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مجلس الشرق الأوسط وشمال أفريقيا للترفيه والجذب السياحي
Middle East and North Africa Leisure & Attractions Council

LET'S TALK SAFETY – JUNE 2022

EFFECTIVE SUPPLY CHAIN PROCESSES WITHIN THE LEISURE AND ENTERTAINMENT INDUSTRY

CHALLENGES FOR REDUCING HSE RISKS IN THE SUPPLY OF GOODS AND SERVICES.

Because of the region's competitive nature and being a global hub the supply chain options are vast. Consequently, for imported products the sourcing standards from origin country may also be varied and therefore organizations need to carefully balance the quality control, design and engineering standards and value for money. Similarly, for locally provided services, such as construction and maintenance, there is a significant range too.

Organizations should have a HSE governance process in place to address this level of complexity, risk perception and awareness and there can be varied outcomes when attempting to put effective Health, Safety and Environmental controls and processes in place for supply chains.





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WHAT ARE THE RISKS?

IDENTIFY RISKS AND CONSEQUENCES TO THE ORGANIZATION.

Every organization needs to go through a risk assessment process and decide what the acceptable levels of consequence will be for their processes and ultimately their organization. These may be different based upon the product or services being acquired, and the how “critical” that product or service is to the business.



Risks associated with the following is a must:

- Legal requirements,
- Client and Guests expectations,
- Operational Resilience and Reliability
- Environmental impacts,
- Organization Reputation,
- Media, Guest and Authority Exposure.
- Life cycle and end of use considerations.

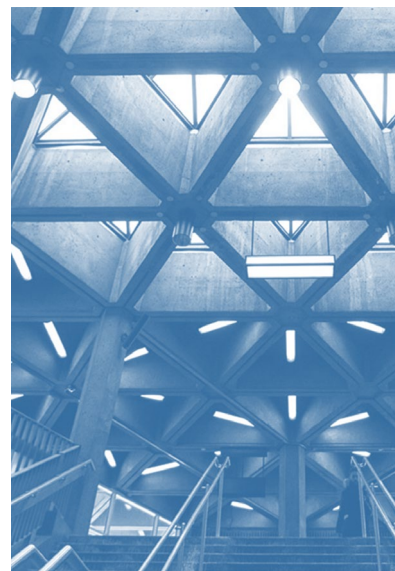
WHAT LEVEL OF RISK IS ACCEPTABLE?

DUE DILIGENCE

The Organization must decide what would be acceptable with regards to legal requirements and their own appetite for risk and formulate policies and procedures to mitigate those risks to the appropriate level.

To help with this process, the following mitigation measures can be used:

- **Supplier questionnaires** as part of procurement process – desk-based HSE assessment based upon documented submission evaluating best practice.





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- **Self-perform Supplier Audits** – where services and products are deemed safety and operationally critical. Examples might be for products, “factory acceptance testing” or for suppliers building “strategical partnership” through visiting supplies facilities including the welfare accommodation.
- **Accredited HSE related certifications** – as a minimum standards to provide the buyer with confidence in the quality and safety management systems that the supplier operates to.
- **Competency verifications** – for direct services it is critical that those performing work have the right demonstrable competency (qualification, experience and attitude) and, for example, with trade skills these can be validated by external or 3rd part certification.
- **Site-Based Control** – such as “Permit to work.” “Security and access control” “Facility Inductions.” Where the client will have better and safer outcomes if the supplier truly understand the client operations, services and processes.

RISK SPECIFIC CONTROLS

IMPLEMENTATION ITEMS

The **procurement process must introduce the requirements and controls** at the earliest stage possible when supply chain is contacted.

Place the **necessary weighting to the value** of technical review for HSE compliance for tender submissions.

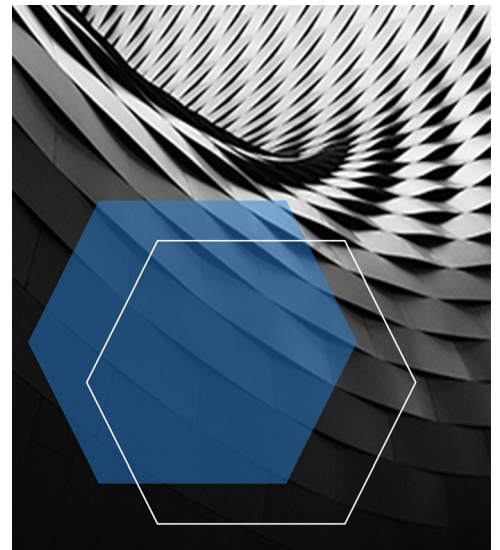
Disqualify submissions that do not provide evidence of HSE compliance to the specific requirements of the scope of work defined.

Company must insist on **verifying and auditing compliance** for high-risk supply chain organizations.

Service providers that perform **scope of works on site need specific attention** as the risk they potentially pose to the organization is higher than those who merely deliver products.

Specific **HSE requirements for product delivery** will also need to be considered when they pose an environmental, handling or food hygiene related risk.

Both aforementioned needs to be considered essential in controlling known risks.





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DEPARTMENTAL INVOLVEMENT

HSE IS EVERYONE'S RESPONSIBILITY

The active monitoring and verification of compliance is key at every point of engagement throughout the procurement process.

Only when every department takes ownership of the defined controls in the processes will the effect be noticeable, and the desired outcomes be realized.

The processes defined needs to be communicated to all levels of the organization to be effectively owned and considered.

Consultation with the individual stakeholder is key to ownership of the processes and continuous feedback and auditing of the success and failures of the process will determine the impact of the risk management.

It is very important for the HSE management to ensure the departments are held accountable for their contributions towards the implementation of the defines risk management systems. Only by testing and inspecting the process output will that be determined. If the implementation is not effective or lacking, incidents will be the only outcome and that is not desirable.

