



Italian survey: Do organizations ensure environmental competence of suppliers?

To what extent do ISO 14001:2004-certified organizations conform to Clause 4.4.2 in ensuring that suppliers performing tasks on their behalf are competent to do so? An Italian survey of large certified industrial companies in the Venice area sought answers.

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The Ca' Foscari University study into awareness of ISO 14001:2004 requirements by suppliers acting on behalf of certified organizations focused on large industrial companies in Marghera, on the Venice Lagoon.

One major difference between ISO 14001:2004 and the original 1996 edition concerns the role of suppliers to organizations implementing the international environmental management system standard (EMS).

One aim of the current second edition is to extend the involvement of people beyond the internal employee to those in other entities operating "on behalf of" the ISO 14001:2004-certified organization. This change in the standard responds to the trend towards externalization

of processes and services in today's markets.

While this intention may have been explicit in the 1996 edition, its application was not necessarily taken for granted. ISO 14001:2004 focuses on clarification of the first edition, particularly in requirement 4.4.2, *Competence, training and awareness*:

The organization shall ensure that any person(s) performing tasks for it or on its behalf that have the potential to cause a significant environmental impact(s) identified



by the organization is (are) competent on the basis of appropriate education, training or experience, and shall retain associated records.

Italian study

We carried out a study at the Faculty of Environmental Sciences at the Ca' Foscari University in Venice to analyze the extent to which this ISO 14001:2004 requirement is applied by Italian industry, with a focus on the Marghera industrial area situated on the Venice Lagoon.

Our research was based on responses to a questionnaire followed by field interviews among three different groups:

1. The largest ISO 14001:2004-certified organizations located in Marghera, compared with other important Italian industrial sites such as Brindisi (Puglia), Porto Torres (Sardinia) and Priolo Gargallo (Sicily).
2. Their suppliers, also operating in Marghera, in order to compare responses with those of the certified organizations.
3. The certification bodies involved.

Findings

Some 75 % of certified organizations in Marghera consider EMS certification of their suppliers as an important, but not fundamental, requirement. This appears to conform to the ISO 14001:2004 focus on the request to ensure competence,



The route to training suppliers in EMS requirements is followed by only 25 % of ISO 14001:2004-certified industrial organizations in Marghera, Italy.

Clause 4.4.2 of ISO 14001:2004 specifications requires a certified organization to ensure that any persons performing tasks on its behalf with the potential to cause significant environmental impacts are competent to do so on the basis of appropriate education, training or experience.

more than on the qualification deriving from certification.

The suppliers seem to have a similar point of view, declaring that the key reason for ISO 14001:2004 certification is to improve competitiveness, rather than in response to a specific request from their clients.

However, the responses to the question about effective communication of the



environmental policy to *any person(s) performing tasks for it or on its behalf*, and distribution of the operating procedures to suppliers, were not so consistent.

All certified organizations surveyed said they communicated their environmental policy to suppliers, and 87 % of those operating in Marghera

also provided appropriate operating procedures. Yet only 43 % of suppliers said they received policy details from clients.

It is important to note that there were no exclusive client-supplier relationships in the sample, therefore it was not possible to draw any definitive conclusions from the different

answers obtained, but one can certainly have some doubts about the effectiveness of policy distribution.

Interestingly, when responding to the questionnaire, all the certified organizations said they distributed environmental operating procedures to their suppliers. However, when asked the same question during field interviews, only 30 % of them confirmed this activity. This difference is probably due to some confusion between the health and safety procedures (always distributed) and environmental procedures, since they overlap in certain areas. The particular attention to health and safety may be also a consequence of the specific characteristic of this industrial area where the majority of the companies carry out activities covered by the European Union's Seveso Directive, which aims to prevent major accidents resulting from industrial activity. Consequently, health and safety is a major preoccupation of management.

"On its behalf"

Questioning the competence of "external" people to perform tasks on behalf of the certified organization gave rise to different interpretations from respondents. Some considered this to cover only the service suppliers operating on their site, while others believed the concept extended to many suppliers, including transport companies and chemical laboratories.

ISO 14001:2004 states that such competence should be achieved through one or more of the following options:

- education;
- training;
- experience.

The certified organizations seemed to prefer the experience option (100 % of Marghera respondents, 60 % of others) and education (75 % Marghera, 100 % others), in preference to training.

Training

In view of those responses, it was interesting to investigate how those organizations decided to apply the training route to people employed in other companies.

Only 25 % of the ISO 14001:2004-certified organizations based in Marghera involve their suppliers in some form of training – 50 % by delivering such courses directly to external workers, and the other 50 % by training selected supplier representatives who are then expected to cascade those concepts to colleagues. Although different in approach, both these options meet the requirements of the standard.

However, there would appear to be a lack of conformity in meeting the requirement to "retain associated records". Over 64 % of the certified organizations studied said they did not keep records of competence for each employee working "on its behalf", but only of the supplier as a whole.

The certification bodies confirmed a lack of conformity on this point during certification or surveillance audits, probably caused by difficulties in making the transition from the previous version of the standard.

Introduction of a new edition of any standard is likely to present a challenge to the certified organization, particularly when other organizations are involved, as in this case. The lack of records should not be seen as a mere formality, since record keeping should be central to the competence of those who work on its behalf.

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Also, employment of temporary workers introduces the risk of lower levels of competence of those carrying out everyday activities that have potentially critical environmental impacts.

To improve the quality of ISO 14001:2004 implementation in this respect, some clarification of the following from accreditation and standardization bodies at national and international level would be helpful:

- Who should be classified as workers performing tasks on behalf of the organization, and how far should this involvement

be extended beyond its site location?

- What should be the minimum acceptable level of records covering those who work on behalf of the organization, particularly for the more complex entities, and how much attention should certification bodies pay to this issue? Also, is it acceptable to maintain records at supplier level only rather than at personal level?

Conclusion

The study we carried out at the Ca' Foscari University indicates that participating organizations are now more aware of the role of suppliers in their environmental management systems – although that involvement is not always in conformity with ISO 14001:2004 requirement 4.4.2.

It would be interesting to know if this situation is specific to the small sample analyzed, or is representative of organizations in other countries and sectors.

Also, further improvement in the situation highlighted by this study could be achieved if the internal audits carried out within certified organizations included a specific check to ensure that the implications of Clause 4.4.4 were fully understood and the corresponding actions implemented. •