



**ENVIRONMENT PROTECTION DEPARTMENT**  
MINISTRY OF TOURISM, CULTURE AND  
ENVIRONMENT, SABAH

**ENVIRONMENTAL SELF-REGULATION  
(ESR) GUIDELINE IN COMPLIANCE WITH  
ENVIRONMENTAL CONDITIONS FOR  
HOUSING AND COMMERCIAL  
DEVELOPMENT ACTIVITIES IN SABAH**

**Environmental Self-Regulation (ESR) Guideline in  
Compliance with Environmental Conditions for  
Housing and Commercial Development Activities in  
Sabah**

EPD SABAH



Environment Protection Department (EPD)

Sabah

Published by:

Environment Protection Department (EPD)

Tingkat 1 – 3, Wisma Budaya

Jalan Tunku Abdul Rahman

Beg Berkunci No. 2078

88999 KOTA KINABALU, SABAH

Tel. No. : +60 (088) – 251 290 / 251 291/ 267 572/ 268 572

Fax No. : +60 (088) – 238 120/ 238 390

Email : [jpas@sabah.gov.my](mailto:jpas@sabah.gov.my)

Copyright © 2021 Environment Protection Department

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronically, mechanically, photocopying, recording or otherwise, without prior permission from the copyright owner.

First Published 2021.

eISBN : 9789671975800

## Message

I wish to congratulate the Environment Protection Department (EPD) for their accomplishment in publishing this Standard Operating Procedures (SOPs) for Housing and Commercial Development document.

Maintaining a balance between development and a healthy environment is challenging. As emphasised in the Sabah State Policy on the Environment, the State Government “recognises that the environment is an integral part of, as well as a strategic pillar of, sustainable development, which requires the adoption of appropriate policies incorporating environmental factors and standards into all development activities in order to maintain environmental and social sustainability”.

Hence, proper planning, effective strategies, and practical actions should be in place to control the impacts of development activities on the environment. One of the major development activities in Sabah is housing and commercial development. Therefore, the establishment of this Standard Operating Procedures for Housing and Commercial Development (SOPs) document as well as the Environmental Self-Regulation (ESR) guideline, which is published separately from this document, is timely and provides the mechanism to guide project proponents in enhancing compliance to environmental conditions.

I look forward for Sabah to achieve a higher level of environmental achievements and sustainable development to meet the aspiration of the Sabah State Policy on the Environment that is “to maintain a healthy environment based on clean air, healthy rivers, vibrant forests, productive land, bountiful seas and cohesive communities contributing to the prosperity of the State and its people”.

**JAMILI NAIS, Ph.D**

**PERMANENT SECRETARY**

**MINISTRY OF TOURISM, CULTURE AND ENVIRONMENT**

# Foreword

As part of the Environment Protection Department's continuous efforts to enhance environmental management in Sabah, this document is published to minimise impacts of development activities for housing and commercial development. For any approved Environmental Impact Assessment (EIA) or Proposal for Mitigation Measures (PMM), the project proponent is required to sign an Agreement of Environmental Conditions (AEC) or Mitigation Declaration (MD).

This Environmental Self-Regulation (ESR) guideline is prepared to promote self-regulation practices by the project proponents through the five (5) components namely Environmental Policy, Environmental Budgeting, Environmental Committee, Environmental Reporting and Environmental Training. The ESR guideline is used together with the Standard Operating Procedures (SOPs), which are published in a separate handbook, to further strengthen the compliance of environmental conditions.

I greatly acknowledge all government agencies, organisations and individuals who provided valuable comments, feedback and inputs into the preparation of this ESR. I sincerely hope this document is utilised meaningfully by relevant stakeholders for a more sustainable environment in Sabah.

**VITALIS J. MODUYING**  
**DIRECTOR**  
**ENVIRONMENT PROTECTION DEPARTMENT, SABAH**

## Table of Contents

TABLE OF CONTENTS.....	i
LIST OF ANNEXES.....	ii
LIST OF FIGURES.....	ii
LIST OF TABLES.....	ii
ABBREVIATION .....	ii
<b>1 INTRODUCTION.....</b>	<b>1</b>
1.1 OBJECTIVE OF ESR .....	1
1.2 HOW TO USE THE ESR.....	1
1.3 CONTENT OF ENVIRONMENTAL SELF-REGULATION (ESR) GUIDELINE .....	3
<b>2 ENVIRONMENTAL POLICY.....</b>	<b>4</b>
2.1 INTRODUCTION.....	4
2.2 PROPOSED STEPS IN CREATING A BRIEF ENVIRONMENTAL POLICY.....	4
<b>3 BUDGETING.....</b>	<b>5</b>
3.1 INTRODUCTION.....	5
3.2 PROPOSED STEPS FOR DEVELOPING BUDGETS FOR THE IMPLEMENTATION OF ESR .....	5
<b>4 ENVIRONMENTAL COMMITTEE.....</b>	<b>6</b>
4.1 INTRODUCTION.....	6
4.2 ENVIRONMENTAL COMMITTEE MEMBERS.....	6
4.3 SPECIFIC RESPONSIBILITIES OF TEAM MEMBERS.....	6
4.4 COMMITTEE MEETING.....	7
<b>5 REPORTING.....</b>	<b>8</b>
5.1 INTRODUCTION.....	8
5.2 REPORTING PROCESS.....	8
<b>6 TRAINING.....</b>	<b>11</b>
6.1 INTRODUCTION.....	11
6.2 PROPOSED TRAINING PROGRAMME.....	11

## LIST OF ANNEXES

<b>ANNEX 1</b>	Example of Environmental Policy development
<b>ANNEX 2</b>	Example of the process for developing a budget
<b>ANNEX 3</b>	Inspection Form (IF)
<b>ANNEX 4</b>	Proposed Correction / Improvement and Implementation
<b>ANNEX 5</b>	Example of ESR Summary Report

## LIST OF FIGURES

Figure 1: Proposed Step in Creating a Brief Environmental Policy. ....	4
Figure 2: Developing Budgets for Implementation of Environmental Self-Regulation.....	5
Figure 3: Example of Organisation Chart for Environmental Committee .....	7
Figure 4: Flowchart for Environmental Self-Regulation (ESR) Reporting.....	10

## LIST OF TABLES

Table 1: ESR Reporting Frequency.....	9
---------------------------------------	---

## ABBREVIATIONS

AEC	Agreement of Environmental Condition
EIA	Environmental Impact Assessment
EPD	Environment Protection Department
ESR	Environmental Self-Regulation
EC	Environmental Committee
EO	Environmental Officer
MD	Mitigation of Declaration
PP	Project Proponent
IF	Inspection Report

## **1 INTRODUCTION**

In Sabah, housing and commercial development, which is categorised as “prescribed activities” under the First and Second Schedule of the Environment Protection (Prescribed Activities) (Environmental Impact Assessment) Order 2005, is required to submit a Proposal for Mitigation Measures (PMM) or an Environmental Impact Assessment (EIA) to the Environment Protection Department (EPD) for approval.

Based on the approved PMM/EIA report, the EPD and Project Proponents (PPs) are required to agree on a set of environmental conditions known as Mitigation Declaration (MD - in the case of PMM) and Agreement of Environmental Conditions (AEC - in the case of EIA). PPs must implement all environmental conditions stipulated in the MD/AEC in a self-regulatory manner. The Standard Operating Procedures (SOPs) for housing and commercial development developed by the EPD to assist PPs in MD/AEC compliance, whereas this Environmental Self-Regulation (ESR) is a guideline for PPs to practise self-regulation.

### **1.1 OBJECTIVE OF ESR**

The objectives of this ESR are to:

- Involve PPs in environmental management.
- Guide and encourage PPs to implement Environmental Self-Regulation in their company.

### **1.2 HOW TO USE THE ESR**

This Environmental Self-Regulation (ESR) guideline is to be used together with the SOPs for Housing and Commercial Development formulated by the EPD. The SOPs provide clear guidance to PPs for MD/AEC compliance. Best mitigation measures for minimising environmental impacts and implementation methods of mitigation measures for compliance to the environmental conditions are described in the SOPs for the PPs' guidance.



There are fifteen (15) major sections in the SOPs, where each section represents one Environmental Condition. The Environmental Conditions are:

Environmental Condition
1. Control of Site Development
2. Control of Surface Runoff and Water Quality Pollution
3. Construction of Site Facility
4. Slope Stabilisation
5. Management and Disposal of Overburden
6. Management and Extraction of Borrow Pit Area
7. Control of Noise and Operation Time
8. Control of Air Quality
9. Control of Oil and Schedule Waste
10. Control of Solid Waste and Biomass
11. Control of Sewage / Liquid Waste
12. Control of Traffic and transportation
13. Control of Blasting, Flyrock and vibration
14. Phase Development
15. Closure and Abandonment

The ESR guideline is developed to guide and encourage PPs to undertake self-regulation during housing and commercial development in relation to environmental conditions. The guideline includes guidance on conducting self-regulation to monitor environmental conditions, steps on carrying out corrections for non-compliances, as well as reporting and training programmes. There are five (5) environmental components in the ESR, which can be referred to in **Section 1.3**.

### **1.3 CONTENT OF ENVIRONMENTAL SELF-REGULATION (ESR) GUIDELINE**

ESR is a guideline developed to assist the achievement of Self-Regulation objectives in an organisation and requires participation from all levels of the organisation. The system includes the following environmental components:

- Environmental Policy.
- Environmental Budgeting.
- Environmental Committee.
- Environmental Reporting.
- Environmental Training.

Each of the above environmental components is elaborated further in the following sections.

EPD SABAH

## 2 ENVIRONMENTAL POLICY

### 2.1 INTRODUCTION

Environmental policy is a written statement outlining the aims and principles of housing and commercial development activities in terms of managing the environmental effects and aspects of its operations through MD/AEC compliance. Top management must be involved in producing the policy and they must understand the principles and commitments contained. Any existing company policy can be incorporated with this environmental policy.

### 2.2 PROPOSED STEPS IN CREATING A BRIEF ENVIRONMENTAL POLICY

A basic guide for creating an environmental policy is shown in **Annex 1** as reference. It provides an illustrative example of environmental policy development by utilising the following five steps:

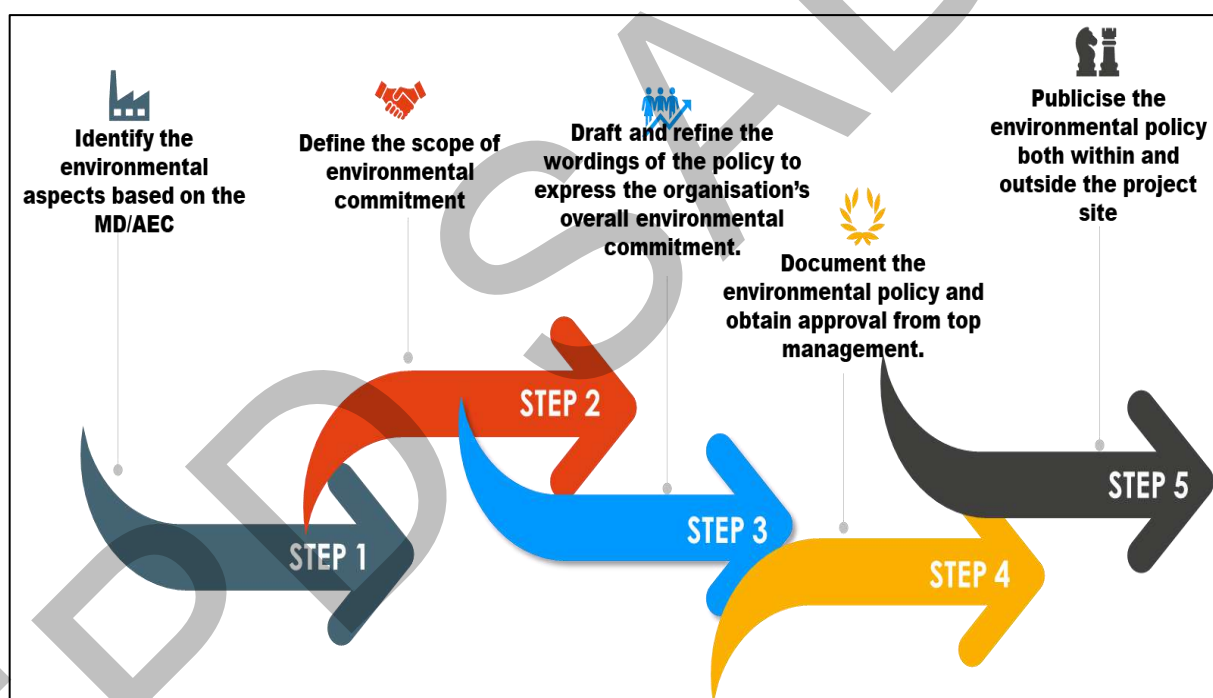


Figure 1: Proposed Step in Creating a Brief Environmental Policy.

### 3 BUDGETING

#### 3.1 INTRODUCTION

Budgeting is the process that ensures funds and resources are adequately available and allocated for the implementation of ESRs. It provides transparency to assure funds remain available throughout the implementation of ESR-related activities.

#### 3.2 PROPOSED STEPS FOR DEVELOPING BUDGETS FOR THE IMPLEMENTATION OF ESR

Budgets are developed and refined throughout the development of construction activities for environmental compliance. This process is to be iterative and involve close coordination between technical and budget staff. Immediate action can be taken to rectify the non-compliance or improve the existing mitigation measure if budgeting is not necessary.

This section proposes the budget development process to implement corrections for non-compliances / improvement in four steps and **Annex 2** provides an example. However, there are multiple ways to develop a budget that covers the cost of implementing corrections for non-compliances / improvement and it also depends on the suitability of owned budgeting systems implemented by the project proponent.

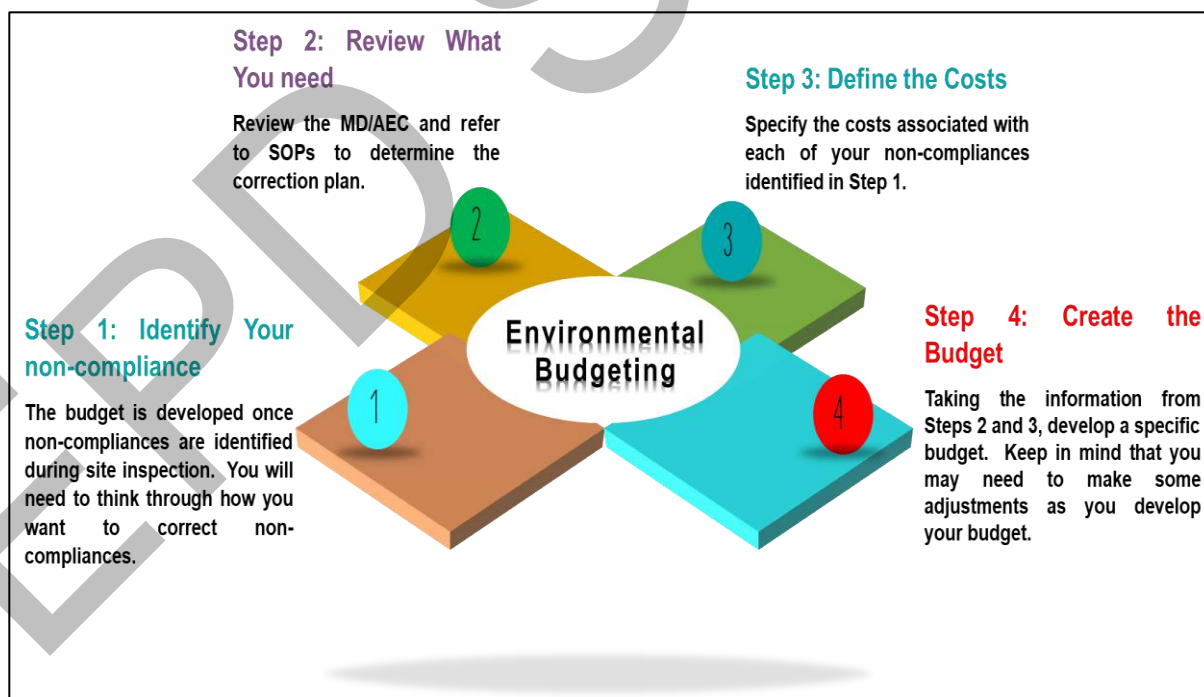


Figure 2: Developing Budgets for Implementation of Environmental Self-Regulation.

## 4 ENVIRONMENTAL COMMITTEE

### 4.1 INTRODUCTION

To ensure that self-regulation is continuously achieved, an Environmental Committee (EC) should be set up. The committee is responsible for monitoring the implementation of self-regulation and fulfils an important communications function. Any existing committee in the organisation can be used as a platform for establishing this Environmental Committee.

### 4.2 ENVIRONMENTAL COMMITTEE MEMBERS

The committee needs to consist of different levels of personnel in the organisation and conduct meetings at regular intervals to discuss relevant environmental issues pertaining to project development activities. EC meetings can be conducted during project site meetings that are normally conducted by the project proponent.

Committee team members are to consist of a minimum of five (5) persons namely the chairman, team leader, environmental officer and supporting personnel (Site Supervisor and Account Supervisor).

### 4.3 SPECIFIC RESPONSIBILITIES OF TEAM MEMBERS

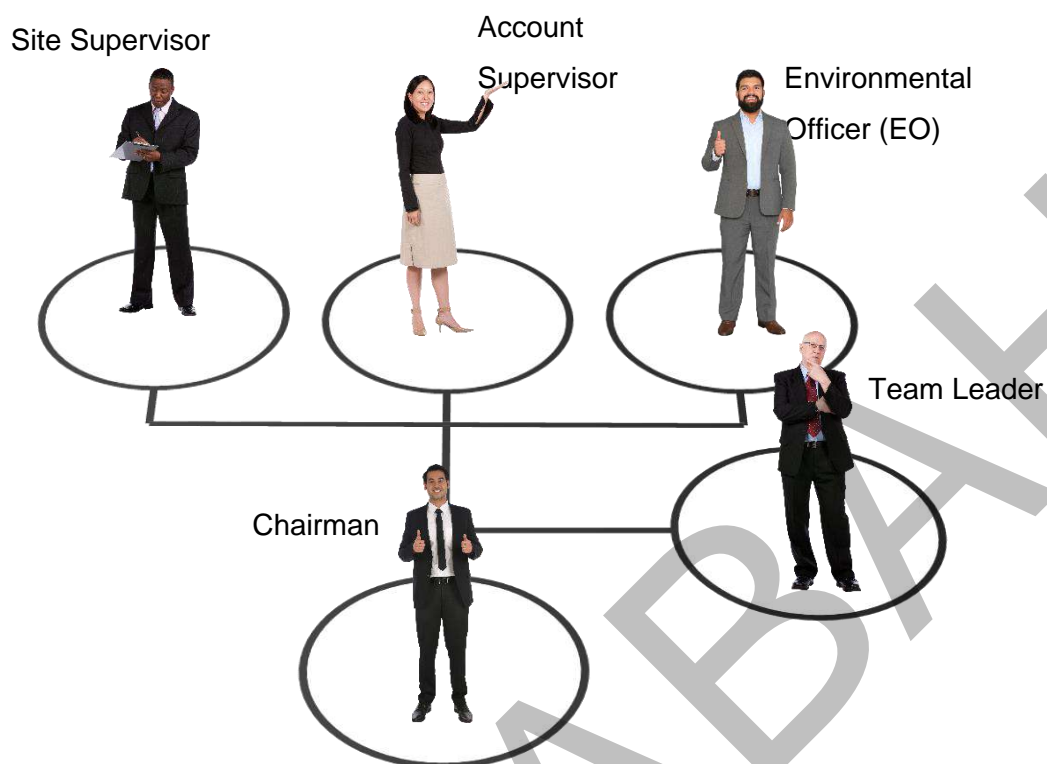
**Chairman** – A person from the top management, preferably responsible for decision-making.

**Team Leader** – To ensure the daily functioning of a department or group of employees.

**Environmental Officer (EO)** – To ensure continuous compliance to the MD/AEC, conduct site inspections, prepare and submit reports to authorities and liaise with authorities.

**Supporting Personnel (Account Supervisor and Site Supervisor)**– A person who provides knowledge and advice to the EC based on their expertise. For example, account supervisor / site supervisor:

- Account Supervisor ensures all financial and accounting operations within an accounting department run smoothly.
- Site Supervisor oversees the development of the project and monitors activities at the worksite. They manage crews, ensure environmental, health and safety codes are observed, and work is completed on schedule. Site Supervisor also helps to develop contracts, liaise with subcontractors and vendors, and perform other administrative tasks.



**Figure 3:** Example of Organisation Chart for Environmental Committee

#### 4.4 COMMITTEE MEETING

Committee members are proposed to meet on a regular basis. The agenda is to present the compliance status of MD/AEC and to discuss non-compliance issues identified during site inspections. The agenda can also be brought up during site meetings to discuss the project's progress. Similarly, any new environmental requirement or legislation imposed by the government should be shared with all members through the meeting or discussion as well.

## 5 REPORTING

### 5.1 INTRODUCTION

An internal reporting format should be established to enable PPs to evaluate the implementation status of MD/AEC. This section describes the reporting process.

### 5.2 REPORTING PROCESS

Below is the description of each reporting process that should be practiced by PPs. Refer to **Figure 4** for the overall reporting process flowchart.

#### 5.2.1 Internal Site Inspection

Refer to the MD/AEC to identify the compliance status during site inspections. Any non-compliance identified will be stated in the Inspection Form (IF). The IF must be prepared prior to commencing corrections on-site. Nevertheless, if corrections can be taken immediately, the IF can be completed afterwards. The form also includes an area to write down the required improvement for the existing mitigation measures. The IF is shown in **Annex 3** for reference while **Annex 4** shows an example of completing the IF.

#### 5.2.2 Proposed Correction/Improvement and Implementation

After the internal site inspection, the following steps are to be taken to close non-compliances and/or to propose improvement to the existing mitigation measures.

- Step 1 : Propose corrections IF by referring to the SOPs and/or improvement to the existing mitigation measures in the IF.
- Step 2 : Submit IF to the EC secretariat for discussion and approval.
- Step 3 : Complete the IF by filling in the required details i.e., budget (required or not), person in-charge, etc.
- Step 4 : Implement corrections and/or improvement when approval is acquired.
- Step 5 : Prepare the ESR report as an internal record.

Please note that, one (1) IF will be used to record one (1) non-compliance and/or improvement only.

### 5.2.3 ESR Reporting Frequency

ESR reporting is proposed to be carried out based on the following frequency for internal record. However, the frequency of site inspections is dependent on PPs.

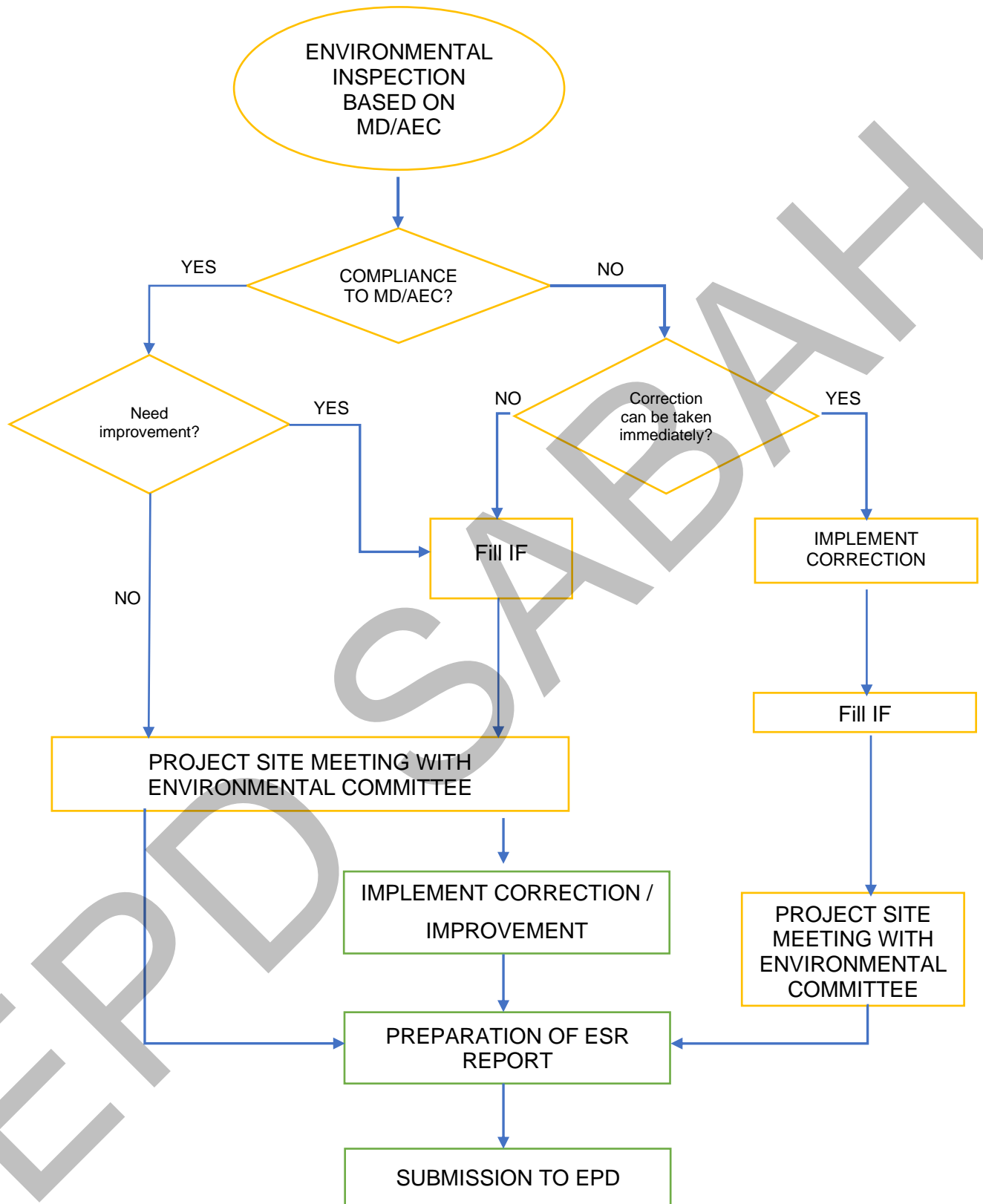
**Table 1: ESR Reporting Frequency**

Phase	Reporting Frequency
During Earthwork	Monthly (refer to MD/AEC)
During Construction	3 or 4 Months (refer to MD/AEC)
During Abandonment	Once

### 5.2.4 Submission to the EPD

Summarise the ESR report based on the format attached in **Annex 5**. Submit the summarised ESR report to EPD.





**Figure 4:** Flowchart for Environmental Self-Regulation (ESR) Reporting.

## 6 TRAINING

### 6.1 INTRODUCTION

Training should be organised for the site workers, staff and Environmental Committee members to improve their knowledge on environmental protection as well as to ensure the environmental policy is properly implemented.

### 6.2 PROPOSED TRAINING PROGRAMME

The training programme focuses on two (2) groups of personnel i.e., site workers / staff and Environmental Committee members. Trainers for site workers can be identified from a pool of qualified internal personnel within the company while training for Environmental Committee members can be conducted by Environment Protection Department personnel. Types of training are shown below:

#### 6.2.1 Proposed Training Programme for Field Personnel

No.	Types of Training
1.	Brief on the content of Mitigation Declaration (MD) / Agreement of Environmental Conditions (AEC) to all field personnel.
2.	Actual training conducted on the field regarding all sub-conditions stated in MD/AEC.
3.	Implementation of MD/AEC by referring to the SOPs.

#### 6.2.2 Proposed Training Programme for Environmental Committee

No	Types of Training
1.	Understanding the importance of the content of Mitigation Declaration (MD) / Agreement of Environmental Conditions (AEC).
2.	Training on corrections and implementation of MD/AEC by referring to the SOPs.
3.	Training on the ESR Reporting process.

## ANNEX 1

### Example of Environmental Policy development.

ORGANISATION NAME & LOGO

### Environmental Policy

“We recognise that our construction activity has an important role to play in protecting and enhancing the environment for future generations and to help secure the long-term sustainability of the Development Industry”.

(Proponent name) is committed to taking the following action:

- To fulfil all requirements stated in the Approval of Environmental Conditions (AEC) / Mitigation Declaration (MD) during the entire operation.
  - Control of development
  - Control of solid waste and biomass
  - etc.

STEP 1

- To fully comply with all relevant legislation.
- To invite our customers, suppliers, and contractors to participate in our efforts to protect the environment.
- To provide all employees with training and resources required to meet our objectives.
- To openly communicate our policies and practices to interested parties.
- To monitor and record our environmental impacts on a regular basis and compare our performance with our policies, objectives, and targets.

STEP 2  
& 3

Signature:

Designation:

Date:

STEP 4

Publicise the environmental policy both within and outside the project site.

STEP 5

## ANNEX 2

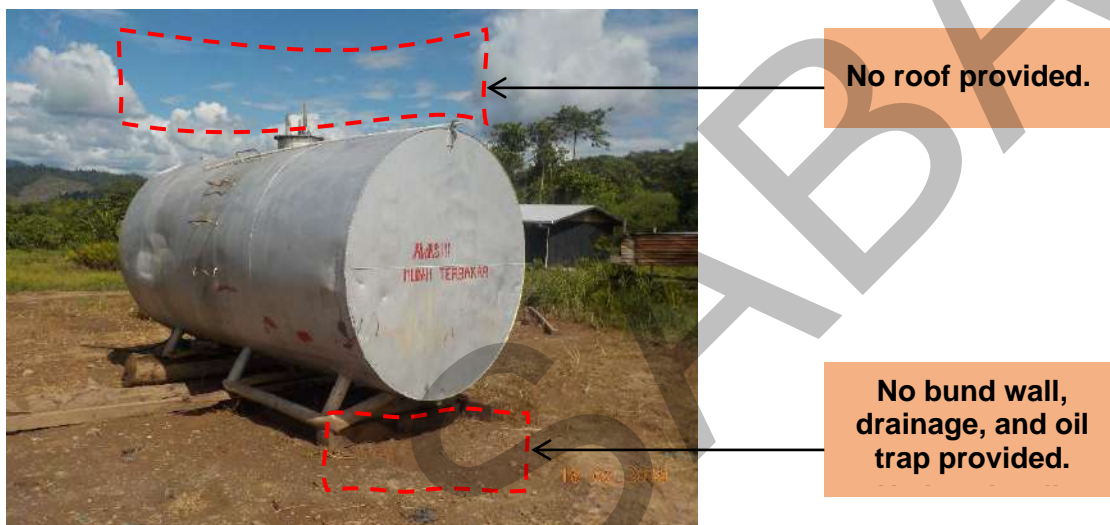
Example of the process for developing a budget.

### Environmental Budgeting

#### Step 1: Identify Your non-compliance

Example Scenario; No oil trap, bund wall, roof, and drainage.

Photo:



No mitigation measures were provided on the diesel skid tank such as roof, secondary containment (bund) and oil trap. Oil spillage was spotted around the surface area and may pollute water bodies during rainy days.

#### Step 2: Review what you need

- Structure needed to be constructed to mitigate any oil spillage during development activity: Roof, bund wall, oil trap and drainage.
- Material needed: Labour charges, cement, roof, steel, gravel rock, sand, and bricks.

#### Step 3: Define the costs

- Cost needed to construct roof, bund wall, oil trap and drainage.

#### Step 4: Create the Budget

Expenses detail	Quantity	Amount (RM)	Total (RM)
Labour charge – 2 persons (Duration – 1 week)	2	1500	3000.00
Cement	30 bags	15.70	471.00
Roof	10 pcs	45.00	450.00
Bricks	300 pcs	-	300.00
Steel	20 pcs	50.00	1000.00
Sand	2 bags	80.00	160.00
TOTAL			RM 5,381.00

**ANNEX 3**

**FORM 1**  
**Inspection Form (IF)**

<b>INSPECTION FORM</b>	
Location ( <i>Describe the location specifically</i> ):	Date:
GPS:	
Condition no.:	Category: <input type="checkbox"/> CORRECTION <input type="checkbox"/> IMPROVEMENT
<b>EXPLANATORY REMARKS</b>	
1.	
<b>PROPOSED CORRECTION / IMPROVEMENT</b>	
1.	
Issued by: Environmental Officer	
Date:	
<b>TO BE FILLED AFTER COMMITTEE MEETING</b>	
Budget: <input type="checkbox"/> Required <input type="checkbox"/> Not required	
Assigned to:	
Proposed Date to Start:	
Proposed Date of Completion:	
Prepared by: (Environmental officer)	
Date:	
Verified: (Team Leader)	
Date:	
Approval: (Chairman)	
Date:	

## ANNEX 4

### Proposed Correction/Improvement and Implementation

Example on completing the IF.

INSPECTION FORM	
Location <i>(Describe the location specifically)</i> : Oil Storage	Date:
GPS:	Condition no: 5.5 (iv)
Category: <input checked="" type="checkbox"/> CORRECTION <input checked="" type="checkbox"/> IMPROVEMENT	
EXPLANATORY REMARKS	
1. Oil spillage was spotted next to oil storage area.	
PROPOSED CORRECTION / IMPROVEMENT	
1. To construct oil trap and drainage system at oil storage area. For improvement, provide fire extinguisher at oil storage area.	
Issued by: Environmental Officer	
Date:	
TO BE FILLED AFTER COMMITTEE MEETING	
Budget: <input type="checkbox"/> Required <input type="checkbox"/> Not required	
Assigned to:	
Proposed Date to Start:	Proposed Date of Completion:
Prepared by (Environmental officer):	
Date:	
Verified: (Team Leader)	
Date:	
Approval: (Chairman)	
Date:	

Location where the non-compliance is detected and/or improvement is needed.

State date of inspection.

State the GPS.

Tick whichever relevant

Sub condition no. which the non-compliance occurred and/or improvement is needed based on MD/AEC.

Describe the non-compliance and/or the improvement needed.

Propose the correction and/or improvement.

EO issuing IF.

Tick whichever relevant

Person in-charge to conduct the correction / improvement.

EO to-submit to top management for approval.

ANNEX 5

Example of ESR Report Summary

AEC / MD ref. no.:			
Date of AEC / MD:			
Monitoring period:			
No. Syarat (Condition No.)	Tindakan Pembetulan (Correction Action)	Tarikh Mula (Start Date)	Tarikh Siap (Completion Date)

Prepared by : \_\_\_\_\_  
Date : \_\_\_\_\_