

1.0 Purpose

The purpose of this procedure is to ensure that processes are in place to effectively manage risks and opportunities that impact the IMS, within the NCPL Cruise Port Facilities.

This procedure identifies techniques and tools used by NCPL for risk identification, identification of opportunities, and risk management processes that analyse, evaluate, control and verify risk mitigation and elimination.

Risk is often thought of in a negative sense, but Risk based thinking also helps to identify opportunities.

Risk management activities defined by this procedure maybe applied at any level of the organization, based on the situation and risk under consideration.

2.0 Responsibility

The Heads of Department, Managers, and workers are responsible to identify hazards, risks and potential undesirable situations and to raise these issues with the OHSE Manager.

The OHSE Manager or their appointed deputy is responsible for ensuring that the Risk Management Processes that follow are complied with by ALL departments.

3.0 Procedures

Risk is the possibility of events or activities impeding the achievement of an organization's strategic and operational objectives.

Risk can be further defined by two (2) Parameters

- Severity: This is the Seriousness of the harm.
- Probability: This is the Probability that the harm will occur.

This risk management process includes the following elements:

Risk Management Process

- Risk Analysis
- Risk Evaluation
- Risk Control
- Post-Process Information

Risk Analysis Process

Analyse and prioritize the risks and opportunities in your department, as applicable.

- What is acceptable?
- What are not acceptable Plan actions to address the risks?
- How can I avoid or eliminate the risk?
- How can I mitigate the risk?

Implement the plan – act

- Check the effectiveness of the actions – does it work?
- Learn from experience – continual improvement.

Key Points to remember

- Risk Based Thinking = Preventative Action

- Risk Based Thinking is everybody's business!
- Risk Based Thinking is not just the responsibility of management
- Risk Based Thinking is an integral part of the NCP organizational culture

Risk Analysis shall be performed using the NCP Risk and Opportunity Register.

Typical Hazards have been identified for each department and an initial risk rating (IRR); score calculated. Proposed mitigating and preventive actions are given followed by the Residual Risk score and level of risk, Low, medium and high and documented in the risk and opportunity register.

NCPL may use all available information and data to estimate the risk (s) for each potentially undesirable situation and same shall be documented.

Risk Evaluation and Control

NCPL shall identify risk control measures that are appropriate for reducing identified risks to an acceptable level and will then implement the risk control measure (s) selected, if applicable and will verify the effectiveness of any measures taken.

Residual Risk Evaluation

NCPL may use the criteria defined in the Risk and Opportunity Register to evaluate any residual risk that remains after application of the risk control measure (s). Control measures are applied if the residual risk does not meet the criteria.

NCPL documents all relevant information necessary to explain the residual risk (s) as applicable if the residual risk is judged acceptable.

Opportunities

The methods specified above may also be used for determining opportunities related to the IMS and its processes. Where such opportunities are identified, they are noted as such as part of the final risk assessment report, and action taken as appropriate. Such opportunities may be considered as part of the organizations' Management review / BSR Process.

4.0 Records

NCPL shall maintain the following records as part of each risk management file:

- A copy of the risk analysis plan used, including the product or process analysed, identification of the person (s) carrying out the analysis, and the analysis date;
- Records relating to the risk analysis process used, including techniques, methods and criteria;
- Result of the risk analysis performed;
- Records related to any options determined, as well as their implementation and verification; and
- Any contingency plans developed because of the risk assessment.

Glossary

- **Residual Risk:** Risks remaining after protective measures have been taken.

- Risk: Combination of the probability of occurrence of a negative outcome and the severity of the outcome.
- Risk Analysis: Systematic use of available information to identify potentially undesirable situations and to estimate the risk.
- Risk Assessment: Overall process comprising a risk analysis and risk evaluation.
- Risk Control: Process through which decisions are reached and protective measures are implemented for reducing risk to, or maintaining risk within, specific levels.
- Risk evaluation: Judgement, based on risk analysis, of whether a risk which is acceptable has been achieved in a given context.
- Risk Management: Systematic application of management policies, procedures, and practices to the tasks of analysing, evaluating and controlling risk.
- Safety: Freedom from unacceptable risk.
- Severity: Measure of the possible consequences of a potentially undesirable situation.

Table 1: Example NCP Risk and Opportunity Register: Risk Assessment Matrix. (Refer to the Excel Spreadsheet for full risk analysis data).

Risk Assessment Matrix								
SEVERITY CRITERIA					(1) Unlikely though conceivable	(2) Possible but Unusual	(3) Likely not surprising	(4) Very Likely almost no doubt
Personnel	Operations · Asset damage · Downtime	Environmental	Reputation	Business Impact				
(1) First Aid	(1) Minor (\$5k to \$20k) (2 hours)	(1) Minor (2 to 10 Gallons)	(1) Minor Localized Temporary Impact	(1) Minor Impact can be absorbed through normal activity	L	L	L	L
(2) Medical Treatment	(2) Medium (\$20K to \$100K) (12 hours)	(2) Medium (10 to 25 Gallons)	(2) Medium Localized Short Term Impact	(2) Medium An adverse event which can be absorbed with some management effort	L	L	M	M
(3) Lost Time / Rest Injury	(3) Major (\$100K to \$500K) (1 day)	(3) Major (25 to 55 Gallons)	(3) Major Localized Long Term Impact But Manageable	(3) Major A critical event which requires extraordinary management effort	L	M	M	H
(4) Fatality	(4) Massive (>\$500K) (>1 day)	(4) Massive (>55 Gallons)	(4) Massive Localized Long Term Impact with Unmanageable Outcomes	(4) Massive A critical event which requires additional management effort	M	M	H	H

Table 2: Determining the Need for Control

High	Unacceptable Risk: Update product or process design, add additional control, review adequacy of current controls
Med	Investigate further risk controls:
Low	Risk is acceptable: No further risk controls required

