



# OGP

International Association of Oil & Gas Producers

## **HSE management – guidelines for working together in a contract environment**

*Report No. 423*

*June 2010*





# *P*ublications

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# HSE management – guidelines for working together in a contract environment

Report No: 423

June 2010

## Acknowledgements

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# Contents

Glossary	v
Purpose/intent	vi
Scope	vi
Introduction	vii
OGP HSE document hierarchy.....	viii
Overview of process.....	ix
<b>1 Planning</b>	<b>1</b>
1.1 Objectives.....	1
1.2 Scope of work.....	1
1.3 Risk assessment.....	1
1.4 Mode of contracting.....	3
1.5 Contract schedule.....	3
<b>2 HSE capability assessment</b>	<b>4</b>
2.1 Objective.....	4
2.2 Capability assessment protocol.....	4
2.3 From capability assessment to tender list.....	4
<b>3 Tender and award</b>	<b>5</b>
3.1 Objective.....	5
3.2 Establishing the tender evaluation criteria.....	5
3.3 Tender documentation prepared by client.....	5
3.4 Tender preparation by contractor.....	6
3.5 Pre-award clarifications.....	7
3.6 Incentive schemes for HSE.....	7
3.7 Contract award.....	7
<b>4 Pre-mobilisation</b>	<b>8</b>
4.1 Objectives.....	8
4.2 Post award meeting.....	8
4.3 Pre-mobilisation audits.....	9
<b>5 Mobilisation</b>	<b>10</b>
5.1 Objectives.....	10
5.2 General.....	10
5.3 Mobilisation audit.....	10
<b>6 Execution</b>	<b>11</b>
6.1 Objectives.....	11
6.2 Roles and responsibilities.....	11
6.3 Execution activities.....	11
6.4 Inspection and HSE auditing/reviews.....	11
<b>7 Demobilisation</b>	<b>12</b>
7.1 Objectives.....	12
7.2 Demobilisation activities.....	12
<b>8 Final evaluation and close-out</b>	<b>13</b>
8.1 Objectives.....	13
8.2 Final evaluation and close-out report.....	13

<b>Appendix 1</b>	<b>HSE responsibilities for client and contractor key personnel</b>	<b>A1-1</b>
	Client .....	A1-1
	Contractor .....	A1-2
<b>Appendix 2</b>	<b>Contractor HSE capability assessment questionnaire and scoring system</b>	<b>A2-1</b>
	General guidelines for completion of questionnaire.....	A2-1
	Client guidelines for the use of the questionnaire.....	A2-1
	Table 2-1 Questionnaire for contractor HSE capability assessment.....	A2-2
	HSE capability assessment scoring system .....	A2-6
	Table 2-2 scoring system .....	A2-6
<b>Appendix 3</b>	<b>HSE plan guidance</b>	<b>A3-1</b>
	HSE plan development .....	A3-1
	HSE plan guidance .....	A3-1
	Table 3 HSE plan check list .....	A3-2

# Glossary

The definitions in this glossary are relevant to the content of this guideline but may not be relevant for use in other documents.

## **ALARP**

To reduce a risk to a level ‘as low as reasonably practicable’ (ALARP) involves balancing reduction in risk against the time, trouble, difficulty and cost of achieving it. This level represents the point, objectively assessed, at which the time, trouble, difficulty and cost of further reduction measures become unreasonably disproportionate to the additional risk reduction obtained.

## **Audit**

A systematic, independent evaluation to determine whether or not the HSE-MS and its operation comply with planned arrangements and whether or not the system is implemented effectively and is suitable to fulfil the company’s HSE policy and objectives.

## **Client**

A company that issues a contract to a contractor or subcontractor. In this document the client will generally be an oil and gas exploration company that will issue a contract to a contractor to carry out work. The contractor may then take the role of client by issuing contract(s) to subcontractor(s).

## **Contract(s)**

An agreement between two parties by which both are bound in law and which can therefore be enforced in a court or other equivalent forum.

## **Contractor(s)**

An individual or a company carrying out work under a written or verbally agreed contract for a client.

## **Hazard**

An object, physical effect, or condition with the potential to harm people, the environment or property.

## **HSE**

Health, safety, environment. In this guideline, security and social responsibility are recognised in this document as integral elements of HSE management system.

## **HSE capability assessment**

A method to screen potential contractors to establish that they have the necessary experience and capability to undertake the scope of work in an HSE responsible manner, and to effectively deal with the associated risks.

## **HSE Plan**

The definitive plan, including any interface topics, which sets out the complete system of HSE management for a particular contract.

## **Incident**

An event or chain of events that has caused or could have caused injury or illness to people and/or damage (loss) to the environment, assets or third parties. Note: this definition includes near miss events.

## **Inspection**

A system of checking that an operating system is in place and is working satisfactorily. Usually conducted by a manager and with the aid of a prepared check list. Note: this is not the same as an audit.

## **Interface**

A documented identification of relevant gaps (including roles, responsibilities and actions) in the different HSE-MS of the participating parties in a contract which when added to the HSE plan will combine to provide an operating system to manage all HSE aspects encountered in the contract with maximum efficiency and effectiveness.

## **Leading indicator**

A measure, that if adopted, helps drive improved performance.

## **Risk**

The product of the chance that a specific undesired event will occur and the severity of the consequences of the event.

## **Subcontractor(s)**

An individual or company performing some of the work within a contract, and under contract to either the original client or contractor.

## **Third party**

Individuals, groups of people or companies, other than the principal contracted parties, that may be affected by or involved with the contract.

## **Toolbox meeting**

A meeting held by the workforce at the workplace to discuss the HSE hazards that may be encountered during the work and the procedures that are in place to successfully manage these hazards. Usually held at the start of the day’s work. A process of continual awareness and improvement.

# Purpose/intent

The overall objective of this guideline is to describe a process by which clients can select suitable contractors and award contracts with a view to improving the client and contractor management of HSE performance in upstream activities. For brevity, security and social responsibilities have not been included in the document title; however, they are recognised as integral elements of HSE-MS.

Active and ongoing participation by client, contractor and their subcontractors is essential to achieve the goal of effective HSE management. While each has a distinct role to play in ensuring the ongoing safety of all involved, there is an opportunity to further enhance the client/contractor relationship by clearly defining roles and responsibilities, establishing attainable objectives and maintaining communication throughout the contract lifecycle.

The aim of this guideline is to improve HSE performance by:

1. Providing clients and contractors an effective common process for the management of HSE in a contract environment, so that both the client and contractor can devote their resources to improving HSE performance.

2. Ensuring contractors' HSE-MS and programmes are suitable for the service being provided and the level of risk.
3. Facilitating the interface of contractor's activities with those of the client, other contractors and subcontractors.

This guideline is provided to assist client, contractor and subcontractor managements to clarify the process of managing HSE in contracted operations. This document does not replace the necessary professional judgement needed to recommend the specific contracting strategy to be followed. Each reader should analyse his or her particular situation and then tailor the information provided in this document to meet specific needs and obtain the appropriate technical support where required.

OGP is the custodian of this guideline and will initiate updates and modifications based upon review, and feedback from users through the OGP secretariat.

This guideline is not intended to take precedence over a host country's legal or other requirements.

# Scope

This guideline provides a framework by which the HSE aspects of all E&P industry contracts can be developed and managed. Whilst HSE aspects are important in the development of a contract strategy, this guideline does not cover the many other aspects of the contract process.

This guideline describes the phases of the contracting process and the associated HSE tasks and responsibilities of client, contractors and subcontractors.

This is an eight-phase process. It begins with planning and ends in final evaluation and close out. The objectives, roles and responsibilities are defined for each phase. This process is also applicable and recommended for the engaging of subcontractors by the contractors (*ie* where the contractor is effectively the client in that relationship).

This guideline is primarily developed for use by those responsible for contracting out activities and the personnel responsible for the interrelationship and operational oversight of contractors, subcontractors and their employees.

This guideline was developed for the "normal activities" expected in E&P operations. However, each operation is unique, therefore the user should critically evaluate – and adapt where necessary – these guidelines against his or her particular activities and the associated risks.

A key aspect throughout the process is the identification of major hazards associated with the scope of work and the mitigation of risk to as low a level as reasonably practicable. This is the prime factor used in determining an HSE mode of contracting with the objective of zero incidents throughout the contract lifecycle.

This guideline is mainly for activities assessed as medium to high risk (for an example reference Figure 4 – risk assessment matrix) although similar principles may be applicable to any contracted activities.



# Introduction

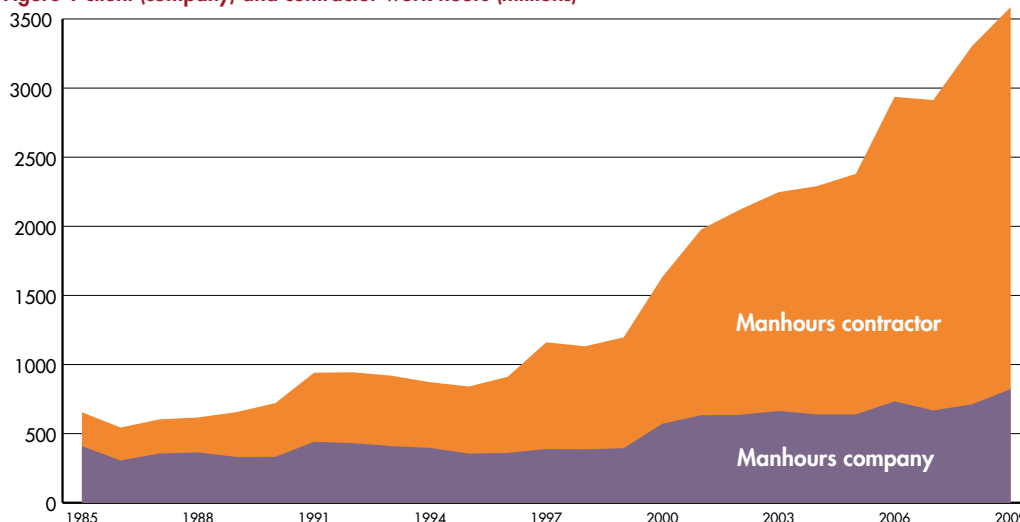
Since the original document was published in 1999, HSE-MS systems have evolved and matured. This has been taken into consideration when updating the contents. The main emphasis is on the generation of a contract HSE plan which is the prime document that controls the management of all aspects of HSE within a specific contract. The eight phases of the contract process have been more clearly defined, and the responsibilities of key people have been identified. This document also sets out modes of contract with relevance to current practices.

The term ‘prequalification’ could imply that the selection of contractors is not transparent. This updated guideline replaces it by the term ‘capability assessment’, and introduces a change in the bidder’s selection procedure.

Figure 4 – the risk assessment matrix – has been modified to give better guidance to risk assessors in the frequency of risk events. The appendix defining risk consequences is replaced by a recommendation that guidance for assessment of risk consequences would be more appropriate in *Guidelines for the development and application of health, safety and environmental management systems*.

In the initial release of this guideline, it was noted that ‘within the oil & gas exploration & production industry the pattern of use of contractors had changed significantly from 1989 to 1999.’ Since 1999, the ratio of contractor hours to client hours has continued to increase significantly. Figure 1 shows the pattern of client and contractor hours reported to OGP from 1985 to 2009.

**Figure 1 client (company) and contractor work hours (millions)**



Prior to 1985, the workforce was predominately client employees. Since 1990 there has been a significant increase in the use of contractor personnel, with a resulting shift in responsibility and risk from the client to the contractor organisations.

Since 2000, the increase of contractor man-hours reported to OGP by its members reflects the increase of activity in the oil & gas industry.

It can be seen from Figure 2 that there have been significant improvements in the safety performance of both clients and their contractors during this period.

Historically, contractor Lost Time Injury Frequency (LTIF) has been higher than that of clients, since contractor personnel are generally exposed to higher risk activities. However, over the past ten years, the gap has continued to narrow as the contractors' LTIF improved at a faster rate than the clients' rate. It is important this trend continues; it is vital as the use of contractors in the E&P industry increases.

This guideline has been produced to assist with the management of the client-contractor relationship in this changing environment and to help in the achievement of further improvements in HSE performance for all concerned.

Over the past ten years, the oil & gas industry has also faced new challenges that have had significant impacts on the client/contractor relationship. These challenges include security-related issues and society's expectations with regards to corporate social responsibilities.

Security and social responsibilities are now integral elements of HSE management and so are incorporated in this guideline.

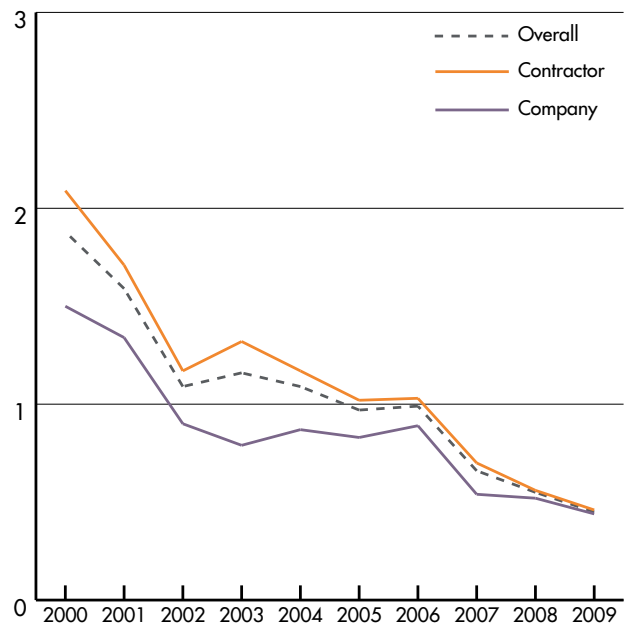
## OGP HSE document hierarchy

While this document is designed to focus on improving the HSE performance of contracted operations, it is an extension of the previous efforts within the E&P industry and various governmental efforts around the world to improve the overall HSE performance of the E&P industry.

This effort has utilised and built upon OGP's report 210, *Guideline for the development and application of health, safety and environmental management systems*; ISO 9000, *Quality Management Systems* and ISO 14000, *Standards for Environmental Management*; OSHAS 18000, *Occupational Health and Safety Management Systems*, and numerous OGP Member company programmes.

This guideline follows the wording and structure used in OGP's *Guideline for the development and application of health, safety and environmental management systems*, which is the foundation of all HSE guidelines within the OGP hierarchy of HSE documentation as indicated in the following table. The overarching guidance (Level 1) on HSE management systems is described in reference 1. Level 2 contains more detailed guidance on certain aspects of the management system such as "Working together in a contract environment." More detailed Level 3 guidance relates to specific activities in E&P such as *Managing HSE in a Geophysical Contract*.

**Figure 2 – LTIF performance of E&P companies – company & contractors (per million hours worked)**



By following this guideline, a user would adopt the recommended practices of various industry associations, however, it is also important to ensure the specific requirements of governmental entities and the user's own company requirements are adequately addressed.

### Level 1

- OGP report 210, *Guideline for the development and application of health, safety and environmental management systems*.

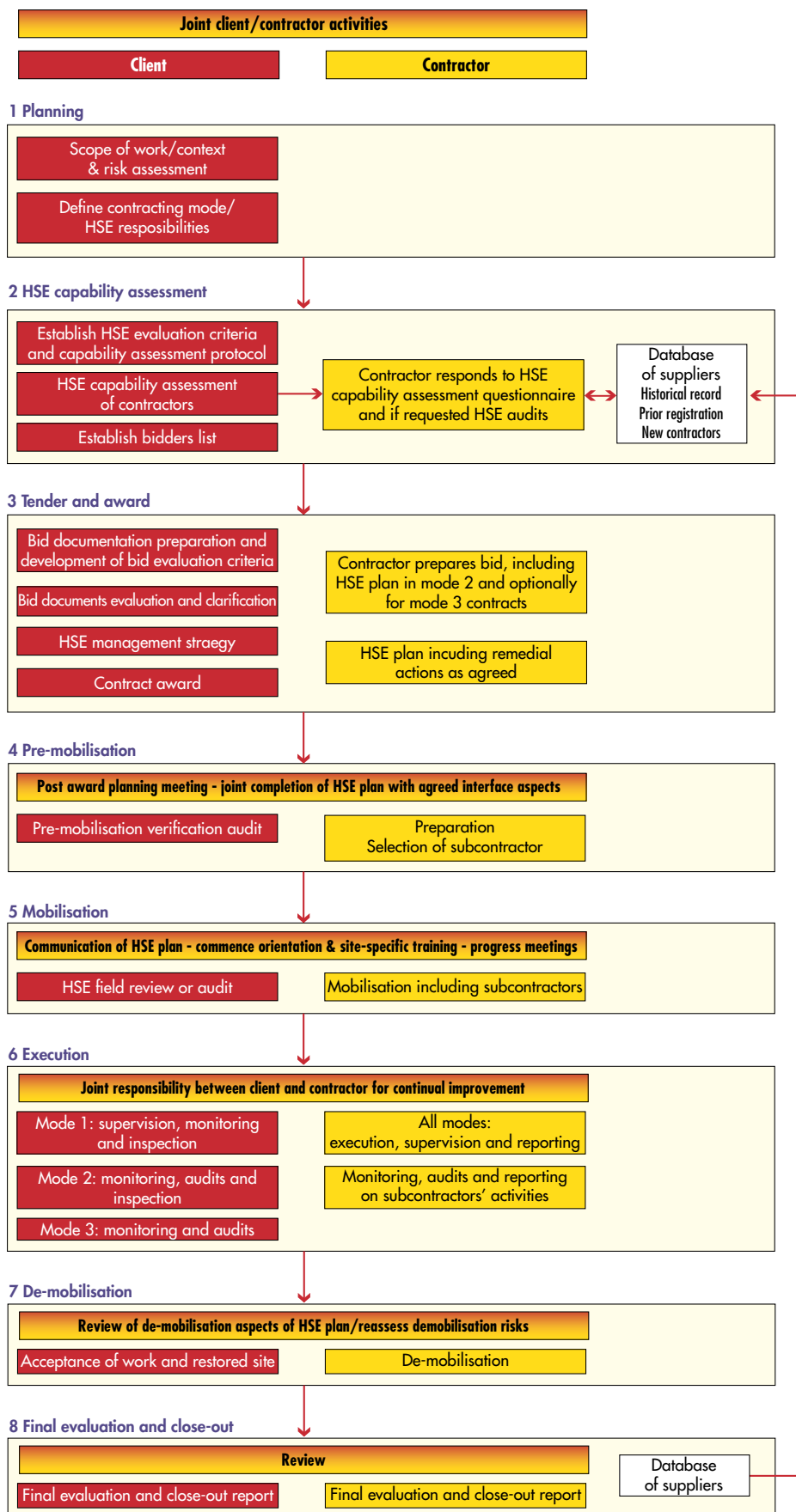
### Level 2

- This report.

### Level 3

- Detail-specific documents, for example OGP's *Managing HSE in a geophysical contract* (OGP report 432).
- Other guidelines specific to E & P industry operations.

## Overview of process



Management of HSE in a business environment where a client and one or more contractors work together requires co-operation between all parties and a clear definition of the tasks and responsibilities of each of the parties.

The typical phases of a contracting process are shown in Figure 3 (left). The sectional headings addressing the phases are shown on the left. Each section describes the tasks and responsibilities showing a clear distinction between the client and contractor(s).

An overview of responsibilities is given in Appendix 1.

Included in the appendices are tools that support the process – an HSE capability assessment questionnaire in Appendix 2 and HSE plan guidance in Appendix 3.



# 1 Planning

## 1.1 Objectives

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The objectives are to assess the HSE risks associated with the scope of the contracted work and to ensure this is incorporated into the overall contract strategy and the determination of the mode of contracting. The contracting mode will be decided by the nature and size of the work, the levels of risks involved and the HSE capability of the potential contractor(s).

## 1.2 Scope of work

---

The client is responsible for describing the scope of work to be executed. The description should be supported by documentation in the form of design specifications, standards, drawings, etc. allowing potential contractors to obtain a full understanding of the scope of work required.

The client may also specify particular HSE aspects to be addressed such as:

- Context of the work; *eg* remote area, importation restrictions, political climate, security, health issues and social interaction.
- Timing and duration of the activities
- Applicable laws and regulations
- Materials and equipment
- Logistics activities, *etc.*

## 1.3 Risk assessment

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Initially the client is responsible for identifying the inherent HSE hazards and assessing the risks involved in conducting the work. This will aid both the contractor and the client in developing programmes of good work practices to protect all personnel, assets, reputation and the environment.

In addition to the issues associated with the description of the work, the focus of this phase should be to evaluate the likelihood and the potential adverse consequences of an incident. A risk assessment should follow a systematic approach with consideration of the following:

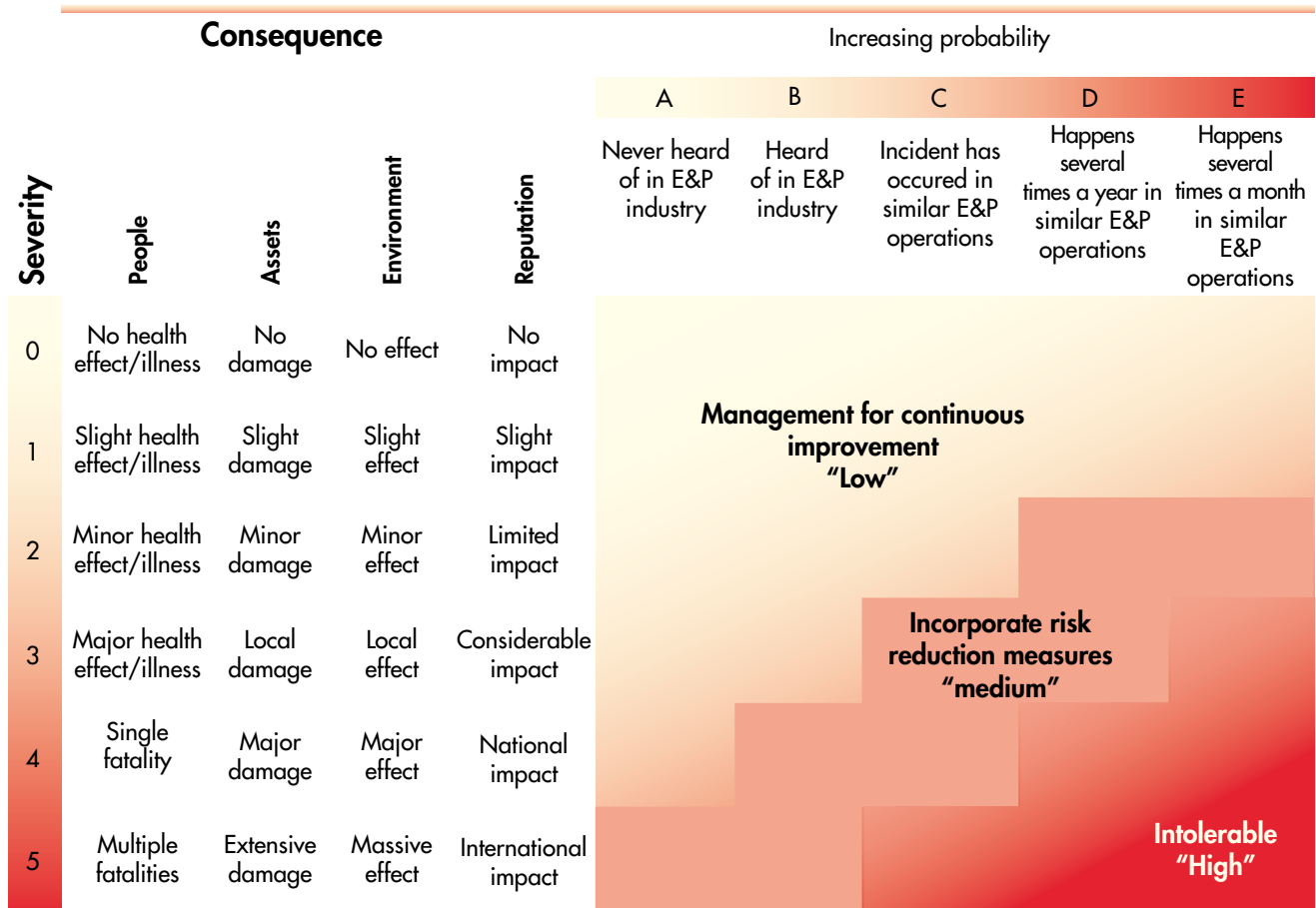
- People, the workforce and/or the public
- Environment
- Assets
- Reputation

The results of the risk assessment should help determine the prevention, control and mitigation measures required. The level of risk may indicate the amount of time and effort to be spent in later phases to provide assurance that controls are in place to reduce the risks to a level as low as reasonably practicable (ALARP).

The risks can each be assessed in accordance with a process based on OGP's Report No. 210, *Guidelines for the development and application of health, safety and environmental management systems*.

The degree of risk can be determined as described in ISO 17776, *Petroleum and natural gas industries – offshore production installations – guidance on tools and techniques for hazard identification and risk assessment* and illustrated as in an example of a risk assessment matrix shown in Figure 4 (overleaf).

Figure 4 Risk assessment matrix example



## I.4 Mode of contracting

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One of the most important contract management decisions to be made by the client is to identify the mode which specifies the responsibilities for managing HSE between client and contractor, or alliance of contractors. Three distinctly different modes are described below.

**Mode 1:** The contractor provides people, processes and tools for the execution of the contract under the supervision, instructions and HSE-MS of the client. The contractor has a management system to provide assurance that the personnel for whom it is responsible are qualified and fit for the work and that the processes, tools, materials and equipment they provide are properly maintained and suitable for the contract.

**Mode 2:** The contractor executes all aspects of the contract under its own HSE-MS, providing the necessary instructions and supervision and verifying the proper functioning of its HSE-MS. The client is responsible for verifying the overall effectiveness of the HSE management controls put in place by the contractor, including its interface with subcontractors, and assuring that both the client's and the contractor's HSE-MS are compatible.

**Mode 3:** Contractor operates within its own HSE-MS that has no interfaces with the client HSE-MS and is not required to report HSE performance data including incidents to the client. However, this does not exclude the possibility that the client may wish to guide and influence HSE performance under this type of contract.

Selection of only one of these modes is preferred and should be in alignment with local and national legislative requirements.

In certain situations it may be necessary to adopt a mixture of modes 1 and 2. The interfacing of activities between the client, contractors and subcontractors should be agreed by carrying out a gap analysis of their HSE-MS. The HSE-MS elements which take precedence should be specified by means of an interface document before work commences. Examples of such situations are:

- Operations in an area where there is a limited selection of contractors able to meet the evaluation criteria. For example, an alliance may have to be formed between the client and available contractors with the objective to develop, implement and/or improve an HSE-MS for the contractor while executing work under the management system of the client. The contract will initially operate under mode 1.
- The work is intimately associated with the activities of the client, or presents such a high risk to the client that the work is to be executed using the client's overarching HSE-MS under mode 1.
- Operations too large or diverse for a single contractor may require a number of contractors and subcontractors (a consortium) to work together under the supervision of one main contractor working for the client under mode 2.
- The contractor executes most aspects of the contract under its own HSE-MS, mode 2; however, certain support activities such as transportation and emergency response are provided by the client.

When working with more than one contractor, it is preferable to identify a lead (prime) contractor.

Joint responsibilities should be avoided by breaking down the work into smaller identifiable activities, each with a party assigned for responsibility of the HSE aspects

Where a lead contractor can not be assigned the client should retain responsibility.

## I.5 Contract schedule

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A contract schedule should be developed with due consideration of the HSE issues and deliverables involved, paying particular attention to allow adequate time for pre-mobilisation planning, mobilisation/demobilisation. This evaluation may well highlight HSE issues that require special emphasis in particular phases of the contract.

## 2 HSE capability assessment

### 2.1 Objective

---

The objective of the HSE capability assessment phase is to screen potential contractors to establish that they have the necessary experience and capability to undertake the scope of work in an HSE responsible manner, and to effectively deal with the associated risks.

The purpose of the capability assessment stage is for the client to establish a list of contractors that will be invited to bid, e.g. through a competitive tendering process.

Contractors should use a similar capability assessment screening process for the evaluation of their contractors (subcontractors) and demonstrate their understanding and commitment to having full responsibility in this area.

By implementing the standard capability assessment questionnaire, located in Appendix 2, both the client and contractor can devote their resources to improving HSE performance rather than reworking existing information into a variety of different formats.

### 2.2 Capability assessment protocol

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HSE capability assessment should be commensurate with the level of risk associated with the scope of work.

The client's historical records of HSE performance, including findings of audits and inspections, of contractors previously employed, can be utilised for capability assessment.

A client may have a system of prior registration of those contractors it has already identified as capable of carrying out certain categories of work.

Contractors who have not previously worked for the client or are not registered as capable of carrying out the type of work under consideration should complete the full pre-bid process including the capability assessment.

The client will issue to contractors the HSE capability assessment questionnaire, supplemented as appropriate to address the hazard identification and risk assessment conducted by the client (see section 9 of the questionnaire). The client may carry out an audit to verify the degree of implementation of

the contractor's HSE-MS by the contractor's branch/office/entity that would perform the work. During the capability assessment of large contractors, especially those with divisions in several countries, the use of data of the contractor's global corporate organisation may not be appropriate. In such a case, the focus should be based on the local organisation tendering for the work.

The contractor HSE capability may be assessed, based upon one or more of the following:

- HSE capability assessment questionnaire Appendix 2.
- A scoring system method, which minimises subjective judgement, may be used to evaluate contractors' questionnaire responses. Appendix 2 provides guidelines and an example for such a rating system.
- Available HSE performance data from similar work.
- Submission of the contractor's HSE-MS manual.
- Available prior audit and inspection information.

### 2.3 From capability assessment to tender list

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The client should document the whole capability assessment process of contractors and the rationale for client selection or rejection of contractors to participate in the bidding stage.

If selection options are limited or restricted, such that it is necessary to consider contractor(s) who have not demonstrated sufficient HSE capability, then those remedial actions – including resources necessary to overcome the shortcomings – should be identified for incorporation in the tender evaluation criteria.

For those contractors not included in the tender list, a feedback mechanism should be in place to inform them why and what should be addressed in order to be considered for future work.



## 3 Tender and award

### 3.1 Objective

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Capability assessment (Section 2), prior to tendering, is the most important phase in the contracting process for establishing the list of contractors invited to tender. Contractors that have passed the assessment should be capable of meeting the client's minimum requirements to manage HSE aspects of the contract.

The objective of this phase is to select the successful tender by assessing whether and how the client HSE requirements and the tender evaluation criteria have been met and, where necessary, on the basis of clarification meetings, agree upon any HSE related interface aspects relevant to the contractual arrangements.

### 3.2 Establishing the tender evaluation criteria

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In this phase, the tender evaluation criteria should be established to measure the quality of the tenders and in particular of the contractor's HSE plan.

Costs, technical ability, reputation and the ability to meet schedules are prime evaluation factors. Other key considerations specific to HSE are:

- The client's original HSE capability assessment of the contractor.
- The contractor's ability to manage the risks, based on an effective HSE plan.
- Any remedial actions necessary to overcome the shortcomings in the contractor's capability assessment to manage HSE.

The overall risks associated with the contract, and contractor's ability to manage these risks based on its HSE plan, should be given appropriate weighting along with other considerations when the evaluation criteria are established.

If a contractor does not meet minimum HSE criteria, it should not be awarded a contract or, as a minimum, identified gaps should be effectively addressed by mutually agreed measures identified in the HSE plan.

These measuring methods and criteria should be documented prior to the selection process in the form of a "tender evaluation criteria".

### 3.3 Tender documentation prepared by client

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To allow the contractor to satisfy tender requirements and provide the information necessary for the client to adequately assess the HSE aspects of the tenders, contractors should be given copies of the client's HSE documentation relevant to the contract.

Documentation in the tender package may include:

- Client HSE policy and framework.
- Client HSE goals and objectives.
- The scope of work, work context and the associated known hazards to be addressed.
- List of specific HSE risk controls and compliance issues for the contract.
- Specification of the mode of contracting, which will be reflected in the HSE plan, i.e. how the contractor, or alliance of contractors, would be held responsible for the management of HSE and the definition of:
  - the client/contractor anticipated interfaces,
  - the client supervision strategy and interaction of contractor work with client operations,
  - the interactions with existing client plans such as emergency response,
  - and key competence requirements (for safety critical positions).
- Type and schedule of training and induction requirements.
- Specification of the minimum client pre-mobilisation and mobilisation requirements.

The HSE tender documentation should be compiled, with due attention to the following:

- It is the client's responsibility to assure that the tender documents address the HSE requirements for the contract and that knowledge about hazards already identified by the client are passed on to the contractor. The client should not assume that the contractor is aware of the hazards relating to the work environment in which the contractor activities will be executed.
- The contractor has independent responsibility for its own HSE plan, in particular under contracting modes 2 and 3. However, documents should make clear provision for the client to perform HSE audits on the contractor in order to assess compliance.
- The documents should include provision for the client to suspend work if the contractor does not observe the HSE requirements described in the contract. In particular at mobilisation, the client should be able to withhold permission to start execution and withhold payments until a satisfactory pre-execution audit has shown satisfactory compliance with contract requirements. Before any work is suspended, the client should liaise with the contractor to allow them the opportunity to rectify any non-compliance.
- Where special HSE provisions are to be provided, the documents should specify these clearly and identify

who is to pay for them. Any constraints on the methods of working should also be specified.

- The contractor responsibility for cascading client HSE requirements to subcontractors and monitoring compliance with these.

The contractor should be requested to demonstrate compliance with the HSE tender documentation requirements and illustrate its process for preparing its HSE plan within the required framework in its tender. An HSE plan will typically include the information as shown in Appendix 3 and will reflect the mode of contract (Refer 1.4). The HSE plan will be completed and finalised in accordance with the terms of the contract post-award. This HSE plan will define the interfacing of client, contractor and subcontractor activities, as described in OGP Report No. 210, *Guidelines for the development and application of health, safety and environmental management systems*. Responsibilities within mobilisation and demobilisation phases should be given specific attention.

Contractors should be allowed the flexibility to use industry HSE guidelines/recommended practices/standards, if they are equivalent to or exceed the client's requirements.

Adequate lead times for tender preparation should be allowed to avoid compromising the establishment of a sound basis for HSE management.

### 3.4 Tender preparation by contractor

Most of the HSE-MS information will have been supplied at the HSE capability assessment phase. The contractor should provide information in their tender documentation on the HSE plan (refer to Appendix 3) including information on how management system controls commensurate with the risk will be in place when required throughout the duration of the contract, including agreed mobilisation and demobilisation periods.

The HSE plan, including any interfacing requirements, should be a key element considered when carrying out evaluation of the tender.

For a mode 1 contract, the HSE-MS and HSE plan to be followed is that of the client. The contractor should be able to demonstrate how the personnel and equipment provided can meet the relevant requirements of the client HSE-MS and its HSE objectives and how these are to be communicated to the contractor and any subcontractor personnel.

For mode 2 contract, and optionally for mode 3, tenders will provide an HSE plan with responsible parties, deliverables and target dates showing how an effective HSE-MS (refer

to OGP report No. 210, *Guidelines for the development and application of health, safety and environmental management systems*) together with the appropriate controls will be available when required. This HSE plan will demonstrate how:

- The contractor or subcontractor has an effective HSE-MS applicable to the specific work contracted appropriate to the complexity and the phase of the contract.
- Hazards and effects of, and to, the people, the environment, assets and reputation associated with the contracted work have been identified assessed and controlled and recovery measures are in place when required.
- The responsibilities for the execution and maintenance of all control and recovery measures relating to the contracted work are assigned to specific, named persons throughout the phases of contract.
- Risks have been evaluated and measures taken to reduce the risks to a level that is "As Low as Reasonably Practicable" (ALARP).

For tenders requested for recurring work where the HSE risks are well known and acceptable controls are well established, it is possible for a generic HSE plan (or HSE plan used in a previous similar contract) to be submitted. In this instance, the client should identify any new or exceptional risk and the contractor should advise how this will be managed. This would be the case when tendering for operations such as marine seismic surveys, drill rigs, *etc.*

The contractor's HSE plan should clearly identify where it believes its HSE-MS interfaces with the HSE-MS of the client and other contractors and subcontractors. In certain instances, the client may have limited ability to exercise

influence (for example when work is being carried out in a yard or factory where only a small percentage of the contractor's workload is for the client). These areas should nevertheless be identified where possible for consideration in the overall tender assessment.

The interface requirements should demonstrate that all parties will have the necessary procedures (*eg* permit to work, hazard identification and risk assessment, operating instructions, emergency plans) and controls in place to achieve the work programme without compromising HSE performance.

### 3.5 Pre-award clarifications

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The client will review the HSE plan prepared at tender phase by the contractor and will assess how effective the contractor has been in providing assurance that all significant hazards have been identified and that suitable controls are planned to reduce the risk to a level "as low as reasonably practicable".

A joint client and contractor "pre-award" meeting with each potential contractor should be used to clarify and further assess the suitability of the contractors' HSE plan and processes and how the HSE plan or processes interact with the HSE-MS of the client.

Following these "pre-award" meetings, the client should assess whether their HSE requirements and minimum

criteria, as defined in section 3.2 (Establishing the tender evaluation criteria) have been met. This appraisal should be documented as it is one of the crucial evaluation criteria for awarding the contract. If this appraisal identifies that the contractor has not met the criteria and is the only choice available, the client should work with the contractor to ensure that identified gaps are effectively addressed prior to the execution phase.

Whenever gaps are identified between the expectation of the client and HSE capability of the contractors, the client will establish a supervision strategy in relation with both the risk level and the capability of the contractors to manage HSE.

### 3.6 Incentive schemes for HSE

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The most effective incentive scheme is one that values good HSE performance and that results in a continuing long-term relationship between client and the contractor based on continuously improving HSE performance.

The need for additional incentives should be carefully considered. To be effective a scheme should:

- Educate and motivate personnel to adopt behaviours to improve HSE performance
- Encourage the reporting of all incidents

- Promote the balanced use of both lagging and leading indicators
- Be proactive and reward pro-active effort
- Ensure that incentives are valued by the personnel who are in a position to influence the HSE performance and to improve the systems
- Be culturally sensitive to the local environment
- Appreciate the HSE culture of the contractor

### 3.7 Contract award

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Once the award has been made, joint meetings should be held as soon as possible to agree on the final details of the HSE plan and its implementation. The agreed documentation on the HSE plan together with the identified interface requirements should be part of the contractual agreement.

In addition, unsuccessful tenders should be given feedback where appropriate.

## 4 Pre-mobilisation

### 4.1 Objectives

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The objectives of this phase are to ensure that the relevant aspects of the contract risk assessment and the requirements of the HSE plan are communicated and understood by all parties prior to implementation of the contract and that any remedial actions required to be completed before mobi-

lisation are identified and agreed. Several activities such as reviews, meetings and audits can be used. The amount of detail and effort for pre-mobilisation activities should be commensurate with the identified level of risk.

### 4.2 Post award meeting

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A post award meeting should be used as an opportunity for the contractor(s) to become familiar with the location, facility, personnel, and other relevant information. The meeting is generally recognised as an important interfacing step in working together to prevent incidents.

The meeting should be held immediately after contract award and before the execution of any work. For a new contractor, the meeting may include the client's and contractor's local management.

If the contractor mobilises locally at the work site, the meeting may be held locally. If not, it may be necessary to hold the initial meeting at the contractor's base office. This should be followed by a subsequent mobilisation of key contractor and subcontractor personnel to the work site and possibly additional local meeting(s). The local meeting(s) should be held immediately prior to the start of any work as part of the mobilisation process.

The topics covered by the meetings might include:

- A review of associated major risk controls.
- Confirmation that the activities/deliverables described in the HSE plan for completion pre-mobilisation will be satisfactorily implemented including confirmation that roles and responsibilities have been clearly defined and understood.
- Confirmation of personnel competence. This includes both client and contract personnel who are exposed to workplace hazards as defined in the scope of work and risk assessment phases.
- Confirmation of benchmarking and any HSE Key Performance Indicators (KPIs).
- Distribution and explanation of the HSE policy statement, basic HSE rules and work procedures as defined in the HSE plan.
- Confirmation of the scope and schedule of HSE activities, *eg* HSE meetings, audits and reviews.
- Interaction of client's and contractor's emergency plans (security, pandemic disease, evacuation etc).
- Contact with third parties to assure their role in emergency plans is known.
- Confirmation that HSE induction and training plans are in place and ready for start up .
- Briefing of subcontractors management on HSE requirements.
- Incident reporting and investigation procedures.
- Process for agreeing upon, reporting, tracking and closing out non-compliance.

The meeting(s) may be structured as an HSE workshop, with participation by both client and contractor management. The meeting may also provide an opportunity to discuss the need for a pre-mobilisation audit.

### 4.3 Pre-mobilisation audits

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A pre-mobilisation audit can provide an opportunity to verify that HSE systems are in place in accordance with the HSE plan and check the condition of the equipment and the worksite. It is important to keep in mind that the equipment and site may still be in use for other contracts. The items listed under Section 4.2 can be included in the pre-mobilisation audit.

Supplemental audits might include the verification of provision and maintenance of:

- Equipment and locations to be used for the work
- HSE equipment
- Communication systems and procedures
- Environmental protection systems
- Site and personnel security systems
- Local content/community and social responsibility requirements
- Health hazard identification and assessment, medical facilities, Medevac procedures.

The audit may provide recommendations to capture in an update to the HSE plan.

# 5 Mobilisation

## 5.1 Objectives

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Prior to mobilisation, it is likely that the full HSE plan is known only to the principal members of the client's and contractor's contract management teams. The objectives of this phase are to ensure that the HSE plan is implemented, and communicated to all relevant parties (client personnel;

contractor personnel; subcontractor personnel; community contacts; and third parties) and to ensure that the agreed remedial action items have been closed out prior to mobilisation.

## 5.2 General

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In the mobilisation phase some of the principal activities are:

- Mobilisation of contract personnel and equipment.
- Review of the HSE plan and completion of action items.
- Communication of the roles and responsibilities to client and contractor personnel.
- Commencement of induction, orientation and site-specific training which includes communication of the HSE plan.
- Undertaking of a mobilisation HSE audit if required.

During mobilisation, the client and contractor assure that each sets up a method of operation that accords with the HSE plan.

The client and contractor should confirm that each has deployed its supervisory staff and is implementing the agreed-upon briefing and training for their supervisors and employees.

Progress meetings should then be used as a formal method of reviewing HSE plan implementation, along with frequent monitoring by client personnel.

Aligning the various interests and areas of responsibility requires good working relationships between the client and contractors, among contractors and between contractors and subcontractors. This is particularly true if the subcontractor activities are difficult to monitor (e.g. distributed work groups, remote locations, transportation).

## 5.3 Mobilisation audit

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During the mobilisation phase, audits or reviews against the HSE plan may be conducted to determine whether the objectives are being achieved. This can be accomplished by a joint client/contractor HSE field review or audit.

If the audit identifies matters of significant concern, these should be reviewed against the contractual terms and conditions including the HSE plan and appropriate actions are taken which may include rectification, withholding permission to proceed or ultimately terminating the contract.

## 6 Execution

### 6.1 Objectives

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The objectives of this phase are to assure that the contract is conducted according to the HSE plan, and that roles and responsibilities are clearly defined, understood and complied with throughout the execution of the contract.

Additional HSE requirements, identified during implementation of the contract, should be properly addressed, and the HSE plan updated accordingly.

### 6.2 Roles and responsibilities

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The contract mode, the complexity of the scope of work and its associated risks determine the level of supervision necessary. For example, within or in close proximity to operating plants, hazardous area zones or acknowledged high risk operations, more direct client supervision may be required than on a new construction site or work conducted on the contractor's own premises, *eg* fabrication yards, mobile offshore drilling unit, lay barge.

Accountability for HSE lies with the contractor's and client's contract holders although responsibility may be delegated to representatives who may have permanent presence

on site to monitor and verify that contract HSE obligations are being met.

Where responsibility for supervision rests with the contractor, the client's role should be to monitor compliance with the HSE plan and the contractual terms and systems defined within the contract.

Both the contractor's and the client's contract holders and representatives should have access to specialist HSE advice where needed.

### 6.3 Execution activities

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The client contract holder obtains assurance of:

- The contractor's line management commitment to HSE issues.
- Compliance with all HSE related clauses in the contract and the HSE plan.
- Performance against agreed HSE KPIs.
- The existence of contractor's internal HSE control system.
- The contractor's monitoring of the quality, condition and integrity of its HSE processes, equipment & tools.
- Competence and close monitoring of the replacement of personnel.
- The contractor's holding of toolbox and regular HSE meetings.
- The contractor's implementation and participation in emergency exercises and tests.
- Proper management of HSE risks which arise from changes to the contractual scope of work.
- Compliance with incident and non-conformance reporting, investigation and follow-up.
- The resolution of interface issues.
- All required contract documentation has been provided to the client.

An HSE audit and review programme may be prepared stating specifically what is expected of the client contract holder in ensuring that the HSE plan is adhered to, together with details of how the performance of the contractor is to be measured.

### 6.4 Inspection and HSE auditing/reviews

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Inspections and audits provide the methods for monitoring contractor HSE activities. Contractor internal inspections/audits and regular joint inspections by client and contractor representatives provide a means of checking compliance and performance against contract requirements. Joint inspection/audit programmes have the advantage of aligning (sometimes divergent) objectives, enhancing common

understanding and promoting constructive participation. The frequency of such inspections/verifications depends on the size of the contract and the levels of risks involved.

Findings from inspections and audits should be shared between client and contractor with positive commitment from both parties to use the findings for improving performance.

# 7 Demobilisation

## 7.1 Objectives

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The objectives of this phase are to assure that the demobilisation is conducted according to the HSE plan, and that roles and responsibilities are clearly understood and complied with throughout this phase. The hazards associated with demobilisation should be reassessed, and any new hazards identified and controls implemented to minimise the risks. The HSE plan should be modified accordingly. Demobilisation is especially hazardous as personnel are leaving the contract and facilities are being decommissioned.

## 7.2 Demobilisation activities

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The HSE plan should continue to be the reference for managing the HSE activities in this phase.

Management of change may be particularly relevant at this time. Due consideration should be taken of any lessons learned particularly from the mobilisation phase, the problems encountered and solutions found.

Demobilisation often is a phase of a contract having an increased probability of incidents as the contract infrastructure and contractor HSE management structures are being dismantled with people moving off the contract to new assignments. Assurance should be sought that the appropriate organisational structures remain intact until associated activities have been completed.

These may include:

- Emergency response
- Site restoration and re-instatement.
- Waste management and disposal.

The client and contractor should continue to monitor performance against the HSE plan, including particular attention to incident reporting. It is important to maintain vigilance on HSE matters to the very end of the contract. The close out report should be made after all activities have been completed.



## 8 Final evaluation and close-out

### 8.1 Objectives

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The objectives of this phase are to conduct a joint evaluation of the contractor's and client's HSE performance and to provide feedback to the contractor(s) and client managements that can be a reference for future work.

### 8.2 Final evaluation and close-out report

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Contracts should be closed out with a report of HSE performance and lessons learned, providing feedback for future knowledge and improvements.

Ideally, HSE performance should be tracked on a regular basis throughout the contract with the final report being the distillation of the regular monitoring process and the end of contract review. This may take the form of a close-out meeting where all parties are represented. Thus, throughout the contract, contractor performance should be monitored against the HSE plan and any deviations, positive or negative, annotated for reference in the close-out report/summary.

The format of the close-out report should reflect the HSE plan and contractual obligations between the client and the contractor. However, there should be sufficient flexibility to take account of mutually agreed changes to the contract.

The analysis and summary of conclusions should address:

- Quality of the HSE plan and its relevance to the overall contract performance, stipulating what was learned and how future, similar contracts should be structured.
- Highlighting positive aspects of learning and how they can be applied in the future. This learning should be shared with the contractor, who should share with sub-contractors.
- Incorporation of any new hazards identified into the risk assessment and management process for future contracts.
- Analysis of both the client and contractor's HSE performance against both the HSE plan and KPIs, for mutual improvement.
- Information on the contractor to be added as a reference for the client bid list and which may provide advice for improvements in future HSE capability assessments.
- Critical HSE documentation and records associated with the contract.

The HSE close-out data should be recorded and made accessible for future reference. A documented record of HSE performance should be kept for each contractor.

The contractor will be advised that its overall performance and HSE record will be taken into account when being considered for future work.



# Appendix 1 HSE responsibilities for client and contractor key personnel

## Client

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### Pre-contract award: the client should –

Appoint a competent single point of contact, e.g. future contract holder, to:

- Conduct a structured HSE assessment of the anticipated contract.
- Assess contractor capability for establishing the bidder's list using standard HSE criteria.
- Prepare contract HSE specifications for inclusion in the tender documentation.
- Prepare an HSE monitoring programme defining the role of client representative(s) in ensuring that the contractor's HSE plan is finalised and followed.
- Prepare an Audit and review programme to evaluate potential contractors and secure appropriate resources.
- Evaluate contractor's HSE plans.
- Assure the adequacy of the contractor's HSE plan.

### Post-contract award: the client should –

Appoint competent contract holder to be accountable for:

- Conducting a pre-execution HSE audit.
- Authorising the contractor to commence work if the pre-execution HSE requirements are met.
- Monitoring performance of the contractor against its HSE plan.
- Authorising deviations from the contractor's HSE plan.
- Authorising additional HSE requirements as deemed necessary.
- Applying sanctions in the event of unauthorised deviations from the contractor's HSE plan.
- Preparing HSE close-out report and distribute to appropriate client and contractor personnel for feedback.

### Client site representative –

Where a contractor may be working in a number of locations it is common for a client to nominate someone to verify the overall effectiveness of the HSE management controls put in place by the contractor under the contract at these locations. The client site representative should:

- Perform assurance checks on contractor's review and inspections and follow up.
- Verify that hazards & effects management controls and recovery measures, as specified in the contractor's HSE plan, are implemented.
- Identify deficiencies in contractor's HSE plan and agree to remedial action with contractor or instigate sanctions.

### Client HSE adviser or specialists:

Where client HSE advisers or specialists are available, it is important that the role of the adviser is understood to be indeed that of an adviser. Advice, support or services may be sought from an HSE adviser on a routine or periodic basis but the responsibility for HSE matters must remain unmistakably with the contract holder and representatives. Normally, the HSE adviser provides:

- Advice, support and challenge in HSE issues.
- Review/audit services.
- Additional advisory support, where needed, to small contractors.

In the case of a small local contractor a decision may have been taken to provide additional supervisory support and assistance in HSE matters. The client HSE adviser and related specialists may be tasked with providing support but must exercise care (unless otherwise provided for by the contract or agreed to in the HSE plan) that this is recognised as a temporary phase and that the contractor must be encouraged to develop quickly to a point where such assistance is no longer required.

## Contractor

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### The contract holder –

Should:

- Assure the quality of its HSE plan.
- Define competencies required for HSE critical positions.
- Assign appropriate personnel to HSE critical positions.
- Assure adequate resources and time in the schedule to manage the contract in accordance with the contractor's HSE plan.
- Notify the client contract holder in writing of its nominated contract holder and contractor site representative(s).
- Provide resources to implement remedial actions following audits in an expeditious manner.
- Assure that (contractor) contract holders are appointed for (sub) contracts awarded by contractor.

### The contract site representative –

Where a contractor may be working in a number of locations it is common for the contractor to nominate a site representative to supervise the work being executed under the contracts at specific locations.

The site representatives should:

- Fulfil the pre-mobilisation and mobilisation HSE requirements.
- Implement the contract HSE plan.
- Ensure that the HSE resources on site are maintained in compliance with the HSE plan.
- Seek formal approval from the contractor contract holder for any proposed deviations from or amendments to the HSE plan.
- Implement additional requirements as agreed upon with the contractor contract holder.

# Appendix 2 Contractor HSE capability assessment questionnaire and scoring system

## General guidelines for completion of questionnaire

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- This questionnaire covers the information required to assess the extent to which HSE and its management are organised by the contractor.
- When completing the questionnaire the contractor should include all associated contractor activities and relevant support functions.
- Emphasis should be placed on the need for complete answers substantiated by supporting documentation as indicated in the questionnaire. Responses and any supporting documentation should relate specifically to the contractor's local organisation (that is where the contract work will be conducted)
- The questionnaire should be validated by a responsible contractor line manager prior to submission.

## Client guidelines for the use of the questionnaire

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- Should additional information be required by the client it is recommended that this information request be included in the final section of the questionnaire to maintain standardisation throughout the general information request and evaluation.
- The submissions may be assessed by a scoring mechanism in the evaluation process, such as that provided in Table 2-2.
- The contractor should be encouraged to identify any areas they consider best practice.
- If necessary, follow-up discussion with the contractor's management may be needed.
- Contractors should receive feedback on the results of the client's evaluation.

**Table 2-I Questionnaire for contractor HSE capability assessment**

	Questionnaire items	Responses
<b>Section 1: Leadership and commitment</b>		
1.1 Commitment to HSE aspects through leadership	a) How are senior managers personally involved in HSE management for example objective-setting and monitoring?	
	b) Provide evidence of commitment at all levels of the organisation?	
	c) How do you promote a positive culture towards HSE matters?	
<b>Section 2: HSE policy and strategic objectives</b>		
2.1 HSE policy documents	a) Does your company have an HSE policy document? If the answer is YES please attach a copy.	
	b) Who has overall and final responsibility for HSE in your organisation?	
	c) Who is the most senior person in the organisation responsible for this policy being carried out at the premises and on site where his employees are working? Provide name and title.	
	d) Itemise the methods by which you have drawn your policy statements to the attention of all your employees?	
	e) What are your arrangements for advising employees of changes in the policy?	
2.2 HSE contract strategic objectives	a) Does your company have strategic HSE objectives? If the answer is YES please attach a copy.	
	b) Itemise the methods by which you have communicated your strategic HSE objectives to the attention of all your employees?	
<b>Section 3: Organisation, responsibilities, resources, standards and documentation</b>		
3.1 Organisational structure for HSE management	a) How is your organisation structured to manage and communicate HSE effectively?	
	b) Do HSE meetings promote HSE awareness?	
	c) Do client and contractor meet regularly to discuss and action any interface situations?	
	d) What provision does your company make for HSE communication meetings? Please provide an organisation chart	
3.2 HSE training of managers, supervisors and HSE critical position holders	a) Have the managers and supervisors at all levels who will plan, monitor, oversee and carry out the work received formal HSE training in their responsibilities with respect to conducting work to HSE requirements?	
	b) If YES please give details. Where the training is given in-house please describe the content and duration of courses. Please provide an example of training matrix.	
	c) How have you identified areas of your company's operations where specialised training is required, for instance training related to health hazard such as radiation, asbestos and chemicals?	
	d) What specialist HSE resources does your organisation have available?	
	e) How does your company provide HSE specialised training for HSE staff?	
3.3 General HSE training	a) What arrangements does your company have to ensure new employees have knowledge of basic industrial HSE, and to keep this knowledge up to date?	
	b) What arrangements does your company have to ensure new employees also have knowledge of your HSE policies, practices and company requirements?	
	c) What arrangements does your company have to ensure new employees have been instructed and have received information on any specific hazards arising out of the nature of the activities?	
	NB for (a), (b) & (c): if training is provided in-house, please give details of content	
3.4 Competence assurance	a) Does your organisation have a competence system in place? If YES, please describe the scope and content of your competence system.	
	b) What arrangements does your company have to ensure existing staff HSE knowledge is up to date?	

	Questionnaire items	Responses
3.5 Contractor management process	a) Does your company have a contractor management process or system? If yes, provide an outline of the process.	
	b) How do you assess contractors, HSE competence or HSE performance?	
	c) Where do you define the company standards you require your contractors to meet?	
	d) How do you ensure these standards are met and verified?	
3.6 HSE standards	a) How do you identify new industry or regulatory standards that may be applicable to your activities?	
	b) Is there an overall structure for producing, updating and disseminating standards?	
	c) Are your company standards aligned with OGP/industry guidelines or recommended practices? If yes state which one.	

#### Section 4: Risk management

4.1 Risk assessment and control	a) How does your company identify hazards, assess risk, control and mitigation consequences, to a level as low as reasonably practicable?	
4.2 Health hazards	a) Do you have specific policies and programmes on specific health hazards e.g. substance abuse, blood borne pathogens, malaria pandemic diseases etc.	
	b) What type of health hazards (chemical, vibration, noise, radiation, etc) are associated with the scope of your services? Explain how occupational health hazards are identified, assessed and controlled.	
	c) What systems are in place to control these hazards and monitor the effectiveness of these controls? Is worker's regular exposure monitoring part of these systems?	
4.3 Safety hazards	a) What type of safety hazards (mechanical guarding, work at height, lifting and hoisting, confined space entry, explosive atmospheres etc.) are associated with the scope of your services?	
	b) What systems are in place to control these hazards and monitor the effectiveness of these controls?	
4.4 Logistics hazards	a) What type of logistics hazards (land transport, air transport, marine transport, materials handling etc.) are associated with the scope of your services?	
	b) What systems are in place to control these hazards and monitor the effectiveness of these controls?	
4.5 Environmental hazards	a) What type of environmental hazards (chemical spill, atmospheric emissions, waste disposal etc.) are associated with the scope of your services?	
	b) What systems are in place to control these hazards and monitor the effectiveness of these controls?	
4.6 Security hazards	a) What type of security hazards (terrorism, hostage taking, robbery, hostile local population etc.) are associated with the scope of your services?	
	b) What systems are in place to control these hazards and monitor the effectiveness of these controls?	
4.7 Social responsibility hazards	a) What type of social hazards are associated with the scope of your services?	
	b) What systems are in place to control these hazards and impacts and monitor the effectiveness of these controls?	

	Questionnaire items	Responses
<b>Section 5: planning and procedures</b>		
5.1 HSE operations manual	a) Do you have a company HSE-MS manual (or operations manual with integrated HSE requirements) which describes in detail your company approved HSE working practices relating to your work activities? If the answer is YES please attach a copy of an index and relevant supporting documentation.	
5.2 Infrastructure and equipment integrity	a) How do you ensure that infrastructure, plant and equipment used within your operations (own premises, client site, or at other locations) are correctly certified, registered, controlled and maintained in a safe working condition?	
5.3 Management of change	a) How do you manage changes and assess associated risks e.g. personnel, equipment, processes, documentation?	
5.4 Emergency planning and response	a) What arrangements does your company have for emergency planning and response?	
	b) Which emergency situations are included?	
<b>Section 6: implementation and performance monitoring</b>		
6.1 HSE-MS implementation and active performance monitoring of work activities	a) What arrangements does your organisation have for monitoring the implementation of your HSE-MS?	
	b) How does your company assure the implementation of work procedures within your work-site operations e.g. compliance with procedures, toolbox talks, safety meetings, supervision, job observations?	
	c) How do you monitor employee HSE performance e.g. hazard identification systems, HSE participation?	
	d) What active HSE monitoring is performed (i.e. where no incident has occurred)?	
	e) How do you report and correct deficiencies identified?	
	f) How do you communicate the results of active performance monitoring to relevant personnel?	
6.2 Safety performance indicators	a) Please provide the following statistics for each year for the last five years: <ul style="list-style-type: none"> <li>• Number of fatalities</li> <li>• Number Lost Time Injuries</li> <li>• Number of Lost Workday Cases</li> <li>• Number of Restricted Work Day Cases</li> <li>• Number of Medical Treatment Cases</li> <li>• Number of first aid cases</li> <li>• Number of near miss incidents</li> <li>• Fatal Accident Rate (per 100 million hours worked)</li> <li>• Lost Time Injury Frequency (per million hours worked)</li> <li>• Total Recordable Incident Rate (per million hours worked)</li> </ul> NOTE: If not using the OGP definitions (refer to the OGP safety performance indicators report), please include your company definitions.	
6.3 HSE performance monitoring	a) How is health performance monitored and recorded?	
	b) How is environmental performance monitored and recorded?	
	c) How is security performance monitored and recorded?	
	d) How and what near miss incidents are reported?	
	e) How often is HSE performance reviewed? By whom?	
	f) How is logistics performance monitored and reported?	
	g) Do you record vehicle incidents?	



	Questionnaire items	Responses
6.4 HSE incident investigation and follow up	a) What types of HSE incident are investigated?	
	b) What process is used to investigate HSE incidents?	
	c) Who conducts HSE incident investigations?	
	d) How are the findings of an incident investigation followed up to ensure effective prevention of recurrence?	
	e) How is incident learning communicated to all relevant personnel?	
6.5 Statutory notifiable incidents or Non compliance notices	a) Has your company suffered any statutory notifiable incidents in the last five years (safety, occupational health and environmental)? Answers with details including dates, country and location, summary of incident and follow-up preventative measures taken.	

### Section 7: HSE auditing and management review of HSE-MS

7.1 Audits	a) Do you have a written procedure for HSE auditing? If yes, please attach a copy.	
	b) Who is involved in conducting HSE audits? How are audit team members selected to have specific expertise and be independent from the activities being audited? What are the qualifications required for auditors?	
	c) How does your company schedule HSE audit and what scope of auditing is covered? e.g. internal, regulatory compliance, supplier/contractor, HSE management system implementation.	
	d) How does management follow up on audit findings and ensure effective close out of action items?	
7.2 Management review and follow up	a) Do you have a written procedure for management review of the HSE-MS? If yes, please attach a copy	
	b) How often are HSE-MS reviews conducted and who is involved in the process?	
	c) How are identified actions and improvement efforts recorded and tracked to effective completion?	

### Section 8: HSE management – additional features

8.1 Certification of your HSE-MS	Please provide information on any certification which you have received from certification bodies	
8.2 Memberships of associations	Describe the nature and extent of your company's participation in relevant industry, trade, and governmental organisations	
8.3 Additional features of your HSE-MS	Does your organisation (globally, regionally or locally) have any HSE features or arrangements not described elsewhere in your response to the questionnaire?	

### Section 9 – company specific information

This section is not scored.

The company can request any specific information that may be required to evaluate the contractor.

## HSE capability assessment scoring system

The contractor’s capability assessment questionnaire may be evaluated by attaching a score to the selected response for each category (see Table 2-1).

The client should consider emphasising or de-emphasising portions of the questionnaire by assigning weighting factors in consideration of the specific contract risks, *eg* by assigning lower weighting to security capabilities when security is not viewed as a particular risk, or where matters related to security are not specifically addressed in the contract.

A suggested scoring system would be as follows (see Table 2-2):

**SCORES — A:0, B:3, C:6, D:10.**

Elements scoring 0 should normally indicate that a contractor should not be considered as suitable for inclusion on the bidders’ list. Any elements rated 0 should be highlighted as specific issues to be addressed during the tendering process if the contractor is still to be considered.

### Table 2-2 scoring system

Headings and item numbers refer to Appendix 2

A	B	C	D
<b>Section 1: Leadership and commitment</b>			
<b>1-1: Commitment to HSE aspects through leadership</b>			
No evidence of HSE commitment from senior management and poor HSE culture in the organisation	Some evidence of HSE involvement by management, lacking positive HSE culture	Evidence of active management involvement in HSE, HSE culture acceptable	Evidence of a strong, positive HSE culture in senior management and at all levels throughout the organisation
<b>Section 2: HSE Policy and strategic objectives</b>			
<b>2-1 &amp; 2-2: HSE Policies, documents and strategic objectives</b>			
No written HSE policy or strategic HSE objectives endorsed by senior management	A policy statement exists on paper but has not been well communicated to the organisation, no strategic HSE objectives.	HSE policy well defined and establishes commitment to HSE, policy distributed, HSE strategic objectives defined.	HSE policy and strategic objectives well defined and establishes commitment to HSE, well communicated to all employees, policy visible in the workplace

A	B	C	D
<b>Section 3: Organisation, responsibilities, resources, standards and documentation</b>			
<b>3-1: Organisational structure for HSE management</b>			
No evidence of specialist HSE resources or effective HSE communication.	Limited specialist HSE resources. Periodic HSE meetings for special operations only.	Adequate level of specialist HSE resources. HSE meetings performed regularly involving all personnel.	Good level of specialist HSE resources, HSE communication integrated fully into all operations.
<b>3-2: HSE Training of managers/supervisors and HSE critical position holders</b>			
No specialised HSE training for managers/supervisors or senior site staff.	Some specialised HSE training for managers/supervisors or senior site staff	HSE training provided to management but not comprehensive in content	Comprehensive HSE training given formally to all relevant staff on their respective responsibilities
<b>3-3: General HSE training</b>			
No formal HSE training programme.	Verbal instructions on company procedures only. Documents provided for new employees but no on-the-job orientation by supervisor.	General HSE training provided for required tasks. Company documents provided. Supervisor outlines, explains and demonstrates employee's job and emergency procedures.	Column C together with follow-up observation of employee's performance. Additional HSE training provided to address any gaps identified and changes in job responsibilities/function.
<b>3-4: Competence assurance</b>			
No evidence of competence systems in place.	Some general competence profiles available.	Individual HSE competence profiles in place but no systematic follow-up.	Formal HSE competence system in place and ensuring that HSE competence assessment of staff is up to date.
<b>3-5: Contractor management process</b>			
No written process for managing contractors	Basic system in place for management of contractors, selection process limited in HSE criteria.	Contractors are selected with appropriate consideration of HSE abilities. Client required standards of HSE performance are communicated to their contractors.	Column C together with follow-up conducted on the HSE performance of their contractor. Contractor and their contractors work together for achievement of HSE objectives.
<b>3-6: HSE standards</b>			
No HSE performance standards available.	Basic HSE performance standards exist.	Company has written HSE performance standards to cover all hazardous operations and basic requirements.	Column C together with a system of updating standards as required.

A	B	C	D
<b>Section 4: Risk management</b>			
<b>4-1: Risk assessment and control</b>			
Company HSE-MS does not include a risk assessment process.	Company HSE-MS makes reference to the need to conduct risk assessment but has no techniques to carry this out.	Company HSE-MS includes techniques for the assessment of task based and specific HSE subject risk assessments.	Company HSE-MS has a comprehensive set of techniques for risk assessment of all HSE hazards with follow up on effectiveness of implemented control measures.
<b>4-2: Health hazards</b>			
No specific health policy and hazard management programme in place	Health management programmes are in place for significant health risks e.g. malaria, substance abuse, blood borne pathogens	Comprehensive health policy and programmes cover health risks to personnel associated with the company's activities.	Column C together with regular exposure monitoring to all foreseeable health hazards and applied to all operations
<b>4-3: Safety hazards</b>			
No specific safety hazard management programmes in place.	HSE programmes are in place for significant safety risks e.g. explosive atmospheres.	Comprehensive HSE programmes cover HSE risks to personnel associated with the company's activities.	Column C together with regular monitoring of all foreseeable hazards and applied to all operations.
<b>4-4: Logistics hazards</b>			
No specific logistics hazard management programmes in place.	Logistics programmes are in place for significant logistics risks e.g. driving, poor road conditions, air transport, and marine transport.	Comprehensive logistics programmes cover logistics risks to personnel and materials associated with the company's activities.	Column C together with regular monitoring of all foreseeable hazards and applied to all operations
<b>4-5: Environmental hazards</b>			
No specific environmental hazard management programmes in place.	Environmental programmes are in place for significant HSE risks e.g. spills, air emissions, pollution prevention, and waste management	Comprehensive environmental programmes cover environmental risks associated with the company's activities.	Column C together with regular monitoring of all foreseeable hazards and applied to all operations
<b>4-6: Security hazards</b>			
No specific security hazard management programmes in place.	Security programmes are in place for significant security risks e.g. hostage taking, terrorist threats, location evacuation.	Comprehensive security programmes cover security risks to personnel associated with the company's activities.	Column C together with regular monitoring of all foreseeable security hazards and applied to all operations
<b>4-7: Social responsibility hazards</b>			
No specific Social Responsibility hazard management programme in place	Social Responsibility programmes are in place for significant Social Responsibility Risks, e.g. community disturbances, strikes, community illnesses	Comprehensive Social Responsibility programmes cover Social Responsibility Risks associated with the company's activities.	Column C together with regular monitoring of all foreseeable Social Responsibility hazards and applied to all operations

A	B	C	D
<b>Section 5: Planning and procedures</b>			
<b>5-1: HSE operations manuals</b>			
No HSE procedures or operations manual with integrated HSE requirements available.	Basic HSE procedures exist, scope of activities not adequately covered by the documentation available.	Contractor has written HSE procedures to cover all hazardous operations.	Column C together with methods in place for follow-up on effectiveness of implementation and feedback for improvement.
<b>5-2: Infrastructure and equipment integrity</b>			
No defined programme to identify or evaluate infrastructure and equipment condition.	Focus is mainly on infrastructure and equipment supplied to client, as required, not comprehensive.	A written programme outlining requirements, responsibilities, frequency and follow-up is in effect.	Column C together with periodic inspections conducted by management or specialists
<b>5-3: Management of change</b>			
No special attention paid to managing change.	Managing change focused only on client related activities.	Company has implemented general management of change process covering all its activities.	Company has a comprehensive process and set of plans and procedures covering all activities, including follow up of effectiveness.
<b>5-4: Emergency planning and response</b>			
No special attention paid to planning for emergency response.	Basic emergencies covered by plans, e.g. fire, medical, spill, evacuation.	Company has a comprehensive emergency planning process covering all reasonably foreseeable emergency situations, including tests conducted.	Column C together with regularly updated plans covering all emergency situations, including follow up and improvement of effectiveness.

A	B	C	D
<b>Section 6: Implementation and performance monitoring</b>			
<b>6-1: Implementation and active performance monitoring of work activities</b>			
No system for formally monitoring HSE performance.	Performance monitoring limited to incident statistics, i.e. reactive only.	Company has a system for monitoring HSE performance in all specified subjects, including some pro-active performance monitoring.	Column C together with monitoring of performance in all specified subjects with formal review, follow up and communication for continuous improvement.
<b>6-2: Safety Performance indicators (latest year statistics in comparison to contractor's five preceding years)</b>			
Company supplied insufficient information to establish trends.	Data set is not complete. Trends show performance is not improving.	Full information available, trends shows only minor improvement.	Column C together with incident trends steadily improving and evidence of mature reporting culture.
<b>6-3: HSE performance monitoring</b>			
Company supplied insufficient information.	Limited performance monitoring is carried out.	A system is in place for monitoring HSE and security performance and is recording limited data.	Company has comprehensive monitoring processes for all HSE and security elements, performance is reviewed regularly by senior management.
<b>6-4: HSE incident investigation and follow-up</b>			
No system for formally investigating HSE incidents.	System in place for investigation of some HSE incidents, limited management participation.	Investigation methods and teams are selected based on the severity or potential severity of incidents. Limited near miss investigation.	Column C together with follow up of remedial actions and communication of incident learning for effective prevention. Near miss incidents investigated in the same manner as other incidents.
<b>6-5: Statutory notifiable incidents, or non-compliance prohibition notices. <i>These differ from country to country, therefore, this section is not recommended to be scored</i></b>			
More than one occurrence of major incident in last five years	One occurrence of a major incident in the last five years	Occurrences relate to minor incident(s) only	No occurrences in the last five years

A	B	C	D
<b>Section 7: HSE auditing and management review of HSE-MS</b>			
<b>7-1: Audits</b>			
Audit process is very basic and not specific to HSE.	Basic HSE audit process, not comprehensive or structured approach.	HSE audit process includes details of how auditing is implemented with frequencies for key areas and requirement for auditor competence.	Column C together with additional specification of management role in the audit process and follow-up on action items.
<b>7-2: Management review and follow up</b>			
Management review process is very basic and does not specifically include HSE aspects.	Management review does include a review of key HSE issues.	Formal reviews of the HSE Management System are regularly conducted by management for the purpose of improvement, key personnel are involved.	Column C together with a process in place to follow-up on action items to ensure effective completion.
<b>Section 8: HSE management – additional features</b>			
<b>8-1: Certification of HSE-MS</b>			
No certification.	Working towards compliance with recognised international standards, e.g. ISO 9001, ISO 14001, OHSAS 18001.	Working in compliance with international standards but not certified. Or system verified by a third party.	Externally certified to one or more recognised international standards e.g. ISO 9001, ISO 14001, OHSAS 18001.
<b>8-2 &amp; 8-3: Membership of associations</b>			
No involvement with HSE through industry or trade associations. No additional features to HSE MS.	Company has membership of industry bodies/association little involvement with HSE initiatives. Some additional HSE MS features with value.	Company is an active member of industry bodies/associations related to HSE. Several HSE MS features which add value.	Column C together with industry or Client recognition/awards for HSE initiatives and/or performance.





# Appendix 3 HSE plan guidance

## HSE plan development

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The contracting process has identified the HSE plan as an important reference document that should be developed, reviewed and updated as necessary. It should start at the tender and award stage of the contract and continue through to the final evaluation and close-out. After award, audits or reviews may be conducted against the HSE plan.

## HSE plan guidance

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The HSE plan should define what should be in place during the various phases of the contract and the steps required to be taken, by whom and by when in order to meet client and contractor requirements. This HSE plan will demonstrate how:

- the contractor or subcontractor has an effective HSE-MS applicable to the specific work contracted appropriate to the complexity and the phase of the contract execution;
- hazards and effects of, and to, the people, the environment, assets and reputation associated with the contracted work have been identified, assessed and controlled and recovery measures are in place where required;
- the responsibilities for the execution and maintenance of all control and recovery measures relating to the contracted work are assigned to specific, named persons throughout the phases of the contract; and
- risks have been evaluated and measures taken to reduce the risks to a level that is “As Low as Reasonably Practicable” (ALARP).

OGP recommends that the HSE plan incorporates the elements of an HSE-MS, as described under the seven element headings and sub headings in OGP report No. 210, *Guidelines for the development and application of health, safety and environmental management systems*. These are listed in Table 3 of this Appendix.

The HSE plan should focus on contract specific risks and the management of controls to eliminate, reduce or mitigate these risks. The format of Table 3 provides for certain elements or sub elements of the HSE-MS to be provided by the client or the main contractor. The decision by the client or main contractor to provide any of these will typically be based on:

- The capability assessment, i.e. identification of gaps between the client’s minimum requirements and its evaluation of the maturity of the contractor’s MS and HSE culture in relation with the criticality of the work;
- The review and pre-award clarifications of the HSE plan at bid stage;
- The degree to which each party will be involved in HSE management, e.g. contract mode;
- Specific HSE management controls exercised by client or main contractor; and
- Risk prevention and mitigation measures mutually agreed upon by client and contractor as the means for client to exercise influence.

Components of the HSE-MS which are required but not available will be identified in the HSE plan together with specific actions, target dates and action parties. The HSE plan will form the basis of agreement at award.

**Table 3 HSE plan check list**

The following generic checklist can be applied by clients in mode 1 or the contractor operating in mode 2 or 3.

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
<b>Section 1 – leadership and commitment</b>					
<b>1.1 – Commitment to HSE aspects through leadership</b>					
1.1.1	Senior managers foster commitment to HSE issues through their personal style of leadership and management.				
1.1.2	Visible expressions of commitment by senior people.				
1.1.3	HSE matters are placed high on personal and collective agendas.				
1.1.4	All senior managers set a personal example to others. They are, and are seen to be actively involved in HSE matters, e.g. attendance at HSE meetings, personal investigation of HSE audits and reviews, etc.				
1.1.5	A feedback system is established to encourage and facilitate employee and contractor feedback on HSE matters.				
1.1.6	A positive culture is promoted at all levels.				
1.1.7	Policies and standards are endorsed and implemented at the local level.				
<b>Section 2 – policy and strategic objectives</b>					
<b>2.1 – HSE policy documents</b>					
2.1.1	Contractor has a policy that makes reference to the importance of HSE. It is formalised by the chief executive's or the manager's signature.				
2.1.2	A written HSE policy is dated and signed by chief executive.				
2.1.3	Policy statements specific to individual aspects of the contract (location; sites; plant), are issued.				
2.1.4	Policy statements are issued to cover specialised aspects (e.g. substance abuse)				
2.1.5	Policy statements are consistent with client guidelines.				
2.1.6	Policy statements are clear, concise and motivating.				
<b>Content</b>					
2.1.7	The importance of HSE set as a contract objective.				
2.1.8	Incidents are unacceptable and preventable.				
2.1.9	HSE is established as a line management responsibility.				
2.1.10	Everyone is responsible for their own and their colleagues' HSE at work.				
<b>Distribution and availability</b>					
2.1.11	HSE policies are handed to each employee by their line manager when they are issued.				
2.1.12	All new employees are handed a copy by their line manager.				
2.1.13	HSE policies are displayed on notice boards at each work site.				
2.1.14	Copies of HSE policies are provided to each company involved in the contract.				
2.1.15	HSE policies are available to all contract personnel in their own language.				
<b>Discussion</b>					
2.1.16	HSE policies are discussed by line managers with each employee at time of issue.				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
<b>2.2 – HSE contract strategic objectives</b>					
2.2.1	Contract objectives are defined to meet HSE, including security and social responsibility as well as time, cost and quality.				
2.2.2	Accountability for HSE success and any failure are clearly stated.				
2.2.3	Designated team leaders are to produce HSE objectives, tasks and KPIs for the contract.				
2.2.4	Procedures for distribution, reporting and reviewing HSE issues are established.				

### Section 3 – organisation, responsibilities, resources, standards and documentation

#### 3.1 – Organisational structure for HSE management

3.1.1	An identified focal point exists within the team structure ensuring that all HSE matters have been identified, assessed and managed.				
3.1.2	Personnel responsible for the implementation of HSE objectives are clearly identified in the organisation chart.				
3.1.3	Responsibilities are adequately defined during all phases of the contract.				
3.1.4	Job descriptions in place show each team members' HSE competencies, responsibilities and function.				
3.1.5	The organisation chart to clearly show positions of HSE professionals.				
3.1.6	Workforce strategy is defined.				
3.1.7	The level of personnel resources does not compromise HSE performance.				
3.1.8	Staff personnel are competent, and with sufficient appreciation of HSE as necessary, and with specific training where required.				
3.1.9	Access of contractor's line management to their corporate HSE management structure is defined.				
3.1.10	The level at which contractor's corporate management (middle, senior or board level) will be involved in handling contract HSE issues is clearly defined.				
3.1.11	In the contractor's corporate organisation, individuals at middle, senior or board level charged with HSE responsibilities is clearly identified.				
3.1.12	Specialised HSE advice is available to line management if required e.g. employment of HSE specialist.				
3.1.13	Managers are involved in HSE activities, objectives setting and monitoring.				
3.1.14	Managers take action and provide resources to support their stated policies and objectives.				
3.1.15	HSE management is an intrinsic part of operational management.				
3.1.16	HSE professionals may be engaged, and a process for doing so is in place.				
3.1.17	Contractor documents the roles of HSE professionals/advisors.				
3.1.18	The reporting requirements of HSE advisors to line management are documented.				
3.1.19	HSE advisors have direct access to contractor's operations and senior contract managers.				
3.1.20	Line management to follow up on advice given by HSE Advisors.				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
<b>HSE communication</b>					
3.1.21	Effective means to communicate HSE issues to client, contractor and subcontractors personnel are defined and in place.				
3.1.22	Client expectations on HSE management are communicated in depth.				
3.1.23	Appropriate communication techniques, in the appropriate language, are used to ensure all personnel are fully informed of HSE matters. Specify whether this is done via personal contact; interactive video; notice boards; news letters; bulletins; intranet facilities.				
3.1.24	HSE performance notice boards are maintained in free access locations.				
<b>HSE meetings</b>					
3.1.25	Client and contractor have a schedule of regular meetings to discuss HSE interface matters.				
3.1.26	A regular schedule is set up for worksite HSE meetings.				
3.1.27	Contractor's managers that have responsibility for scheduling HSE meetings are clearly identified.				
3.1.28	Procedures to record attendance at HSE meetings and to review these records are in place.				
3.1.29	Agendas are published prior to HSE meetings being held and indicate the structure of the meeting and who should attend.				
3.1.30	HSE meeting agendas should include health, safety, environment, security and social responsibility aspect of the contract.				
3.1.31	HSE meeting agendas are consistent with the objectives of the HSE plan.				
3.1.32	A system is in place to assure the effectiveness of HSE meetings.				
3.1.33	HSE meetings are open to all personnel involved in the contract, and all personnel are encouraged to participate with a view to continual improvement.				
3.1.34	Action items are assigned to identified personnel and a system in place to close out items in timely fashion.				
3.1.35	HSE meetings are the main instrument for ensuring that all HSE activities are communicated to all personnel.				
3.1.36	All HSE meetings are recorded and provide data for future reviews.				
<b>3.2 – HSE training of managers, supervisors and HSE critical position holders</b>					
3.2.1	All senior line managers have received and will continue to receive training to develop management and communication skills.				
3.2.2	Supervisors to have on the job orientation training.				
3.2.3	HSE specialists are verified to be competent in their allocated roles and their skills, knowledge and understanding of their assigned responsibilities; they are re-assessed from time to time.				
3.2.4	Training includes incident investigation and reporting as appropriate.				
3.2.5	Audit training is given to managers who may be required to conduct audits during the contract.				
3.2.6	HSE critical teams (fire, first aid, Medevac) are given specific training for the likely situations they may encounter during the Contract.				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
<b>3.3 – General HSE training</b>					
3.3.1	HSE training is planned and conducted efficiently and in timely manner.				
3.3.2	HSE training includes: safety; emergency arrangements; road transport; first aid; work procedures PTW, JSA; hazard awareness; safety intervention STOP; occupational health; security; basic HSE rules; legislative requirements; environmental management.				
3.3.3	Training includes the correct use of PPE and other protective equipment.				
3.3.4	Line managers provide support to ensure time and resources are available for HSE training.				
3.3.5	New employees are adequately trained and confident of their own abilities before they start work.				
3.3.6	All employees coached to improve their individual HSE competence				
3.3.7	An orientation programme is in place for all personnel, especially for new recruits and visitors to the work site.				
3.3.8	Records of employees are maintained of all training and orientation provided.				
3.3.9	Employees are aware that their HSE performance is part of the contractor's appraisal and reward system				
3.3.10	Training to include any contracted personnel.				
3.3.11	HSE training is included in other courses; orientation; job specific; line management; auditing techniques				
3.3.12	HSE training is continuously assessed for effectiveness, employee feedback is used.				
<b>3.4 – Competence assurance</b>					
3.4.1	Contractor has issued a statement that competence and training of the workforce meets contract requirements appropriate for the work to be conducted.				
<b>3.5 – Contractors management process</b>					
3.5.1	The HSE plan identifies and shows that subcontractors are well integrated into the contract.				
3.5.2	Subcontractors HSE-MS are assessed.				
3.5.3	Subcontractors HSE plans, if required, are suitable, and interface correctly with contractor's and client's requirements				
3.5.4	Contractor communicates to subcontractors that the same rigorous HSE standards apply to them				
3.5.5	All subcontractors are clearly identified and their respective roles and responsibilities are documented.				
3.5.6	Contractor maintains a record of previous Subcontractors performance, as these are to be used to select current subcontractors.				
3.5.7	Contractor maintains an approved Subcontractor list where HSE performance has been considered				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
<b>3.6 – HSE standards</b>					
3.6.1	The HSE plan is the prime reference for all applicable standards relating to the contract.				
3.6.2	The HSE plan indicates minimum objectives for health, safety, environment, security and social responsibility.				
3.6.3	Contractor has an HSE manual/set of standards.				
3.6.4	HSE standards identify minimum criteria for achievement of contract objectives.				
3.6.5	HSE standards are available in writing to all relevant personnel in a consistent and clear form.				
3.6.6	End users are involved in developing HSE standards.				
3.6.7	HSE standards comply, where relevant, with client requirements				
3.6.8	Procedures for obtaining deviations from the standards are in place.				
3.6.9	A responsible person for authorising deviations is clearly identified.				
3.6.10	A system of recording approved deviations exists.				
3.6.11	Relevant national and international standards are identified.				
3.6.12	Client rules, standards, procedures relevant to the contract are adequately covered.				

#### Section 4 – Risk management

##### 4.1 – Risk assessment and treatment

4.1.1	Contractor maintains an up to date hazard inventory and assessment with measures to be implemented with respect to each risk.				
4.1.2	The hazard assessment by the client is included in the contractor's hazard inventory and assessment.				
4.1.3	There is a methodology prescribed describing how hazard and risk assessments are undertaken and who has the necessary expertise to carry these out.				

##### 4.2 – Health hazards

4.2.1	Health facilities are defined as part of the contract.				
4.2.2	An occupational health programme, identifies: health hazards; assesses the health risks; provides for the control of health hazards; identifies PPE; prophylactic requirements, provides emergency cover; applies to all work sites.				
4.2.3	A welfare programme, if in place, meets the needs of isolated work sites.				
4.2.4	Local medical facilities are assessed for their appropriateness to provide for contract needs as and when required.				
4.2.5	Health facilities are assessed for contract day to day needs.				
4.2.6	The provision of medical supplies is managed to ensure the contract requirements are not compromised.				
4.2.7	Personnel are checked for medical fitness to work by a recognised and approved medical facility.				
4.2.8	Pre existing health conditions are identified and recorded.				
4.2.9	An ongoing system of health surveillance based on job specific health risks is in place.				
4.2.10	Where medical staff are provided they are competent to carry out their assigned roles and responsibilities.				
4.2.11	Medical staff to have access to external medical facilities when required.				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
4.2.12	Accommodation and catering facilities are to acceptable standards of hygiene and fit for purpose.				
4.2.13	Food storage, handling and preparation are to acceptable industry standards				

#### 4.3 – Safety hazards and PPE

4.3.1	Guidelines/methodologies are available for undertaking job hazard analyses and identifying the controls necessary to manage the risks.				
4.3.2	PPE – a system is in place for the management of PPE and includes: <ul style="list-style-type: none"> <li>• the identification of statutory PPE requirements associated with assessed risks.</li> <li>• the assessment of the need for PPE and its suitability.</li> <li>• procedures to record the issue of PPE and a follow up system of inspection and replacement/recertification.</li> <li>• procedures to check that PPE storage is adequate and secure and that stock is maintained as necessary.</li> <li>• procedures to check that PPE is issued and used correctly.</li> <li>• a schedule with defined criteria for PPE renewal/replacement.</li> <li>• a procedure for re-certification of PPE as appropriate and necessary.</li> </ul>				
4.3.3	All protective and rescue equipment that is provided is fit for purpose.				

#### 4.4 – Logistics hazards

4.4.1	The competence, physical ability, psychological capability, character and experience of drivers are assessed at recruitment.				
4.4.2	Drivers' documentation is checked and a record maintained.				
4.4.3	Drivers to be tested in the type of vehicle they will be in control of, and over the type of terrain encountered in the contract.				
4.4.4	Drivers' records of employment and performance to be maintained.				
4.4.5	Vehicles should be operated within manufacturers specifications.				
4.4.6	Vehicle use should be clearly identified against job requirements.				
4.4.7	Vehicles required to carry passengers must be equipped to contract specifications.				
4.4.8	Cargo carrying vehicles should be equipped to segregate loads as specified in the contract.				
4.4.9	A vehicle maintenance programme is in place and adhered to.				
4.4.10	A journey management system is in place, which includes the authorisation of different types of journeys, the roles and responsibilities of individuals, and covers the recovery in the event of a problem.				
4.4.11	All journeys are recorded including relevant details.				
4.4.12	Contracted-in transportation is capability assessed, and complies with contract specifications which are subject to reviews. Such contracted-in situations are authorised by a recognised contractor manager.				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
<b>4.5 – Environmental hazards</b>					
4.5.1	All personnel involved are aware of the environmental objectives of the contract.				
4.5.2	Procedures are in place to protect the environment from contract operations, including imported materials and substances.				
4.5.3	Contractor has an identified focal point for environmental matters, who has the necessary expertise.				
4.5.4	Environmental matters are a line management function responsibility.				
4.5.5	Environmental impact reports are developed and reviewed throughout the duration of the contract.				
4.5.6	A procedure is in place to recover from environmental incidents.				
4.5.7	A competent contractor person is responsible for conducting environmental audits as and when necessary.				
<b>4.6 – Security hazards</b>					
4.6.1	Contractor has a policy which recognises the importance of managing security aspects within the context of the contract operations.				
4.6.2	A procedure is in place to enable compliance with the Voluntary Principles on Security and Human Rights (VPSHR).				
4.6.3	A security threat assessment has been undertaken in order to identify the security risks (airborne; terrestrial; marine) which exist in the region in which the contract operations will occur.				
4.6.4	A memorandum of understanding on security co-operation has been agreed with the host authorities in order to describe the arrangements and responsibilities for managing security.				
4.6.5	Resourcing and organisational support of security personnel is appropriate to the threat level and operational context.				
4.6.6	Contractor has an identified focal point for security matters who has the necessary background and expertise.				
4.6.7	Contractor has made provision for the training and capability building of local security forces with whom they will co-operate, particularly in locations where indigenous capability is not of the required standard.				
4.6.8	Contractor has evacuation arrangements which are commensurate with the in-country risk and which recognise the logistical difficulties of the locus of operation, particularly where this might be a remote location in a difficult country.				
4.6.9	An effective method of capturing security incidents is in place with the ability to learn and improve performance.				
4.6.10	Contractor has an effective methodology for auditing security aspects of the contract with appropriate management of remedial actions.				



Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
<b>4.7 – Social responsibility hazards</b>					
4.7.1	Contractor has a policy which recognises the importance of managing social aspects and community relations within the context of the contract operations.				
4.7.2	Contractor has a policy which recognises the importance of managing cultural heritage aspects and inter-cultural sensitivities within the context of the contract operations.				
4.7.3	Where the contract might have an impact upon; social aspects, people's livelihoods, access to resources or land, then a social impact assessment has been carried out to identify threats to livelihood and appropriate corrective measures have been put in place.				
4.7.4	Resourcing and organisational support of sustainable development and community relations personnel is appropriate to the social and operational context.				
4.7.5	Contractor has an identified focal point for sustainable development and community relations matters who has the necessary background and expertise.				
4.7.6	Contractor has made provision for the training and capability building of local communities with whom they will co-operate, particularly in locations where indigenous capability is not of the required standard.				
4.7.7	Where resettlement of indigenous people, or loss of livelihood, have been identified as potential issues, appropriate measures have been put in place to manage these in a manner which is in line with stakeholder and community expectations.				
4.7.8	An effective method of capturing community related incidents is in place with the ability to learn and improve performance.				
4.7.9	An effective process is in place for consulting with, and providing information to, affected communities, recognising the limitations within the host country (language, culture, educational levels, poverty levels, gender restrictions)				
4.7.10	Contractor has an effective methodology for auditing sustainable development and community relations aspects of the contract with appropriate management of remedial actions.				

## Section 5 – planning and procedures

### 5.1 – HSE operations manuals

5.1.1	Written HSE procedures are available for all hazardous operations, and include HSE precautions to be taken.				
5.1.2	Procedures are consistent with client requirements.				
5.1.3	HSE procedures are controlled documents.				
5.1.4	Procedures address the appropriate level of control.				
5.1.5	Procedures cover; health; safety; environment; security; social responsibility				
5.1.6	Written procedures are; available to all employees including subcontractors; available in employee's own language; and include job specific descriptions.				
5.1.7	Procedures cover possible deviations, and identify the person responsible to authorise deviations.				
5.1.8	A record is maintained of all deviations authorised				
5.1.9	A system is in place to identify any gaps in issuing procedures for hazardous operations				
5.1.10	A Permit to Work (PTW) system is available				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
<b>Basic HSE rules</b>					
5.1.11	Contractor has issued a set of HSE rules				
5.1.12	HSE rules include coverage of: health and environment as well as safety; specific contract HSE issues; hazards that may be encountered; basic housekeeping and hygiene				
5.1.13	A system is in place to update rules and disseminate appropriately.				
5.1.14	Personnel responsible for up dating and issuing the rules are identified.				
5.1.15	End users are involved in the update process.				
<b>5.2 – Infrastructure and equipment integrity</b>					
5.2.1	All HSE equipment assigned to the Contract is identified in a register.				
5.2.2	Each individual piece of equipment is uniquely identified, and referenced to the appropriate standard.				
5.2.3	Where required the classification, licensing authority, test certificates are clearly identified.				
5.2.4	HSE critical equipment is subject to regular inspection and maintenance, and a responsible person is identified to carry out a review that these programmes are carried out.				
5.2.5	Where tradesmen provide their own equipment as part of a contracted-in situation, then such equipment is included in assessment and inspection, to assure they comply with contract specifications.				
<b>5.3 – Management of change</b>					
5.3.1	A documented Management of Change (MoC) process is in place to ensure that any significant changes to any aspect of the operation are controlled and do not introduce unmanaged hazards.				
5.3.2	The MoC is referenced to PTW and LOTO requirements during maintenance work and periods of temporary change.				
5.3.3	The contractor's PTW system is consistent with Industry norms and client guidelines.				
5.3.4	For operations that take place in variable weather and environmental conditions, a table of acceptable conditions is established (also known as a Manual of Permitted Operations – MoPO), outside of which operations may not take place.				
5.3.5	A procedure is in place to describe how the introduction of any new equipment (hardware and software) is controlled.				
5.3.6	A procedure is in place to record document updates and control.				
<b>5.4 – Emergency planning and response</b>					
5.4.1	Emergency response procedures are in place for all identified emergency situations and the responsibilities of contractor's management are clearly identified.				
5.4.2	Clear identification of client role in emergencies.				
5.4.3	An appropriately manned response centre is set up to co-ordinate emergency responses.				
5.4.4	All personnel are made aware of emergency procedures and their individual roles and responsibilities.				
5.4.5	Of particular importance in emergency situations is that instructions are available and understood in the language of the individuals.				
5.4.6	Emergency plans are covered in employee orientation.				
5.4.7	Lines of communication are clearly identified and tested with; third party emergency services; local hospitals; helicopter services; Medevac facilities;				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
5.4.8	Third party emergency services are aware of their roles in procedures they will be asked to respond to.				
5.4.9	Emergency procedures are tested and practiced regularly				
5.4.10	Test of emergency procedures, may be conducted without warning.				
5.4.11	Recovery procedures are in place that can be activated after an emergency.				
5.4.12	Recovery procedures are tested to demonstrate preparedness.				
5.4.13	Procedures are in place that identify the roles and responsibilities of client and contractor personnel to notify government and other authorities of emergency situations and outcomes.				

## Section 6 – implementation and performance monitoring

### 6.1 – HSE-MS implementation and active performance monitoring of work activities

6.1.1	The HSE Plan includes identified performance indicators to measure HSE performance during the contract.				
6.1.2	Progress against identified objectives is measured on a regular basis.				
6.1.3	HSE initiatives/incentive schemes are defined and in place.				
6.1.4	Achievement are measured against identified milestones				
6.1.5	Numbers and types of training courses completed, numbers of attendees are monitored				
6.1.6	Numbers and types of audits completed are monitored				
6.1.7	Action items identified are recorded, monitored and closed out is acknowledged.				
6.1.8	A system of analysis and feedback to personnel is in place to review HSE performance measurements.				
6.1.9	Feedback is included in discussion at HSE meetings, on HSE notice boards, and by managers' presentations.				
6.1.10	Contract HSE performance is compared with other similar contracts, and client personnel are involved.				

### 6.2 – Safety performance indicators

6.2.1	Measurements for lost time injury frequency and total recordable incident rate are in place.				
6.2.2	First aid cases are recorded.				
6.2.3	Near miss incidents and anomalies are recorded				
6.2.4	Material losses are recorded and performance indicators are in place				

### 6.3 – HSE performance monitoring

6.3.1	Occupational illness cases are recorded and indicators are in place.				
6.3.2	Sickness absenteeism is monitored				
6.3.3	Environmental incidents (incidental emissions of pollutants and actual impacts), their type and seriousness are recorded, and reported to authorities as per regulations in place.				
6.3.4	Security incidents are recorded and performance indicators are in place				
6.3.5	Logistics incidents, particularly road transportation incidents are recorded and performance indicators are in place				

Item	Check item	Required? y/n	Responsibility? client/contractor	Exists? y/n	If not available, when needed?
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#### 6.4 – HSE incident investigation and follow-up

6.4.1	A reporting procedure is in place which complies with client requirement, and which covers all HSE incidents.				
6.4.2	Contractor's management provides necessary support for incident investigations, and recovery.				
6.4.3	Procedures are in place to investigate incidents and determine causes.				
6.4.4	Procedures identify agreed reporting hierarchy.				
6.4.5	Investigation teams to be organised as required by the HSE plan., and be lead by competent HSE investigator.				
6.4.6	Differentiation is made between first aid cases and minor injuries.				
6.4.7	Procedures are in place to collect incident statistics for review.				

### Section 7 – HSE audit and management review of HSE-MS

#### 7.1 – HSE audits and follow up

7.1.1	Procedures are in place identifying responsibilities, frequency, method and follow up for audits.				
7.1.2	Audits are in compliance with HSE plan, e.g. A schedule of audits is in place for the duration of the contract, to cover: <ul style="list-style-type: none"> <li>• HSE-MS.</li> <li>• HSE department personnel.</li> <li>• HSE technical personnel.</li> <li>• Subcontractors.</li> <li>• Occupational health issues.</li> <li>• Environmental aspects.</li> <li>• Audit training.</li> <li>• And/or any other relevant area of the scope of work or of risks</li> </ul>				
7.1.3	Audits are planned and line management kept informed. The audit team has an identified leader who is competent in conducting audits.				
7.1.4	Corrective actions are addressed as soon as practical.				
7.1.5	Findings are fed back into contract HSE meetings.				
7.1.6	Findings and corrective actions are part of the continuous improvement regime.				
7.1.7	The audit programme is regularly assessed for its effectiveness.				
7.1.8	A review of the total audit programme provides statistical evidence for its improvement.				
7.1.9	Any corrective action rejections are appropriately authorised and documented.				

#### 7.2 – Management review

7.2.1	Management undertake a documented review of the HSE performance at prescribed frequency and take into account; incidents, audit findings, and changes in the operation. The improvements identified are documented and incorporated into an improvement plan.				
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