TOWARDS GOOD PRACTICE IN HEALTH, ENVIRONMENT AND SAFETY MANAGEMENT IN INDUSTRIAL AND OTHER ENTERPRISES

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The European Environment and Health Committee (EEHC) identified the need for this document in 1996. An initial consultation was held with experts from the government sector, enterprises, academics and nongovernmental organizations (NGOs) to develop the concept. Further consultations were held with the Government of Poland (as lead country), government representatives, enterprises, NGOs and trade unions, and external reviewers. An intergovernmental consultation for Member States in WHO’s European Region was held in 1998, and drafts were also reviewed by the EEHC.
Executive summary

This document presents the general concept, principles, technical content and economic aspects of good practice in health, environment and safety management (GPHESM) in industrial and other enterprises, and makes recommendations for a national system to support GPHESM, for its implementation in enterprises and for international cooperation. GPHESM relies on the use of existing infrastructures, legislation, and quality management procedures, and on the willingness of industry to participate in its development and implementation.

Introduction

1. Major changes in the global economy and the revolutionary restructuring of production and service organizations, coupled with the subsequent changes in working life and in the responsibilities of employees, have created an urgent need to strengthen and adapt the tools and methods used to ensure that health, environment and safety (HES) are protected and promoted at the enterprise level. This can be achieved by implementing the principles and mechanisms contained in the following international statements:
   - Agenda 21 and the Rio Declaration on Environment and Development (1992);
   - the Helsinki Declaration on Action for Environment and Health in Europe (1994) with corresponding national environmental health action plans (NEHAPs);
   - the World Health Declaration (1998) and HEALTH21 – the Health for All policy framework for the WHO European Region – 21 targets for the 21st century (1998);
   - the European Union programmes on environment and on health and safety at work (1996-2000);
   - the International Labour Organization (ILO) conventions, recommendations and resolutions on occupational safety and health with relevance to environmental management;
   - the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters and other documents referring to environment management in enterprises, adopted by the Fourth “Environment for Europe” Conference held in 1998 in Århus, Denmark; and

2. In addition, the good practice of leading enterprises that are increasingly integrating their health, environment and safety management (HESM) into their overall management systems gives hope that the wider adoption of this approach will counter several negative trends set out below.

3. Both enterprises and the national economy in all WHO Member States carry a significant economic and social burden caused by accidents, injuries, and occupational, work-related and workplace-preventable but non-occupational diseases. Economic loss from occupational accidents alone in some European countries has been calculated at 3–5% of gross national product. Occupational and non-occupational diseases and injuries are responsible for much of the current levels of reduced work capacity, increased temporary and permanent work disability, shortened life expectancy, and premature retirement or death. The high rate and early onset of
chronic diseases contribute to the high expenditure of national health care systems, as well as to high demands for disability pensions and compensation from social insurance funds. In addition industrial and other enterprises that lack adequate prevention and control measures contribute to environmental pollution and pose health risks to the population.

4. Unacceptable inequities exist in HES conditions and management between and within the countries of the WHO European Region.

5. The enforcement of HES legislation is becoming more difficult in part because of the growing number of small and medium-sized enterprises. The direct and active involvement of enterprises in demonstrating and proving good practice in HESM (GPHESM) would be a valuable supplementary measure to improve compliance with HES legislation. Additionally, GPHESM which goes beyond mandatory requirements should allow enterprises to achieve HES targets set voluntarily by the working communities, as part of self-regulation.

**Purpose**

6. The purpose of this document is to encourage Member States to support a national framework that will act as an incentive for the continuous improvement of HESM in enterprises, through the collaboration and coordination of different government sectors and making more efficient use of existing resources for achieving HES objectives in enterprises.

**Concept and objectives**

7. GPHESM in industrial and other enterprises is a multidisciplinary approach to promoting health and safety in the workplace and minimizing its harmful impacts on the environment. GPHESM also deals with the impact of the workplace on neighbourhood health, on the health and environmental impact of its products, and on preservation of the general environment. The integration of HESM functions into the overall management system of an enterprise should result in the effective and efficient promotion of GPHESM. It is the outcome of national and individual enterprise policies in the areas of health protection, promotion and surveillance at work, promotion of good working culture, and of a work organization conducive to safety and health, and provision of a healthy and safe working and ambient environment.

8. Good practice is a process that aims at continuous improvement in HESM performance, involving all stakeholders within and outside the enterprise: working communities (employers, management, employees and their trade unions), experts in different disciplines (health promotion, occupational health, environment, safety, economics and others) and the surrounding community.

9. The main objectives of GPHESM are to provide a safe and healthy working environment, while preserving the general environment and health of people living outside the premises; to ensure an optimal balance between economic and business interests on the one hand and the working ability and health of the entire staff, including their families, on the other; and to provide healthy and environmentally friendly products and services. To achieve these objectives, GPHESM should be built on existing national structures and practices for health promotion at the workplace, occupational health and safety, and environmental health.
Benefits

10. As an element of sustainable development, GPHESM offers considerable benefits. These benefits depend, however, on the successful implementation of effective HESM in a great number of enterprises.

11. The health benefits consist of increase in life expectancy and disability-free life expectancy, in working ability and the proportion of employees free from occupational and work-related diseases and injuries, in the percentage of employees and pensioners free from serious disability due to chronic noncommunicable diseases, in the adoption of healthy lifestyles, and in equity in health. It would result in decrease of absenteeism due to disease and injury and decrease of health and safety related insurance premium.

12. The environmental benefits consist of greater efficiency in the use of natural resources, and a growing number of enterprises that manage environmental issues in compliance with legal requirements, using the principles and methods of such strategies as cleaner production, eco-efficiency, green productivity, and pollution prevention.

13. The social and wellbeing benefits consist of better quality of working life and life in general for employees, improved self-esteem and motivation, increased professional skills and ability to cope with the demands of working life, and increased social capital.

14. The economic benefits consist of increased productivity and economic efficiency, greater competitiveness and likelihood of economic returns on investments, a better image for the enterprise, a decrease in social insurance premiums, and lower health care costs.

Technical content

15. The development of GPHESM in an enterprise will always be based on an appropriate mix of technical contribution, expertise and knowledge of the following existing disciplines or managerial approaches.

Health promotion

16. An essential quality of health promotion is the direct involvement of people in maintaining or improving their own health. The assessment of health promotion needs in an enterprise and the evaluation of work towards meeting them are the essential components of health promotion management. For the fruitful development of workplace health promotion management, it is important to recognize the central role of the empowerment of employees, in terms of competency and level of autonomy; to ensure an appropriate balance between the processes of rationalization and the capacities of the workforce; to include a comprehensive understanding of health in company policies and in all procedures involved in a continuous improvement process; to ensure the establishment of an enterprise-wide participatory infrastructure; and to enable all levels of employee to share their interests and expertise with the key players. Health promotion is a strategy which complementary to occupational health. They target at different health problems and their causes. Health promotion should not be use as a guise to shift responsibility for protection of worker’s health at workplace from employer to the worker herself or himself.
Occupational health and safety

17. Occupational health aims to minimize the risk to employees’ health from harmful factors at work, and prevent occupational diseases and accidents. Occupational safety denotes the principles and procedures used to prevent occupational accidents and injuries in all types of production and servicing facility. Combining health promotion with occupational health and safety activities may be more effective in maintaining or improving the working capacity of employees, and in reducing the rate of sickness absenteeism or premature permanent work disability, than only protecting the health and safety of employees from occupational risks.

18. Nowadays, the main focus of occupational health according to ILO and WHO is on three different objectives:
(a) maintenance and promotion of workers’ health and working capacity;
(b) improvement of working environments and work practices, to ensure they are conducive to safety and health; and
(c) development of work organization and working cultures in a direction that supports health and safety at work and, in so doing, also promotes a positive social climate and smooth operation, and may enhance the productivity of the enterprise.

Environmental health

19. Environmental health in this context refers to the health consequences of exposure to factors present in the environment outside the enterprise premises. Every enterprise, but particularly those emitting pollutants to the ambient environment, has the potential to affect the health of people living in its neighbourhood. Integrated environmental and occupational health impact assessment should be used to assess the effect of an enterprise on the health of society, including the workforce. Every enterprise should develop and implement its own procedures for assessing and minimizing the impact on health of environmental pollution and excessive use of natural resources.

20. To ensure optimal health for employees and the population at large, the environmental management of an enterprise should include the sustainable use of natural resources, energy efficiency, waste minimization, cleaner production, and the minimization of risks to human health by improving workplace health and safety. It should apply an integrated, preventive environmental strategy to production processes, and to products throughout their life cycle. Pollution prevention should gradually replace pollution control.

Implementation

21. Enterprises are understood here to include all workplaces, whether in the private or public sector and regardless of the nature of their activity.

22. The HES policy of an enterprise should be used to determine specific targets, define processes, assure the financial and human resources necessary to act on health determinants, and improve social and physical environments.

23. To attain good practice, an enterprise should integrate occupational health and safety with environmental improvement, through a system that sets targets for improvement, verifies
implemented changes through auditing, and communicates the results to employees and society at large.

**Effective management**

24. Management, working jointly with employees and their trade unions, needs to develop basic, mutually agreed, principles, processes and standards as the basis for the effective health, environment and safety management system. The management processes and procedures should be used as tools to achieve the objectives of GPHESM in enterprises. The adoption by industry of procedures for health and safety management and environmental management compatible with good management standards can be helpful in GPHESM implementation. Some enterprises are already applying for, and obtaining, certificates to demonstrate that their managerial systems for environment and/or health and safety at work meet recognized management standards. However, there are alternative managerial methods of achieving high levels of GPHESM that do not require adoption of formalised quality management standards.

25. Two related quality management standards exist in Europe for the management of environmental issues in an enterprise. The Environmental Management and Audit Scheme (EMAS) is a European Union policy instrument to foster the implementation and auditing of environmental management in industry. The other is based on the International Organization for Standardization (ISO) (and CEN) 14001 standard. Both the EMAS and the ISO standards are voluntary schemes.

26. For health management in industry, no similar European or international management tool/standard yet exists. Nevertheless, some European countries have defined standards for occupational health and safety management systems to be used either by enterprises themselves or by the occupational health services (the United Kingdom uses BS 8800, the Netherlands NPR 5001, Spain UNE 81900- 81902, and the German Land of Hessen the ASCA system). The WHO Regional Office for Europe has also developed guidelines on quality management in occupational health services.

**Implementation process**

27. The process of implementing GPHESM in all enterprises would:

(a) measure the impact of each enterprise on health, safety and the environment;
(b) use environmental quality and the health of workers as performance indicators;
(c) take into account occupational, environmental, social and lifestyle health determinants;
(d) assess the risks to health and the environment;
(e) use measures to eliminate and control hazards and to minimise risks at workplace, and
(f) ensure continuous improvement in HESM.

28. The impact of industry on the environment and on workers’ health cannot be controlled to the satisfaction of all concerned parties by state authorities alone. Thus, enterprises should exercise self-control and self-regulation, by demonstrating and proving that they operate GPHESM. A good practice should be composed out of the following main elements or activities:

- adoption of an enterprise policy on GPHESM by the employer or chief executive explicitly clarifying commitment of the top management and acceptance of its responsibility for this process and its aims
• assuring participation of management and employees, and their trade unions, in the
development and implementation of the effective HSE management systems in the enterprise
• demonstration of full compliance with national HES legislation and standards
• compliance with respective ILO conventions and the WHO and UNEP recommendations
• adoption of concerted HES management system
• adoption of education and training programme
• appropriate monitoring and evaluation of HES outcomes using adequate tools and indicators

Small and medium-sized enterprises

29. Small and medium-sized enterprises (SMEs) have the same responsibility as other enterprises for health and safety and environmental management. Some of them do not have the full competence or resources needed to implement GPHESM on their own. Support for such enterprises must therefore be made available. SMEs should be encouraged to use external service available in the community and to incorporate GPHESM into their own overall business management. They need special government policy and support, particularly in the initiation phase, to benefit from GPHESM. Government measures should encourage and not hamper the development of SMEs or decrease their competitiveness.

30. The majority of employees in most of the European countries already work in small or medium size enterprises (SMEs); The local authorities are encouraged to consider establishing inter-enterprise multidisciplinary prevention services to assist SMEs in GPHESM implementation. These could be co-financed by central or local governments and/or insurance organizations. The implementation of GPHESM in many small enterprises could have social and economic benefits for the sponsoring authorities.

31. SMEs can also be reached and influenced through the supply chain of large national or multinational companies. Other channels are trade associations, branch organizations and networks of companies.

Networking of enterprises

32. Networking is an effective way to learn each other’s strong point and to offset one’s own weakness. It allows drawing on each other’s merit in order to achieve common progress and improvement. Networking could be instrumental in showing the capacity of industrial and other enterprises for self-regulation in HESM and the willingness of industry to collaborate with governments and international organizations.

33. The main mechanism for networking would be benchmarking comparisons in HESM performance between enterprises in the same branch or sector - though it needs to be recognised that much has to be done to develop and implement cross-industry and cross-sectoral indicators if benchmarking is to be more than an enterprise level activity. The performance of one enterprise, presented as sets of quantitative and qualitative indicators, would be used as a reference or benchmark for evaluating the performance of other enterprises that share the same set of indicators. The results would enable participating enterprises to assess their own situation.–
34. Networks can prepare guidelines for GPHESM implementation in enterprises in specific economic sectors.

**National support systems**

**National policy**

35. The successful implementation of an integrated HES approach at the enterprise level depends on the action of social partners at work, however, it depends also on the concerted support from the relevant ministries and governmental agencies concerned with health, environment, labour and social policies.

36. National commitment should consist in specifying the policy and action to be taken or initiated at the government level. This includes a policy statement on GPHESM, explicitly clarifying the commitment of the government and of the ministers involved, and a government policy document, specifying national objectives, the underlying principles, the necessary legislative and non-legislative tools, and the principles of monitoring and evaluation. It also includes a national strategic action plan, intended to identify the actions necessary to achieve objectives specified in the national policy on GPHESM. The strategic action plan should also specify the role and action to be taken by each stakeholder, including government institutions and local authorities. Finally, the entire national system should be audited and evaluated periodically, so that adjustments can be made as necessary, and to ensure continuous feedback from society.

37. Several issues should be addressed while developing a national policy. One issue would be which general principles to apply, such as the precautionary principle, legal compliance, democratic control, extended producer responsibility, the preventive principle. In establishing the policy, defined and measurable goals should be set, a time frame determined and a scheme for monitoring, evaluation and auditing agreed. All relevant stakeholders shall formulate, implement and periodically review an integrated national policy that should be holistic and covering all aspects of HESM. In the process of policy development, accountability, transparency and the use of self-control and self-regulation should be observed. A national policy should create economic and social incentives for enterprises to implement GPHESM. It should also encourage the development of economic appraisal of HES in enterprises. It should reduce the opportunities for enterprises to externalize the costs of poor practice in HESM.

**Economic appraisal**

38. The national economic and social legislative framework and policy in each Member State have a dominant impact on occupational and environmental health practice in most enterprises. There is a trend in many WHO Member States towards reorienting occupational health and safety practices to help to reduce the increasing economic and social costs of work related and non-work-related ill-health and work disability. At a national level there is increasing concern of externalisation by the enterprises of the costs incurred as a result of work-related injuries and ill health due to poor health, environment and safety management. Internalisation of such costs can help to reduce this economic burden on society. Economic appraisal in this context is the process of assessing and establishing the economic effects of HESM. This consists in a wide range of measures, that may vary from evaluating the total cost to society of work-related ill health, to forecasting the economic returns of a better workplace in an enterprise. Economic appraisal is a useful tool to stimulate GPHESM for a number of reasons. It can increase awareness in both society and the enterprise by highlighting the importance of the economic effects of health and
environment management; it can support decision-making, at the national and enterprise level by helping to structure discussion; and, at the national level, it can support the development of structures in social security and legislative authorities that offer incentives to enterprises to improve HESM. The national financial, fiscal and insurance systems may provide incentives for implementation and demonstration of good performance in health, environment and safety management in the enterprises.

National infrastructure and major stakeholders

39. At national level, the infrastructure for supporting GPHESM consists of existing government ministries and institutions responsible for different legislative and non-legislative tools enforcing and/or supporting government policy in HESM in enterprises. Central government is expected to play a leading role in encouraging the commitment of all appropriate stakeholders to GPHESM in enterprises.

40. These stakeholders will use existing preventive multidisciplinary infrastructures in occupational health and safety, workplace health promotion, environmental health and social and health insurance.

41. Stakeholders who should cooperate in this joint strategy include:
   • government ministries and enforcement agencies (health, labour, environment, economy, finance and others);
   • employers and their organizations, policy-makers and management leaders in industry, agriculture, and other economic sectors;
   • employees and trade unions;
   • financial and insurance institutions;
   • occupational health services, cleaner production centres, environmental health services, and environmental and social consultants;
   • nongovernmental organizations, and associations of professionals in health promotion, occupational health and safety, environmental health, environmental protection, and economic and social development; and
   • education and training institutions, including those for quality management training.

Monitoring, evaluation and auditing

42. Monitoring should be an integral part of target-setting and programme development. The key criteria and performance indicators to be used for monitoring and evaluating the national system should be selected and developed by consensus among the major stakeholders. The national policy, as well as progress in implementation of the strategic action plans, should be evaluated on a regular basis. Schemes for auditing should be developed in order to verify the functioning of national or local systems supporting GPHESM in enterprises.

Information, education and training

43. If they are to collaborate in developing GPHESM, employers, employees and their trade unions must have a sound understanding of the basic principles used to control and act on
environmental, social, occupational and lifestyle determinants of health, and of the value of (and methods for) cleaner and safer production and pollution prevention. Education and training increase awareness of the need for GPHESM. A key issue for the development of GPHESM in enterprises is the availability of know-how, tools and information to provide practicable solutions, economic and financial benefits, and an active public relations and communication strategy to disseminate solutions. Collecting and disseminating good examples of HESM could be a useful tool in marketing the concept.

44. The implementation of good practice requires the cooperation of professionals from a variety of different disciplines. A clear description of the training curriculum, the competence and the code of conduct of each profession will increase the efficiency of their work. The principles of quality management should be part of the education and training curricula of all professionals working in multidisciplinary occupational and environmental health teams.

**Research and development**

45. Research and development programmes should be encouraged that specifically aim at providing the data and products required for developing, monitoring and assessing GPHESM at the national, local and enterprise level.

**International cooperation**

46. International organizations (such as the WHO Regional Office for Europe, ILO, UNEP, OECD, the World Bank) and the European Union and its agencies, play an important role in facilitating GPHESM, whether jointly, alone or in collaboration with Member States. Such organizations are invited to undertake the following actions:

- to make joint efforts to coordinate support for the development and implementation, in all countries of the European Region, of national systems to encourage GPHESM in industrial and other enterprises, compatible with national cultures and traditions;
- to initiate GPHESM pilot projects;
- to develop input, process and outcome indicators for monitoring, comparing and evaluating HESM performance;
- to build up systems for the collection and analysis of relevant data for evaluating and designing national and international policies on HESM in enterprises;
- to develop joint activities in education and training in different areas of HESM, particularly in the countries of central and eastern Europe and the newly independent States;
- to develop audit tools for national systems to support GPHESM in enterprises and provide support to international audit, at the request of the government of any given country;
- to develop a glossary of the main terminology used in the area of multidisciplinary and multisectoral HESM in enterprises; and
- to issue in one or more of the four working languages of the WHO Regional Office for Europe, the key national documents in the area of HESM, in order to facilitate the exchange of information among countries.