relating to environmental performance and to collectively determine pathways for achieving performance improvements for both South Australian businesses and the EPA. The industry summits are also a valuable opportunity to gain feedback from stakeholders on emerging and strategic issues facing South Australia's environment and its management.

Overview

This report summarises the proceedings of the EPA Board's industry summit, *Our new economy: are you ready?* held on 18 June 2018 at the Pullman Hotel, Adelaide.

The theme for this year's summit continued discussions from the [2017 Innovation Summit](#). It provided the opportunity to delve further into the opportunities and challenges currently being faced by business in our rapidly changing digital world.

Discussion was sought on how business can not only adapt, but thrive, in this ever-changing environment, and how the EPA as the regulator can enable and support innovation to improve efficiency and sustainability.

What happened at the summit?

A total of 62 delegates participated in the event including representatives across government, business and industry associations.

There was active and positive discussion, with the key discussion themes summarised below.

1 Importance of an organisational culture that enables and supports innovation among its employees

- Requires a measured change from risk averse to risk tolerant
- Requires agility and strong leadership within the organisation, with a mechanism to ensure that an innovative culture is being embedded throughout
- Requires an acceptance that failure can occur, but in a quick and controlled manner
- Changes need to occur at or beyond the pace of technology
- Being innovative and at the forefront of new technologies can provide a competitive advantage.

2 The role of the regulator in enabling innovation

- The independence of the EPA remains an important feature to good, unbiased decision making, particularly when dealing with conflicting stakeholder expectations
- Good regulation is effective, efficient and risk based with requirements that are clear, consistent and certain – not having this can undermine business investment
- Regulation must be agile and flexible to adapt to new technologies and information
- There is opportunity to create incentives to drive and enable innovation – noting that overly prescriptive and ineffective requirements can result in companies taking measures to evade the rules
- Business seeks a 'yes if' approach and early notification if the answer is no
- Risks can be beyond environmental with risk to the integrity of the regulatory setting also needing to be considered
- Industry saw the need for a coordinated point of access to government approvals with the potential for the EPA to play a role in bringing together multiple agencies or parties on particular issues
- Proponents seek to work with the regulator early in the process, with the potential to develop answers and solve problems together
- The regulator also needs to grow its capability for understanding and adapting to new technologies and innovations in a business setting.

EPA Board Industry Summit 2018

summary report



3 Importance for business to work with local communities to build a social licence

- Community confidence is required regarding appropriate oversight of any changes
- Businesses need to undertake a professional level of engagement with their local community particularly where new ideas may not be fully defined
- Community engagement assistance may be required from the regulator, particularly where a business does not have the capacity or capability
- There can be tensions when there is a community expectation for zero risk
- Strong engagement with the local community can enable better solutions to problems.

Opening and welcome

The Hon David Speirs, Minister for Environment and Water provided a welcome address, thanking delegates for their attendance.

Keynote speakers

Professor Göran Roos

The keynote address was provided by Swedish academic, technologist, author and businessman Professor Göran Roos. He is a specialist in the field of intellectual capital and an expert in innovation management and strategy. He was appointed Thinker in Residence on industry development by the Government of South Australia in 2011, and subsequently moved to the state's Economic Development Board where he served as a member.

Prof Roos explored the role of the regulator in driving and enabling the transition to a low resource digital future and provided international examples of where regulation has driven innovation and enabled better solutions to problems. He discussed cyclic economic phases, from recession to prosperity, and the role that government can play to support the economy in each phase.

Prof Roos also spoke of the value of investing in low resource footprint capabilities such as waste reduction

and digital technology, which can bring a competitive edge for business, and emphasised the need for business to focus efforts on innovation and automation to remain sustainable into the future.

Mr Theuns Victor

A further address was provided by Theuns Victor, Chief Operating Officer, Liberty Primary Steel. Previously, Mr Victor held the position of Executive General Manager Whyalla Steelworks (Arrium). Prior to joining Arrium, he worked for Arcelor Mittal South Africa, and had 20 years of experience in several senior roles in various integrated steelworks.

Mr Victor provided a presentation outlining a local example of the transformation of the Whyalla steelworks, Liberty OneSteel, to a more modern and sustainable business.

He spoke of the external business environment to drive change and the company's transition to an organisational culture that is more innovative, agile, risk tolerant and focussed on long term outcomes.

He also noted that to be a sustainable organisation, Liberty OneSteel needed to improve its performance while simultaneously advancing the economic, environmental and social conditions within the local community.

On the Couch panel session

Facilitator: **Christine Charles**, Managing Director of Design 4 Growth, and Chair of the Centre for Social Responsibility in Mining and Resources and Engineering Skills Alliance Board, **Professor Goran Roos**, **Theuns Victor**, **Laurie Kozlovic**, Executive General Manager Central/Western Australia & New Zealand, Veolia Environmental Service, **Brett Brown**, General Manager, Adelaide Brighton Concrete & Aggregate, and **Tony Circelli**, Chief Executive, EPA.