



THE ESSENTIAL LEVEL ENVIRONMENTAL COMPLIANCE PROGRAMS FOR RETAIL

Every company needs some type of compliance program to ensure compliance with environmental regulations. RILA Retail Compliance Center (RCC) developed the Compliance Leadership Model (CLM) and the RILA Retail Advisor to help retail companies optimize and benchmark their environmental compliance programs. The first program level in the CLM is the Essential Level. This level includes the basic elements that should be part of **every** compliance program. Other CLM levels describe programs that are increasingly structured and consistent across the organization, use analysis to improve compliance and environmental performance, are broader in scope and include more sustainable operations. There is no one "best" level. The optimum program level depends on the company's operations and considerations such as their regulatory obligations and level of risk.

However, every company should, at a minimum, have an **Essential Level Program** for each dimension. This is important for helping ensure compliance and in communicating the company's commitment to compliance to employees and to regulators. The CLM dimensions were developed based on international standards for environmental and compliance management systems and from U.S. Sentencing Commission guidelines on an effective compliance program.

This guide reviews the elements of an Essential Level program to help you evaluate your program and to identify and fill any gaps. We urge you to review this document if you are unsure if your current program includes all of the Essential Level program elements.

For companies with all of the Essential Level Dimensions who are looking to advance their programs we encourage you to engage with the full Compliance Leadership Model by participating in the RILA Retail Advisor. For more information visit the Retail Compliance Center site at www.rilacompliance.org.

If you have questions or comments please contact RetailCompliance@rila.org.

RESOURCES

The **CRC Environmental Management System Guidance** is not just for companies with an EMS, its helpful for program implementation and in conducting a gap analysis.

The **CLM** and the RILA Retail Advisor will help you benchmark your program and identify areas with the potential to reduce risk or improve performance by moving to another level.

I. CONTEXT OF COMPLIANCE

1. UNDERSTAND ENVIRONMENTAL IMPACTS AND COMPLIANCE REQUIREMENTS		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Understand compliance obligations	Top management and facility managers are responsible for knowing compliance obligations.	
b. Track changes to compliance obligations	Changes to compliance obligations tracked on ad hoc basis. Personnel is assigned responsibility for tracking.	
c. Understand environmental impacts	<p>This element is not part of an Essential Level Program.</p> <p>Note: To move to the Structured Level of the CLM the following would need to be accomplished: Assess some environmental impacts and look at how impacts relate to compliance obligations.</p>	

2. UNDERSTAND NEEDS AND EXPECTATIONS OF KEY STAKEHOLDERS		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Stakeholder engagement	Facility managers are responsible for understanding the needs and expectations of regulators, with oversight from top management. Engagement is ad hoc or in response to specific issues.	

3. ESTABLISH COMPLIANCE RESPONSIBILITY WITHIN THE ORGANIZATION		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Establish responsibility	Top management responsible for implementing environmental compliance program. Responsibility for facility-level compliance delegated to facility managers, who may determine what is covered by their site-specific programs.	
b. Determine scope	Environmental compliance management is primarily focused at the facility level.	

I. CONTEXT OF COMPLIANCE

4. TOP MANAGEMENT LEADERSHIP AND COMMITMENT		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Top management support	The organization's governing authority is knowledgeable of the compliance program. Specific top management personnel have responsibility for compliance.	
b. Environmental compliance policy	Standards and procedures to prevent and detect non-compliance. Policy does not necessarily specifically address environmental compliance. The general policy includes a commitment to meet all applicable legal requirements.	

5. PLANNING, OBJECTIVE AND TARGET SETTING		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Action plans and targets	Includes incentives to perform according to compliance program and disciplinary measures for not taking reasonable steps to prevent or detect non-compliance.	
b. Communication of targets	Reasonable steps to periodically communicate about the compliance program including standards and procedures via training and other communication methods.	

III. COMPLIANCE OPERATIONS

6. STORE & FACILITY OPERATIONS		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Standard Operating Procedures	Some written procedures and training programs explaining how to maintain environmental compliance; ones that exist are generally at the facility level.	

7. WASTE MANAGEMENT		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Hazardous waste	Each facility is responsible for hazardous waste management including waste identification, handling, storage, and training, as well as contracting hazardous waste haulers. Limited management oversight of hazardous waste haulers / contractors to ensure compliance with "cradle to grave" obligations of waste generator.	
b. Other regulated waste	Each facility is responsible for identifying and following state and local solid waste regulations, as well as contracting waste transporters. Little management oversight of waste transporters / contractors beyond basic due diligence.	

8. HAZARDOUS MATERIALS TRANSPORTATION		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Hazardous materials transportation	Fleet managers, facility managers, shipping personnel, and contractors are responsible for complying with all laws and regulations related to hazardous materials transportation.	

9. STORAGE TANKS		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Storage tanks	Each facility is responsible for knowing and implementing storage tank management requirements.	

10. WATER		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Water consumption	Each facility is responsible for identifying and following state and local water conservation requirements.	
b. Drinking water	Each facility is responsible for identifying and complying with applicable drinking water requirements (e.g., Safe Water Drinking Act or state requirements).	
c. Wastewater	Each facility is responsible for identifying and complying with wastewater regulations for drain disposal, including fats, oils and grease (FOG), coordinating with the local Publicly-owned treatment works (POTW) and management of septic systems	
d. Stormwater - post construction	Each facility is responsible for identifying and complying with ongoing stormwater requirements.	
e. Stormwater - construction	Construction contractors are primarily relied on for following stormwater regulations during construction, except in states where operators (e.g., retailers) must also obtain permit coverage.	

11. AIR		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Refrigeration and air conditioning emissions	Each facility is responsible for identifying and complying with air emission regulations related to refrigeration and air-conditioning systems, including overseeing contractors servicing equipment.	
b. Other air emissions, odor and noise	Each facility is responsible for identifying and complying with regulations related to odor, noise and other air emissions (i.e. emissions other than those related to refrigeration / air conditioning systems such as emissions from generators, vehicle fleets, etc.).	

12. EMERGENCY PLANNING		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Chemical inventory reporting; toxic release inventory; spill reporting	Each facility is responsible for identifying and complying with regulations for chemical inventory, toxic release, and spill reporting.	

13. PRODUCT COMPLIANCE & TOXICS		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Manage product environmental impacts and requirements	Each facility is responsible for identifying and complying with product-focused requirements (e.g., pesticides, VOC s) at the facility level.	

IV. COMPLIANCE SUPPORT SYSTEMS

14. AWARENESS, COMPETENCE, AND TRAINING		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Training and awareness	No formal training programs for environmental compliance, other than those required by law (e.g. training for underground storage tanks, hazardous waste, hazardous materials transportation). As a result, practices may vary across the organization based on local management and experience.	
b. Competence	Environmental competence and skills are not required for moving staff or hiring into positions with environmental compliance responsibilities. People with compliance or other business backgrounds may be used instead. Note: To move to the Structured Level of the CLM the following would need to be accomplished: Relevant staff take corporate training and awareness program as needed. Facility managers provide on-the-job training to ensure people know what to do.	

15. INTERNAL COMMUNICATION MECHANISMS		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Internal messaging	Limited but reasonable steps to communicate periodically the standards and procedures and other aspects of compliance program through training and information dissemination.	
b. Two-way dialogue	System for reporting and seeking guidance regarding potential or actual non-compliance without fear of retaliation. System limited to employees communicating with their supervisors with questions or issues related to environmental compliance.	

16. EXTERNAL COMMUNICATION		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Public reporting	Limited external communications on environmental compliance, other than reporting required by law.	
b. Regulatory reporting	Each facility is responsible for tracking and implementing regulatory reporting requirements.	
c. Managing external inquiries	Inquiries from external parties related to environmental compliance are handled by facility managers without coordination from corporate.	

17. DOCUMENTS AND RECORDS		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Document compliance obligations	<p>Compliance obligations are not well documented or made available to all employees, beyond what is required.</p> <p><i>Note: to move to the Structured Level of the CLM the following would need to be accomplished: Compliance obligations are documented and made available to responsible employees.</i></p>	
b. Document and record control	<p>No central / formal process for maintaining or distributing environmental compliance related documents and records (e.g. policies, standard operating procedures, etc.), beyond what is required.</p> <p><i>Note: to move to the Structured Level of the CLM the following would need to be accomplished: Designated staff ensure that documents and records are stored in a consistent, easily accessible format. Only authorized personnel have editing rights.</i></p>	

18. EMERGENCY RESPONSE		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Emergency response procedures	<p>Facility managers are responsible for planning for and responding to environmental emergencies or incidents as required to maintain compliance.</p>	
b. Emergency response training	<p>Training is limited to what is required to be in compliance.</p> <p><i>Note: to move to the Structured Level of the CLM the following would need to be accomplished: Training is provided for staff with responsibility for coordinating / managing emergency responses in a specific area.</i></p>	

V. CONTINUAL IMPROVEMENT

19. INSPECTIONS, AUDITS, MONITORING AND EVALUATION OF PERFORMANCE		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Monitoring and evaluation of performance	Minimal mechanisms to regularly monitor and measure environmental compliance performance.	
b. Inspections and audits	Top managers periodically monitor and audit operations to detect non-compliance.	

20. DOCUMENTING COMPLIANCE STATUS		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Documenting compliance status and performance	Facility managers are responsible for documenting and communicating knowledge of compliance status.	

21. AUDITS OF COMPLIANCE		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Management system audits	Top managers periodically evaluate the effectiveness of the management system.	

22. MANAGING NON-COMPLIANCE, CORRECTIVE ACTIONS AND ESCALATION		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Managing non-compliance situations	Each facility is responsible for managing non-compliance, corrective actions and escalation. Top management takes steps to prevent further non-compliance, including making changes to the compliance program.	

23. MANAGEMENT REVIEW AND CONTINUAL IMPROVEMENT PLANNING		
Dimension	Essential Level Program	Notes - where is your organization on this area? Are any changes needed?
a. Top management review	Top management periodically assesses risk of non-compliance and appropriate steps are taken to modify the program to reduce the risk of non-compliance.	

RCC encourages you to review where your organization is in the Essential Level compliance practices and to address any changes that are needed to meet this level. There are multiple resources, tools and guidance available on www.rilacompliance.org. Please contact RetailCompliance@rila.org for more information.