The Second Draft Standard ISO 45001 and its' Implications

in a Changing World Order of Deregulation



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In this 4th article of the ISO 45001 series of commentaries Chris J Ward discusses: A number of issues and questions are raised in the new scenario that is currently unfolding, not least of which and central to the focus of leadership (both financial, practical and moral) is the following question.

How can businesses position themselves to take commercial advantage of the new climate of deregulation whilst protecting themselves, their reputation and their stakeholders against claims for damages? Will the new trading models be bilateral, plurilateral or on an ad hoc basis? In such a tumult of confusion certainty will be a rare commodity. Some of the questions businesses are asking about the Second Draft

Will the revisions give more appeal to smaller organisations?

Does 45001 fulfil what will be a need to bridge the yawning and growing gap between world producers?

How can clear guidelines emerge such that global, regional, national and local organisations have a certain benchmark of attainment so that they can position themselves favourably to trade with others.

Here is an extract of our table showing how DIS2 differs from DIS1. see full table

ITEM	LINE No.	REQUIREMENT
1.	120	Worker definition removed
2.	181 - 186	New background outline
3.	187 - 200	Simplified "Aims of OHSMS"
4.	201	Success factors: revision to emphasise "worker consultation"
5.	222	Success factor added "compliance with its legal/other requirements"

What are the Key Changes in DIS 2?

Many of the amendments extend the remit of the standard, e.g. workers now include all people within an organisation. The emphasis will be on leadership, training and the developing, measuring and monitoring of performance. Hazards will now include situations and circumstances, which will require foresight and planning not just reaction to incident specific risks. The need to consult both the workforce and external interested third parties extends the notion of scope and context with the emphasis on effective consultation and mandatory KPIs. With the idea that risks and opportunities apply not just to H & S but to the whole organisation's business functions, the obvious question is just who will be in control of the implementation? Will it require a more senior managerial (leadership) figure to be designated to apply and enforce it? Is this standard attainable, desirable or divisive?

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There are "A list" organisations who are committed and have resources to meet the highest standards, for these 45001 is worthwhile, enshrining the principles of protection, consultation, enforcement and development. However the Achilles heel is in their ability to control conditions within their supply chain, e.g. Bangladesh factory collapse. The "B list" organisations are those who are willing to subscribe to 45001 but they may have constraints on their resources and access to qualified personnel. The notion of context is now critical for the" B listers", who, whilst aspiring to fulfil the requirements of the new standard, may be further hindered by both local laws, tradition and cultures. For them the standard will be the desired aim that they may fall short of, and yet provide the impetus for change and improvement. The "C listers" are those with limited resources and/or possible reluctance to enable to change their practices. However they may be forced to comply in order to satisfy their customers' requirements. Very often these are small/medium size businesses.

These "C listers" may well feel defeated by the perceived financial, training and administrative costs that the standard imposes on them.

When the USA and UK are moving away from prescriptive regulation how can they create the role for standards within their sphere of influence?

Amongst the torrent of deregulation taking place emanating from the new administration in the USA was an executive order requiring federal agencies to eliminate 2 regulations for each new one introduced. Subsequently the abolition of regulation introduced under Obama under the "Clean Power Plan", when President Trump said "with today's executive action I am taking historic steps to reverse government intrusion

and to cancel job killing regulations". All countries should be aware of the ripple effect that these boulders being tossed into the sea of trade will create as the ripples, if not tsunamis, impact their shores. The business case for deregulation, simplification and administrative cost cutting, is beguiling but what of obligations to their workforce?

Will there be a need for re-alignment of supply chains? Is there a role for standardisation in this brutal stripping away of layers of regulations?

This poses the real question of who will trade with whom? Will the new model be of trade blocks adhering to their own favoured standards covering production, liability and OHSMS. However if the WTO rules, which do not have an OHS requirement, are the default position what then? Is this the perfect storm or the perfect opportunity for 45001 to become a raft of calm on a sea of uncertainty.

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What of the C listers who perhaps are in the most urgent need of practical help and guidance? Clearly 45001 will provide a beacon to guide many through the uncertainty. <u>Sign up</u> for Linkedin 45001 Group