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Environmental reporting gains ground globally

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THERE is an emerging trend, particularly at the international level, for companies to report to the public their environmental policies, objectives and programmes, said Science, Technology and the Environment Minister Datuk Law Hieng Ding.

He said the trend is the result of investors demanding such information to protect themselves from unexpected losses incurred by environmental costs.

"Bankers also require such information to evaluate their credit risks. The general public wants environmental information to enable them to evaluate the social commitment undertaken by a company," he said when addressing the 1998/1999 Prime Minister's Hibiscus Award presentation in Serdang yesterday.

Just like financial reporting, he said environmental reporting is basically a disclosure by a company on environment related information.

For the companies concerned, such information will help them make better decisions about the cost-impact of their projects in relation to environmental issues, thereby enabling them to use preventive approaches rather than curative ones.

Speaking to reporters after presenting the Prime Minister's Hibiscus Awards to winners, Law said environmental reporting, however, is relatively new. Thus the need to define the scope of environmental reporting.

"At this juncture, there is no plan to legislate on this and to make it mandatory for companies to disclose such information in their annual reports," he said.

He, however, said the local companies should be prepared to equip themselves in case such environmental reports are required in the future as the market becomes more customer-driven.

The Hibiscus Award, the first private sector award to recognise exemplary environmental commitment in the country, was launched in 1995.

Law said in June 1998, Prime Minister Datuk Seri Dr Mahathir Mohamad agreed to a suggestion that the award be upgraded to become a prestigious Prime Minister's Hibiscus Award.

"It is the ministry's hope that the award be recognised internationally one day," said Law.

A total of 40 companies took part in the competition for the 1998/1999 Prime Minister's Hibiscus Award, of which one received an Exceptional Achievement Award, 18 received Notable Achievement Awards and 20 received certificates of participations.

Fairchild Semiconductor (M) Sdn Bhd bagged the Exceptional Achievement Award for environmental performance and challenge trophy for its strong management commitment in environmental issues.

The company has put great effort in reducing and minimising waste generated from its activities through well-defined objectives and targets, and programmes that include reduction of water and electricity consumption, elimination of epoxy, reduction of 50 per cent in its scheduled waste and a recycling rate of up to 30 per cent of its non-hazardous waste.

It has also succeeded in creating high environmental awareness among its employees, as well as extending the programmes to their family members.

The company also held industry meetings with the Department of

Environment regularly, and shared its environmental technology models with University Sains Malaysia.

Other companies which took part in the 1998/1999 Prime Minister's Hibiscus Awards included Sony Electronics (M) Sdn Bhd, Shell (M) Sdn Bhd, Esso Production (M) Inc, Shangri La Rasa Sayang Resort, Motorola (M) Sdn Bhd, Intel Technology (M) Sdn Bhd, CCM Chemicals Sdn Bhd, Matsushita Industrial Corp Sdn Bhd and Hitachi Semiconductor (M) Sdn Bhd.

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