Controlling risk in your Supply Chain – Instruments of Change.

Abstract:

In recent years there has been an almost exponential growth in legislation worldwide placing restrictions or bans on substances used in products, and in the processes used to manufacture them. This shift in focus from site based environmental impacts to product focused impacts is a relatively new phenomenon that industry worldwide has had to respond and adapt to. Managing a constantly changing compliance framework in multiple markets worldwide through complex supply chains is a challenging proposition. The number of substance withdrawals and rate of substance withdrawals is set only to increase looking towards the future. Putting the right systems and infrastructure in place both internally, and throughout entire supply chains is becoming an ever higher priority for industry.

This paper presents an overview of how industry leaders can influence and support their supply chain in order to manage the compliance and business risks associated with restricted substances. To provide context, an overview is presented of how the supply chain in the automotive sector has been prepared for the End of Life Vehicles Directive and REACH. Current systems for managing environmental compliance and business risk are examined and assessed for their fitness for purpose in the current climate of constantly shifting compliance objectives and myriad of business risks placed on industry today.

As we look towards the future, and emerging issues such as resource scarcity of rare earth metals, and the ever increasing greater scope of ‘Substance of Concern’ issues such as conflict materials and nano materials, an overview is presented of what instruments of change are available to industry to both prepare their supply chain, and help it take advantage the business opportunities available to those best placed to adapt.