

## **ENVIRONMENTAL AUDITING**

Environmental audit is a process to review the effectiveness of environmental management. Its objectives are to (i) determine whether a company complies with all regulatory and environmental performance standards, or other management requirements for their operations; and (ii) ensure conformity with environmental assessment requirements, and test the accuracy of the assessment. It entails a systematic, documented and periodic review of either a company's operation or project implementation. Therefore, its results could be very useful to improve company or project management performance.

### **Environmental Management System Audit**

Environmental management system audits evaluate the effectiveness of environmental management and performance systems based on stated objectives. It also determines whether the systems have been designed and implemented to meet management objectives. Environmental management system audits have been formalized under ISO 14000 procedures.

### **Compliance Audit**

There are two types of Compliance Audit. Regulatory Compliance Audit evaluates current operations and controls to determine applicable regulatory requirements, resulting in a statement of the compliance status. Performance Audit determines whether actual environmental management conforms to stated objectives.

### **Site Property Audit**

Site Property Audit determines the environmental risks associated with financing, purchasing and sale, and for insurance purposes.

### **Environmental Assessment Audit**

Environmental assessment audit determines whether the contents of an environmental statement are correct and comprehensive.

In the case of ADB and its environmental assessment process, environmental management audits are necessary to establish factual information to evaluate project environmental performance and management. They have the following objectives:

- (i) organize and interpret the environmental monitoring data to establish a record of change associated with project implementation or operation.
- (ii) verify that all or selected parameters and methods to measure environmental parameters as part of the environmental monitoring program comply with regulatory requirements, internal policies and standards, and established environmental quality performance limits.
- (iii) compare predicted and actual impacts to assess the accuracy of predictions.
- (iv) assess the effectiveness of environmental management systems, practices, and procedures.
- (v) determine the degree and scope of necessary improvement or remedial works in case of non-compliance, or in the event that the company's environmental objectives are not achieved.