

HSE-evaluation of contractors

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Foreword

The NORSOK standards are developed by the Norwegian petroleum industry to ensure adequate safety, value adding and cost effectiveness for existing and future petroleum industry developments.

The NORSOK standards are prepared to complement available international standards and fill the broad needs of the Norwegian petroleum industry. Where relevant NORSOK standards will be used to provide the Norwegian industry input to the international standardisation process. Subject to development and publication of international standards, the relevant NORSOK standard will be withdrawn.

These standards are developed according to the consensus principle generally applicable for most standards work and according to established procedures defined in NORSOK A-001

The preparation and publication of the NORSOK standards is supported by OLF (The Norwegian Oil Industry Association) and TBL (Federation of Norwegian Manufacturing Industries). NORSOK standards are administered and issued by NTS (Norwegian Technology Centre).

Annex A, B and C is informative.

Introduction

This standard has been developed on the basis of *Guidelines for the Development and Application of Health, Safety and Environmental Management Systems*, E&P Forum Report no 6.36/210 of July 1994. Its contents cover key elements which should form part of the contractor's overall system for health, safety and environmental (HSE) management. The document provides information on the company's criteria for qualifying and evaluating contractors, and specifies the company's requirements for HSE management by the contractor in as far as this part of the standard (Annex A) is incorporated in the contract.

The standard applies to both operational and construction-related operations, including new facilities and modifications to/conversion of existing plants. It does not apply to management or reporting activities which are solely intended to achieve a specified HSE level in the actual contract object.

1 Scope

This standard describes items and methodology for evaluating and following up the HSE management systems used by contractors. Annex A presents contractual requirements based on the items and methodology in the standard.

2 References

2.1 Normative references

The following standards include provisions which, through reference in this text, constitute provisions of this NORSOK standard. Latest issue of the references shall be used unless otherwise agreed. Other recognized standards may be used provided it can be shown that they meet or exceed the requirements of the standards referenced below.

Requirements for ecotoxicological testing and environmental assessment of offshore chemicals and drilling fluids. Norwegian Pollution Control Authority (SFT), 31 August 1998.

A harmonised mandatory control system for the use and reduction of the discharge of offshore chemicals. PARCOM decision 96/3, OSPAR, 1996.

SFT lists A and B, section on chemical facts, Report no 58 (1996-97) to the Norwegian Storting (parliament) on environmental policy for sustainable development.

2.2 Informative references

International Safety Management (ISM) code, International Maritime Organisation, 1 July 1998.

NORSOK S-002, Annex D.

Requirements for ecotoxicological testing and environmental assessment of offshore chemicals and drilling fluids, SFT.

Guidelines for the development and application of health, safety and environmental management systems, International Association of Oil and Gas Producers (OGP), report 6.36/210.

HSE management guidelines for working together in a contract environment, OGP.

3 Definitions and abbreviations

3.1 Definitions

Work	All work to be done, all materials to be delivered and all commitments to be fulfilled by the contractor under the contract.
Contractor	The company or person named in the contract and who is to be responsible for the delivery in accordance with the specified terms.
Company	The company named in the contract which has ordered the delivery.
Principal enterprise	The company with statutory responsibility under Norway's Working environment Act for coordinating work on safety and working environment in the individual companies.
Shall	Shall is an absolute requirement which must be strictly observed to ensure conformity with the standard.
Should	Should is a recommendation. Alternative solutions with the same functionality and quality can be accepted.

May	May indicates a procedure which is permissible within the framework of the standard (a permission) or a proposal which indicates an opportunity for the user of the standard.
Accident	An event which has caused injury, illness and/or damage to/loss of assets, or harm to the environment or to a third party.
Near miss	An event which, under slightly different circumstances, could have caused injury, illness and/or damage to/loss of assets, or harm to the environment or to a third party.
Undesirable event	An event which have caused or could have caused injury, illness and/or damage to/loss of assets, or harm to the environment or to a third party.
Loss potential	Classification of actual and/or most likely losses associated with an undesirable event.
Notifiable event	An undesirable event or other conditions which must be notified under prevailing statutory regulations to the authorities.
Occupational injury	An injury suffered from an accident at work.
Lost-time injury	An occupational injury leading to absence from the next shift or at a later date. If the injured person is unable to work the next shift for logistical reasons, the injury is not regarded as a lost-time injury.
Work related illness	Illness caused wholly or partly by conditions in the workplace.
Occupational illness	Work related illness classified by national regulations as equivalent to an occupational injury.

3.2

Abbreviations

HOCNF	Harmonised offshore chemical notification format.
OSPAR	Oslo and Paris convention.
HSE	Health, safety and the environment.

4 Methodology for HSE qualification, evaluation and follow-up

4.1 Elements in the HSE management system

Activities are grouped in seven principal categories which fit naturally into any recognised system for HSE and quality management. The system is thereby compatible with such management systems as those from the International Association of Oil and Gas Producers (OGP), the International Maritime Organisation (IMO) and the American Petroleum Institute (API). These seven categories are briefly described in Table 1.

Table 1 - Principal elements in the HSE management system

HSE management system elements	Addressing
1. Leadership and commitment	Top-down commitment and company culture, essential to the success of the system
2. Policy and strategic objectives	Corporate intentions, principles of action and HSE aspirations
3. Organisation, resources and documentation	Organisation of people, resources and documentation for sound HSE performance
4. Evaluation and risk management	Identification and evaluation of HSE risks relating to operations, products and services, and development of risk-reducing measures
5. Planning and procedures	Planning the conduct of work operations, including planning for change and emergency response
6. Implementation and monitoring	Execution and monitoring of operations, and how corrective action should be taken when necessary
7. Auditing and reviewing	Periodic assessment of system performance,

effectiveness and fundamental suitability

4.2 Items and criteria

The matrix below shows which HSE items relating to management and reporting shall be taken into account for classification, evaluation and follow-up. Items are marked by bullet points, and grouped under [the system's principal categories](#).

This matrix also provides a description of the requirements which must be satisfied by the supplier under each item or category. The following terms are used to describe the actual level:

- A — Unacceptable
- B — Poor
- C — Acceptable
- D — Excellent

Associated level descriptions are shown in columns under each item. The company can decide for itself how the specified expectations shall be utilised to qualify and evaluate the individual inquiry or delivery. Annex B presents typical contract categories and which elements it would be appropriate to evaluate in connection with different categories of contract. Annex C presents an example of a classification matrix for undesirable events.

Element 1. Leadership and commitment			
A — Unacceptable	B — Poor	C — Acceptable	D — Excellent
Commitment to HSE through leadership: <i>Item 1.1 a) Are senior managers personally involved in HSE management? b) Is there evidence of commitment at all levels of the organisation? c) Is there a positive culture on HSE issues? If the answer to one or more items is YES, please provide details.</i>			
No commitment from senior management.	HSE delegated to line managers — no direct involvement by senior management.	Evidence of active senior management involvement in HSE aspects.	Evidence of a positive HSE culture in senior management and at all other levels.
Element 2: Policy and strategic objectives			
A — Unacceptable	B — Poor	C — Acceptable	D — Excellent
HSE policy documents and employee access to these: <i>Item 2.1-a) Does the contractor have a corporate HSE policy document? If the answer is YES, please attach a copy. b) Who has overall and ultimate HSE responsibility in the organisation? c) Who is the most senior manager in the organisation with responsibility for ensuring that the contractor's HSE policy is observed in the workplace and at sites where the contractor's employees are working? Specify name, title and experience. d) Describe the methods used to inform all employees about the contractor's HSE policy. e) How are employees informed of changes to this policy?</i>			
No HSE policy document.	A policy statement exists but not in a widely distributed document.	An HSE policy establishes HSE responsibilities, but is not widely distributed.	A policy document with responsibility and accountability clearly established. Distributed to all employees, and posted on notice boards.
Compliance with the company's HSE policy: <i>Item 2.2 — How does the contractor ensure that its in-house HSE policy accords with the company's HSE policy? What is the contractor's formal policy on the acceptability of accidents and losses?</i>			
No common policy items.	One common policy item, but the overall level of ambition is lower.	More than one common policy item, but the overall level of ambition is lower.	HSE policy consistently based on the zero mindset.

Element 3: Organisation, resources and documentation			
A — Unacceptable	B — Poor	C — Acceptable	D — Excellent
• Organisation — commitment and communication: <i>Item 3.1-a) How is management involved in HSE activities, setting objectives and following up? b) How is the contractor structured to achieve effective HSE management and communication? c) What provision is made by the contractor for holding HSE meetings?</i>			
None.	Periodic HSE meetings for special operations only.	HSE meetings held on a regular basis at management and supervisor level.	As for C, but with additional measures being taken, such as discussion items allocated to employees on a rotational basis. Emphasis on both health, working environment, safety and the environment.
• HSE training of managers and supervisors: <i>Item 3.2 — Has formal training been provided for managers and supervisors who will plan, supervise, check and implement the work so that these, regardless of management level, are familiar with their responsibility for ensuring that the work is done in accordance with HSE requirements? Does this training embrace relevant topics on health, the working environment, safety and the environment? If YES, please provide details. Describe the content and duration of courses if the contractor provides in-house training.</i>			
No specialised staff training.	HSE training assigned to a specific person on site.	HSE training of management, but not comprehensively. Emphasis on both health, working environment, safety and the environment.	Formal HSE training of all relevant staff in terms of their respective responsibilities. Emphasis on both health, working environment, safety and the environment.
• Personnel information and training programme: <i>Item 3.3 - a) What arrangements have been made by the contractor to ensure that new employees are familiar with basic industrial HSE, and that this knowledge is kept up to date? b) What arrangements does the contractor have for ensuring that new employees are also familiar with in-house HSE policy and practices? c) What arrangements does the contractor have for ensuring that new employees are informed about possible problem areas and specific hazards inherent in the activity? What training is provided by the contractor to ensure that personnel involved are familiar with the company's requirements? d) What arrangements has the contractor made for emergency response training? e) What arrangements has the contractor made to ensure that the HSE knowledge of employees is updated? (Provide an overview of course content if in-house training is provided.) f) Does the contractor have personnel qualified to provide training beyond the basic level?</i>			
No formal programme.	Verbal instructions on company procedures only. Information booklet provided for new employees but no on-the-job briefing by supervisor.	Relevant documentation covering the above-mentioned considerations are distributed to all new employees. The supervisor outlines, explains and demonstrates the job.	As for C, plus: follow-up observation of the new employee's work. Employees are briefed on safe work practices and emergency duties.
• Specialised training: <i>Item 3.4 - a) Has the contractor identified activities which call for special training to handle possible hazards? If the answer is YES, provide details of the training given. b) If the special work involves radioactivity, asbestos removal, chemicals or other occupational health risks, how are such hazards identified, assessed and controlled?</i>			
No HSE training established.	Basic on-site training provided at irregular intervals.	HSE training is given for special operations, but no routine training conducted.	Formal HSE training programmes have been developed in all areas and are conducted by dedicated personnel on a regular basis. Retraining periods are specified.
• Rules, regulations, standards and company requirements: <i>Item 3.5 - a) Where is a clear explanation provided of the standards and procedures which the contractor requires to be met? b) How does the contractor ensure that these standards and procedures are observed and verified? c) Is there an overall structure for preparing, updating and disseminating standards and procedures?</i>			
No HSE standards or	Basic HSE standards	The contractor has docu-	The contractor has a