



**SQAS/ESAD**

**Guidelines**

**August 2021**



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# SQAS - Guidelines

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## **A. GENERAL GUIDANCE**

### **1. INTRODUCTION**

The chemical industry in Europe utilises to a large extent the logistics services offered by third parties to store, handle and transport raw materials, intermediates and finished chemical products. The chemical industry also partners chemical distributors as an essential route to certain customers. Chemical companies need assurance that these operations are carried out in a safe and high quality manner with due regard for the protection of employees, the public and the environment. In the past this assurance has often been obtained by individual chemical companies undertaking periodic audits of their logistics service providers and distributors, leading to a fragmented approach and a multiplicity of auditing programmes which were costly and inefficient for both the chemical, transport and distributor industries.

Within the framework of Responsible Care, Cefic launched in the early 1990's the ICE (Intervention in Chemical transport Emergencies) programme aimed at improving safety performance during the transport, storage and handling of chemicals. A key element of the ICE programme was the development of a number of Safety and Quality Assessment Systems (SQAS), each related to a particular transport mode, logistic operation or route to market.

SQAS provides a tool to assess the safety (S), quality (Q), security (Sec), health (H), environmental (E) and corporate social responsibility (CSR) management systems of logistics service providers and distributors. The assessments are carried out in a uniform manner by independent assessors, using standardised questionnaires thereby avoiding multiple assessments by individual chemical companies. SQAS helps chemical companies in the process of selecting logistics service providers and / or distributors and in defining improvement actions with each of them.

A SQAS assessment by an independent assessor does not lead to a certificate but results in a detailed factual report, which each individual chemical company needs to evaluate according to its own requirements. One single assessment replaces the myriad of inspections to which the logistics service providers and distributors have traditionally been subjected, without however making the dialogue between service provider and chemical company redundant.

Although SQAS does not guarantee the safety, quality, security, health, environment and corporate social responsibility performance of the service provided by a supplier or partner, it does offer a mechanism to evaluate continuous improvement. The system provides useful feedback directly to the assessed company on the strengths and weaknesses observed during the assessment. In addition, after the evaluation of the assessment results by the chemical company, customer specific feedback can be provided, thus creating and/or strengthening the foundation for a true partnership that is of mutual benefit.

SQAS documents were first published in September 1994. The current version consists of 5 different modules: Transport Service, Tank Cleaning Stations, Warehouses, Rail Operators and Distributors (ESAD).

## **2. ASSESSMENT DOCUMENTS**

### **2.1. General**

Most SQAS questions have a guideline, which includes detailed information for both the assessor and the assessed company on how to interpret it.

The English version is the master text. Authorised translations are available in several other languages and have been posted on the SQAS website [www.sqas.org](http://www.sqas.org) for downloading. In case of any doubt, reference should always be made to the English version.

### **2.2. Overview of questionnaires**

The SQAS assessment questionnaires consist of a CORE questionnaire, which is relevant for any logistics service provider, and a SPECIFIC part, which is relevant to the specific activities of the assessed company.

Questionnaires are available for Transport Service, Tank Cleaning Stations, Warehouses and Rail Operators.

The ESAD assessment questionnaire consists of a Di questionnaire, which is relevant for any Distributor including office only companies, and one or more specific modules that depend on the type of Distributor and the kind of products handled: Site (S), Food, Cosmetics and Pharma products (F&G) and Chlorinated Solvents (Cs).

#### **2.2.1. Core Questionnaire:**

The CORE questionnaire covers three areas:

##### **1. Management**

This section covers subjects like: management responsibility, personnel, reporting and investigation of non-conformances, auditing and reviewing of the management systems, etc. All are important areas where management should show a strong personal leadership and facilitate a supporting system to guide company activities towards SHEQ, Sec & CSR excellence.

##### **2. Safety, Health, Environment, Quality, Security and CSR**

This section seeks to verify that the highest standards of safety, health, environmental, quality, security and corporate social responsibility are maintained and that there is proper concern for the protection of all employees, the public and the environment.

##### **3. Procurement of services**

This section covers how the assessed company controls the standards of subcontracted services and contractors.

## **2.2.2. Questionnaires for SQAS modules:**

The SPECIFIC questionnaires cover a large variety of topics depending on the activities of the assessed company.

### **2.2.2.1. SQAS Transport Service**

The "SQAS Transport Service" module is intended to assess asset based transport companies, operating predominantly their own vehicles and drivers, as well as for Logistics Service Providers that are direct partners of the Chemical Companies, but are subcontracting their logistics service provision to other companies, and who often have no own vehicles and no own drivers. The target companies in this second category are Transport Companies who are predominantly subcontracting the traction and drivers, Freight Forwarders (land based), Intermodal Service Providers and Logistics Coordinators for fully integrated but subcontracted services (e.g. 4PL's).

The "SQAS Transport Service" module is also the basic questionnaire to be used to assess inland Intermodal Terminals. Only the questions applicable for such an activity should be addressed.

### **2.2.2.2. SQAS Tank Cleaning**

The SQAS Tank Cleaning questionnaire is applicable for Tank Cleaning companies.

### **2.2.2.3. SQAS Warehouse**

The SQAS Warehouse questionnaire can be used for both bulk solids warehouses and packaged goods warehouses. Specific questions are applicable for both types.

### **2.2.2.4. SQAS Rail**

SQAS rail can be used for all Railway Operators and Rail Forwarders. In the previous version of this questionnaire only the companies with own "traction" could be assessed but this no longer applies.

Some sections or isolated questions in these questionnaires may only be applicable for certain types of services or companies, depending on the activity and the available equipment of the company, as described in the Pre-Assessment Document (scope information).

[The rail companies to be assessed must present a 3-year assessment plan. Refer to section 2.4.2.1.](#)

### **2.2.2.5. SQAS for Distributors (ESAD)**

If a company is a Distributor with a site where operational activities are carried out the applicable sections will be **Di** and **S**. If the company is "office only" the applicable section will be **Di**.

If the company has Chlorinated solvents on site, the additional section will be **Cs**, but it is up to the company to decide if this section is going to be assessed.

If the company has Food and/or Cosmetics and/or Pharma grade products on site, the additional section will be **F**. If the company wants to show compliance with Good Trade and Distribution Practices (GTDP) principles for pharmaceutical starting materials, especially excipients, the sub-section GTDP has to be applied in addition to the basic section **F**. The section to be used will be **G**. The company decides if these sections are going to be assessed

A company can decide to have an assessment against the Cs, F or G sections at any time after the Di assessment, provided that the validity of the Di assessment has not expired. But the validity of the reports of the Cs, F or G sections will expire when the validity of the original Di assessment ends. The assessor will record in the “comments from assessor” field a note clarifying that the validity of the Cs, F or G section is determined by the validity of the Di assessment and will explicitly record the Di assessment expiration date.

### **2.3. Definition of a SQAS assessable unit**

A SQAS assessable unit is defined as each unit of a Logistics Service Provider/Distributor that is managing the SHEQ, Sec and CSR aspects of its transport or distribution operations. An assessable unit shall comprise only one site or location except where sites are very close (within a distance of 5 km) and have the same management and management system.

### **2.4. Modular approach: Combined and Multisite assessments**

#### **2.4.1. Combined assessments:**

More and more logistics service providers offer several logistics services such as road transport and tanker cleaning. These companies would be subject to a duplication of assessments because the various SQAS packages contain a substantial number of common questions.

The Core questionnaire addresses the common aspects of the SHEQ, Sec and CSR management system of any logistics service providing company.

Questions, which relate to a specific logistic service, are handled in the specific questionnaires.

This arrangement enables a modular approach with an assessment of the general management systems using the Core questionnaire, supplemented with an assessment of the specific logistic service using the Specific questionnaires.

This avoids, for example, that a road haulage company which also operates a cleaning station, would be subject to two full assessments: SQAS Transport Service and SQAS Cleaning Station. With the modular approach, one single Core assessment can be used in combination with two separate specific assessments of the road transport and the cleaning station activities. However, a Specific assessment can only be combined with a Core assessment if it is carried out within one month after the last assessment date and is part of the same assessable unit. This period of time can be extended up to three months if this can be justified by the assessor to the SQAS Manager. The SQAS Manager will confirm the grant of

approval for such an extension or give reasons why it will not be granted. If the assessments are separated by a longer period of time, the Core assessment should be carried out again.

#### **2.4.2. Multi-site assessments**

##### **2.4.2.1. Multi-site companies**

Multisite companies consist of a Headquarters and multiple subsidiaries

The conditions indicated below have to be fulfilled by the company in order to allow a multi -site assessment covering more than one subsidiary:

- Must have the same management system in the Headquarters and the subsidiaries. The follow-up of the management system must be performed centrally (internal audits, management review, goals, improvement plan, ... )
- Human Resources and training must be managed centrally
- Selection and evaluation of subcontractors must be done centrally
- Purchase of equipment must be done centrally

The same assessor must carry out the assessments of the Headquarters and the subsidiaries. Exceptions are possible but have to be sought from and approved by the SQAS Manager.

The Headquarters have to be assessed first. The time between the assessment of the Headquarters and the last subsidiary must be less than one month. This period can be extended to three months if the assessor presents an audit plan to, and gets approval of this from the SQAS Manager. The rail companies to be assessed must present a 3-year assessment plan to the SQAS Manager and obtain his approval before the pre-notification is uploaded into the SQAS website.

To calculate the assessment time, a PAD must be filled in for the Headquarters and every subsidiary.

A combined assessment of several questionnaires (activities) in one site of a company remains possible (see section 2.4.1).

##### **2.4.2.2. Assessment Process of a Multi site company**

1. The subsidiaries to be assessed have to be defined.
2. During the assessments to the subsidiaries, the core part of the report of the Headquarters should be imported by the assessor's software. The findings in the core part of the questionnaire must be verified by the assessor and if necessary modified accordingly, based on the evidence found in the subsidiaries
3. The subsidiaries that cannot be assessed in a cycle of 1-3 month period of time can be assessed in another cycle, but then the Headquarters will have to be assessed again.

#### **2.5. Answering questions**



It is a requirement that all questions are answered. Sampling of questions is not permitted. Each question must be answered with either “1” (Yes) or “0” (No) or “Not Applicable” based on verbal replies from the assessed company and objective evidence seen by the assessor. For each question the assessor has also the possibility and is encouraged to add a comment (for example to explain why a positive or negative answer was given). Comments shall be in English. The value of the report significantly increases when descriptive comments are provided which explain the scoring.

In cases where the answer is “Not Applicable”, the addition of a comment is mandatory (the assessor must explain why the question is considered as not-applicable for the assessed operations).

Some questions are marked with CC or Comments Compulsory. In these cases, a comment is mandatory regardless of the answer on the question: if the score of the question is “0” the assessor shall record what is missing, if the score is “1” the assessor shall record the objective evidence that supports the score.

The assessor and the assessed company also have the opportunity to add general comments on the complete assessment. If comments (specific or general) are made in the local language, a translation in English should always be added.

Any comments from the assessor should be objective and not based on personal or subjective opinions.

The assessed company can add comments to specific questions after the report has been published on the SQAS website.

## **2.6. Question Types**

If a question is related to relevant European Legislation this will be indicated in the guidelines of the question.

A question can also be indicated as RC or RC Imp. RC means that the question is related to the Responsible Care program of ECTA (European Chemical Transport Association). RC Imp identifies questions that are related to an additional improvement to this program.

## **2.7. Pre-assessment document (PAD)**

The PAD is available in several languages. The company that is going to be assessed has to complete it more than three weeks before the assessment and send it to the assessor.

The purposes of the PAD are:

- To define the scope of the assessment and to provide relevant information to the assessor to prepare the assessment. The PAD contains basic information on the company: activities to be assessed, number and kind of employees, number and kind of subcontractors, etc,

- To save time during the assessment: the PAD can be imported by the assessor' software. The assessor has to check the information provided by the company
- To calculate the assessment time

It is necessary to fill in a PAD for every site that is going to be assessed.

### **3. THE ASSESSOR**

The highest standards of ethical behaviour are expected from SQAS assessors. The findings presented in the assessment report are to be regarded as confidential and on no account shall the assessor discuss the contents of the report with any third party.

The assessor shall not interfere with the normal operations of the logistics service provider.

The assessor shall not operate any equipment or offer advice on any operational matters or give any advice on how a particular non-compliance or observation may be corrected.

The assessor is expected to set a good example with respect to his own safety behaviour during the assessment. The assessor shall follow the safety procedures defined for the site under assessment and shall wear protective personal equipment, when required.

### **4. GUIDANCE ON THE ASSESSMENT PROCESS**

#### **4.1. Assessment process**

The SQAS assessment process shall be as described below. It is specifically understood that Cefic shall not be responsible for the choice of any SQAS assessor or the contents of any assessment report obtained in accordance with the SQAS procedures. Cefic is involved only in ensuring the quality of the assessor and the assessment process.

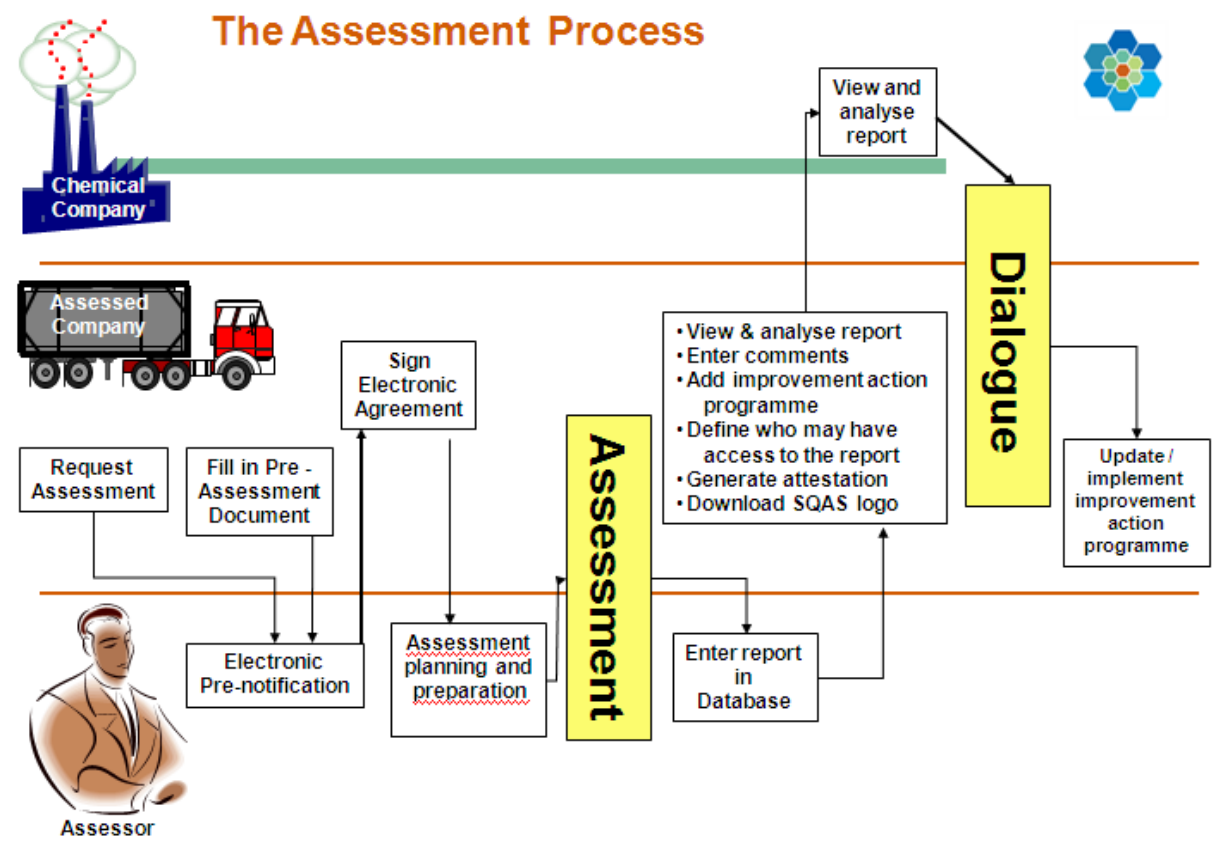
Cefic does not review or evaluate the assessment reports and expresses no opinion concerning their accuracy. Cefic accordingly disclaims any liability for costs, claims, damages, losses and expenses, directly or indirectly resulting from participation in the SQAS Scheme.

A SQAS assessment process consists of the following steps (visualised in the following simplified flow chart):

1. Any logistics service provider or Distributor (on its own initiative or on the request of a chemical company) may decide to have an SQAS assessment performed.
2. The company to be assessed selects an assessor from the list of Accredited SQAS Assessors available in the SQAS website: <http://www.sqas.org/accredited-assessors.php>. The assessors' territory of work is defined on the SQAS website.

Assessors can work outside their territory only if they comply with the requirements set in section 4.7 of this Guideline.

3. The company to be assessed downloads a blank **Pre-Assessment Document (PAD)** from the SQAS website.
4. The company to be assessed fills in the PAD with all the applicable information necessary for the assessor to identify the scope of the assessment.
5. The filled in PAD has to be sent to the assessor by the company to be assessed
6. The assessor determines the time needed to carry out the assessment on the basis of the information provided in the PAD by the assessed company..
7. The accredited assessor enters a planned assessment pre-notification in the system at latest **three** weeks before the start of the assessment. This pre-notification contains the contact name and e-mail of the assessed company. Cefic may verify if the pre-notification is in conformity with the SQAS assessment process.
8. The agreement is sent to the company contact for electronic approval and signature by the authorized Manager from the company to be assessed (or his representative). He/she acknowledges and electronically signs the agreement to authorise the inclusion of the assessment report in the electronic SQAS database.
9. The assessor carries out the assessment.
10. After completion of the assessment, the assessor enters the assessment report in the electronic SQAS database, **within 1 week** of the assessment date.
11. The assessed company receives an electronic notification that his report has been entered in the electronic SQAS database together with a login and password to the SQAS-website.
12. The assessed company is the sole viewer of the report during **one month** (starting from the assessment date). The company reviews the assessment report and has the possibility to add comments to the report, and correct the company data in the general information section. The company can also manage the access to the report by denying access to certain chemical companies and by approving access to specific transport/logistics/distributor companies.
13. After one month the final assessment report is launched on the database and becomes accessible to :
  - Chemical Companies who are member of the SQAS/ESAD Service Group and who have not been denied access.
  - Transport/Logistics Companies who are members of the Logistics and Distributor User Group and have been explicitly given access by the assessed company.
14. The chemical companies and members of the Logistics and Distributors User Group may provide feedback to the logistic service provider on the results of the assessment.
15. The assessed company develops an Improvement Action Programme. This programme can be updated at any time during the validity period of the report, such that it can be viewed by all users.
16. The assessed company can use the SQAS Logo as described in the "Conditions for use of the SQAS logo".
17. The report is archived after 3 years, or when it is replaced with a re-assessment report.
18. The re-assessment takes place, normally before the end of 3 years. A warning message is sent by the system to the contacts of previously assessed companies, to announce the expiry of the report 3 months before the expiry date.
19. The report of any intermediate assessment replaces the report of the initial assessment. An intermediate assessment will not change the validity period of a report.



#### 4.2. Preparation for an assessment

As mentioned in section 4.1, the company to be assessed should select an assessor from the current list of Accredited SQAS Assessors on the SQAS website and make arrangements for the assessment directly with the selected assessor. The assessor will work closely with the company to be assessed to co-ordinate all necessary activities related to the SQAS assessment and to develop a detailed schedule for the assessment. Assessments should be arranged giving as much notice as possible to the company to be assessed to ensure that the assessment does not interfere with other activities.

The pre-notified planned assessments are displayed on the SQAS website, such that interested observers appointed by the SQAS T&A Committee can make arrangements with the assessed company to participate, if so desire. Assessments that have not been pre-notified and have not been authorized electronically will not be recognised by Cefic and will not subsequently be included in the SQAS database.

It is important to clearly define the scope of the planned assessment, in particular for international or multi -site companies, taking into account the following items:

- the type of assessed activity (road transport, cleaning station,...);
- the nature of the materials handled (bulk, packed, liquids, solids, hazard classes, ...);
- the geographical coverage of the transport operations (national or international transport);
- the sites that are going to be assessed.

As a rule, the scope of an SQAS assessment cannot be reduced, that means that all the activities that take place on site must be included.

Nevertheless, if there are transport service and tank cleaning activities on site, the scope of the SQAS assessment can be split; that is to say, the scope can include only one or both activities.

In any case, the company to be assessed will propose the scope of the assessment and the assessor will evaluate the situation during the preparation and in the opening meeting of the assessment. In case of a request to reduce the scope, the assessor will ask for the SQAS Manager's approval.

The time required for a complete assessment will be dependent on the size and the activities of the assessed company. The in-situ assessment time will be automatically calculated and indicated on the Pre-Assessment Document after completing it. If the assessor considers that this time is too high and wants to decrease it, he/she shall request prior approval from the SQAS Manager before uploading the pre-notification.

In order to have an effective SQAS assessment (both in terms of time, cost and results) a proper preparation, by both the assessed company and the assessor, is essential:

- the company to be assessed should familiarise themselves with the SQAS questionnaire by looking at each question in its proper context together with the corresponding guidance notes;
- the assessor should agree with the company to be assessed upon the scope of the assessment, the sequence of the areas to be assessed, and a corresponding time planning for the day(s) of the assessment;
- documentary evidence should be at hand or readily available during the assessment.

### **4.3. The actual assessment**

The assessor should hold an opening meeting with the Manager of the company to be assessed to confirm the scope of the assessment and to explain the SQAS scoring system.

The assessor should ask to see sufficient supporting evidence, checking that procedures have actually been put into practice and do lead to the intended outcomes.

Any assurances of the company being assessed should not be accepted by the assessor as compliance with a particular question if there is no objective evidence to support it. If there is a procedure in place but no evidence that the procedure is actually implemented, the assessor should record a 'No' and add a comment.

**Tough but fair scoring shall be applied.** All SQAS assessments must be performed with strict adherence to the guidelines and instructions provided to the assessor during the training course, and by the guidance given in the periodical newsletters and other instructions. **In case of doubt or only partial compliance a "No" should**

**be recorded** and a comment should be added by the assessor to explain the actual situation.

Care should be taken in the acceptance of “Not Applicable” answers. This must not be used if “No” is really the right answer. The assessor should not be persuaded that the company does not carry out such an activity when in fact it could or should do so.

On completion of the assessment, the assessor will hold a closing meeting with the Manager of the company undertaking the assessment. The assessor shall discuss with the Manager the answers given in the questionnaire and if requested to do so, explain how the answers have been determined. Should a “No” answer or comment be contested by the Manager, then the assessor shall give the Manager the opportunity to show objective evidence to satisfy the question requirement. If satisfactory evidence of compliance is shown, then the answer to the question should be amended. Answers to questions should not be amended after the assessor leaves the assessed company site. The Manager must be given the opportunity to comment in writing on the contents of the assessment report. The comments from the Manager will be entered into the database, either by the assessor or directly by the Manager.

Observers appointed by the SQAS T&A Committee, in agreement with - or invited by - the company to be assessed, may attend an assessment. They should not interfere with the assessment process.

Observers will be announced to and agreed with the company to be assessed by the SQAS manager prior to the assessment. The company to be assessed may decline to accept a specific observer but cannot decline an observation by a member of the T&A Committee taking place.

#### **4.4. After the assessment**

The chemical company or member of the Logistics and Distributors User Group should evaluate the assessment results against its own requirements and should enter into a dialogue with the assessed company to verify a number of critical items and discuss eventual improvement needs.

Chemical companies or members of the Logistics and Distributors User Group may introduce a differentiated scoring of questions relative to their attached importance, by using their own company specific weighting factors during the analysis of the assessment reports (company templates).

#### **4.5. Re-assessments**

All SQAS assessed sites must undergo a full SQAS re-assessment within three years.

A reminder is automatically sent to the assessed site 6 months before the expiration date

#### **4.6. Intermediate assessments**

Assessed companies can decide to ask for an intermediate assessment for one or more chapters of the questionnaires (a chapter is a part of a questionnaire with two digits e.g. 1.2.).

The time spent for such an intermediate assessment depends on the topics to be re-assessed and shall be proportional to the original assessment time.

An intermediate assessment must be carried out by the same assessor as the initial assessment and may be undertaken during the whole validity period of the assessment but will not extend this validity period. The intermediate assessment must be carried out on site, not remotely.

Only the chapters chosen by the Assessed Company will be re-assessed.

The assessor has to record the sections re-assessed and the time spent in the “assessor comments” part of the report

#### **4.7. Out of territory Assessments**

These are assessments carried out in countries not specified in the field “territory” that is indicated for every accredited assessor on the SQAS website.

An assessor can carry out “out- of- territory” assessments if the following conditions are all satisfied:

- The assessors have to sufficiently master the local language. That means they will have to be able to communicate orally with local people, including drivers and/or operators. The assessors will also have to be able to read documents like inspection certificates, training records, company reports, etc., written in the local language
- The assessors have to know local legislation. That means that they shall know the additional local legal requirements that may exist on top of EU Directives or UN transport regulations.

If any of the previous conditions are not satisfied, the assessors will have to be accompanied by a local specialist that covers the gap. The specialist should be selected by the assessor, not by the company to be assessed. The specialist has to be independent from the company to be assessed. His/her name must be recorded in the assessment report in question 0.1.2 “Other assessors”.

**The assessor will have to secure the written approval of the SQAS Manager to carry out any out of territory assessment before entering the pre-notification into the SQAS system.**

### **5. ELECTRONIC SQAS DATABASE**

In order to improve the accessibility of the assessment results an electronic SQAS database has been created containing all the assessment reports. The SQAS Database is established at the following web address: [www.sqas.org](http://www.sqas.org)

Assessors are provided with software to enable them to enter and upload the data of completed assessment reports on to the database. During or on completion of the

assessment, the assessor shall enter all the assessment data together with any comments into the SQAS database in accordance with the procedure governing control of the SQAS database system.

All data on the electronic SQAS database are security protected. Only authorised persons from chemical companies that are participants in the Cefic SQAS Service Group, and from logistics companies that are member of the Logistics and Distributors User Group, can access the reports using unique passwords.