Security Code of Practice
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This Code of Practice is not intended as a substitute for requirements under applicable Federal, state or local security related legislation.
1. Introduction

Security is an accepted part of business. Security is good business sense and can be viewed as another facet of risk management that contributes to the goals of Fertilizer Australia members.

Today’s state of heightened concern about terrorism is a timely reminder of security’s place in our business operations, and that we must continually review security measures and respond to varying circumstances and threats.

The code of practice outlines typical elements of a good security program and suggests security practice that Fertilizer Australia members should consider and tailor to storage and transport circumstances.

It also details minimum requirements for products with elevated security risk as identified by the Australian Government.

The COP adopts a risk assessment and treatment approach and is applicable to all sizes and types of business.

2. Application

All Fertilizer Australia members who store, transport, sell or apply fertilizer products should implement this code of practice. Where members use third parties to store, transport, sell or apply fertilizer products then implementation of the COP by the third party should be part of the contractual arrangements.

Where applicable, and particularly for high security risk products, members should ensure that the code of practice is adopted by their supply chain partners.

3. Objectives

The objectives of this Code are to establish a common system of practice for Australian fertiliser suppliers and manufacturers, importers, distributors and wholesalers to:

- Provide a framework for security management and internal compliance;
- Identify the risks associated with security of fertiliser products;
- Implement a process and acquire commitment from Fertilizer Australia members to manage the security risks and provide reassurance to concerned government parties; and
- Educate and train staff and where practical end users as to the issues involved with the security of fertiliser and the procedures that can be adopted.

4. Management issues

Instigate a regular review process to ensure compliance with appropriate regulations.

Regulation of security risks is evolving rapidly and this process is likely to escalate if an incident should occur on Australian territory. The terminology, legal instruments and implementing agencies vary from State to State but regulation of products that present a security risk should be monitored on a regular basis.
Make someone responsible for security in the company

Security management responsibility should be assigned to one person at the senior management level. Someone should be in charge of the security effort, even if he or she has other responsibilities. Companies should also assign a responsible person for each site.

Those given responsibility for security management should be provided with appropriate training on a regular basis as part of their professional development.

The responsible person should:
- Promote the company security policy;
- Establish relationships with security and public safety agencies and surrounding communities to address security concerns;
- Assist in raising employees’ security awareness;
- Refer security breaches for investigation;
- Manage the periodic assessment of the company’s security program; and
- Report periodically to the Company Board, senior management group or line manager, as appropriate, on security management.

Develop a company security policy

A security effort works best when employees see it as an important part of the company’s mission. Employees are more likely to see security as a company priority if the company’s top management visibly supports security efforts. Include security as one of the company’s core values and develop a company policy on security.

Establish links with relevant security and public safety departments

Establish partnerships or enhanced relationships with jurisdictional police at state and local level and with local, state, and federal security and other public safety agencies. Brief them on your security measures and determine what assistance they may need from you.

Through such a network, you may learn more easily of looming threats, dangerous trends, and successful and unsuccessful security measures. It may also be possible to obtain threat and other information from Local Emergency Planning Committees, community advisory panels, and the Plastics and Chemicals Industries Association (PACIA).

Internal collaboration can also be important. By clarifying relationships and procedures with other management functions (such as media and HR areas), you may open information channels within the company and be able to provide a more coordinated response to security incidents.

Ensure security incidents are reported

By keeping detailed records of security incidents, you may be able to spot trends and piece together facts that lead to successful investigations. Incident data will only be available for analysis if incidents are reported and recorded. Incidents must also be reported to appropriate authorities.

Include security in employee and contractor training

Employees and contractors see much that occurs in and around a fertiliser facility and are in a good position to notice when something or someone does not seem quite right. Training and awareness measures can transform employees and contractors into a natural
surveillance system. The document, Security Guidelines for Agricultural Distributors, is a useful tool in training and to raise awareness.

All employees and contractors should be given appropriate security training during induction and then on a regular basis.

**Ensure suspicious incidents and security breaches are investigated**

Suspicious incidents and security breaches (of company policies) should be investigated by trained professionals. Site management should refer such incidents to the person responsible for security. Any suspected illegal activity should be reported for referral to the Police.

The following are some types of security incidents that might warrant investigation:

- Doors forced, holes in fence lines, indication of illegal entry;
- Unauthorised access by consumers in restricted areas of the facility;
- Individual(s) asking for technical information about the facility that could be used by an adversary to cause harm;
- Unexplained loss of containment of hazardous material; and
- Unexplained loss of raw material or product.

**Have an Emergency Response and Crisis Management Plan**

Proper crisis management may prevent an intrusion or security breach from becoming a major incident. In the fertiliser industry, emergency response and crisis management functions are largely covered by government regulation.

Check local and/or state regulations and ensure compliance with all necessary requirements.

Ensure that emergency plans are appropriate to the hazards identified and the level of risk determined, and up to date.

**Conduct periodic security reviews**

The conditions surrounding a security effort change constantly. You should review your company security measures periodically, as well as whenever facilities or other conditions change significantly.

It may also be useful to do the following at appropriate intervals:

- Update risk assessments and site surveys;
- Review the level of employees’ and contractors’ compliance with security procedures; and
- Ensure appropriate ongoing testing and maintenance of security systems.

**5. Identify Risk**

Conduct a security risk assessment – in other words, take stock of the assets that need to be protected, the threats that may be posed against those assets, and the likelihood and consequences of attacks against those assets. Then, put appropriate controls in place to deal with the risks – see Section 6 Risk Management.

The threat from terrorist or other criminal activity is likely to vary over time. Security planning should prepare for a quick response to situations where authorities have specific information relating to a current threat. The additional security measures that could be adopted in such a situation should be planned in consultation with appropriate authorities.
The **Security Guidelines for Agricultural Distributors** includes a check list that provides a simple approach that can be used for smaller facilities.

The security risk assessment should be periodically reviewed on at least an annual basis. The frequency of review should be higher for more complex and high risk situations. Where appropriate this regular review should be included in quality control/audit programs.

**Step 1. Identify what needs to be protected**
The assets that may need protection could include people, as well as property (fertiliser and storage facilities). At a fertiliser facility, the people that may be involved include employees, visitors, contractors, transport operators, nearby community members, and others. All scenarios need to be evaluated from a risk assessment viewpoint.

Property that a security effort might wish to protect includes the following:

- Fertiliser storage
- Operating/Handling equipment
- Raw materials, specifically Nitrogen products
- Hazardous materials
- Finished product
- Transport Vehicles

**Step 2. Assess the threats, vulnerabilities, and consequences**
Once the risks have been identified, you should consider which assets might be vulnerable. This procedure helps identify and prioritise likely targets and/or issues and save companies from expending resources where the likelihood of a security breach is remote.

Relevant state government agencies are developing a framework for threat, vulnerability and consequence assessment, as a basis for security at identified ‘critical infrastructure’.

**EXAMPLE** - A self-evaluation tool based on the Australian and New Zealand Standard for Risk Management (AS/NZS 4360:2004) is available to assist companies:

- establish a context for their security situation
- calculate the likelihood of the various forms of security attack; and
- develop a consequence table of potential attack.

The risk assessment is then used to identify & close gaps in security arrangements, on-site emergency/crisis plans, business continuity plans, and recovery plans.

### 6. Risk Management

There is no one-size-fits-all approach to risk management, nor is there a one-size-fits-all approach to security. The risk assessment process will determine the risk management practices adopted. It is the risk assessment that determines the level of threat, vulnerability and consequence of a security breach or attack, and the subsequent risk management response.

At a minimum, all relevant regulation must be adhered to.
General risk management principles apply:

- If possible, the fertiliser products most at risk should not be placed in unsecured areas;
- Products identified by the Australian Government as having elevated risk must be subject to at least the minimum security standards described in section 6; and
- Share security threat information with the Police and other companies. It is useful to know whether other fertiliser facilities in an area have experienced an intrusion so that appropriate security measures can be stepped up. Information sharing of that sort may also help in securing a conviction of the guilty parties.

Site Security

Maintain the highest level of security at your facilities, and, to the greatest extent you can – make that security visible to your employees and the community. Elements of site security may include access control, perimeter protection, use of security officers, and other measures.

NOTE - Facilities determined to be major hazard facilities (MHF) may be subject to specific security requirements under MHF legislation.

Be especially careful in admitting visitors to your facility. Know who they are, and verify that they have legitimate business at your site. Ideally, they should be accompanied at all times while on site.

Access Control

The appropriate level of access control varies significantly from facility to facility. It depends on the number of employees, hazards of materials present, level of pedestrian and vehicular traffic into and out of the facility, degree to which facility operations are controversial, attractiveness of the facility as a target of various threats, proximity of the facility to populated areas, and many other factors.

The following are just a few of the measures that you may wish to consider for the purpose of controlling access into, within, and out of a chemical or fertilizer facility:

- Post “No Trespassing” and “Authorised Access Only” signs;
- To the extent feasible, employ natural surveillance by arranging reception, production, and office space so unescorted visitors can be noticed easily;
- Install appropriate locks on exterior and interior doors;
- Require visitor sign-in logs and escorts;
- Pay close attention to access control at loading and unloading areas;
- Install appropriate, penetration-resistant doors and security hinges;
- Install secure windows with appropriate locks; and
- Establish a system for determining which cars, trucks, rail cars, marine vessels, and other vehicles may enter the site, through which gates, docks, or other entrances, and under what conditions. Such a system may be part of the pedestrian access control system, relying on access cards carried by vehicle operators, or it may be an independent system relying on staffed security posts.
Employment Screening
Where high security risk products (see section 8) are stored and handled and for complex facilities with significant security risks, employees should be screened following Australian Standard 4811-2006 – Employment Screening.

In all cases consideration should be given to the screening of new employees:
- To confirm identity through a 100 point identity check;
- To confirm employment references and investigate any gaps in employment; and
- To make disclosure of relevant information such as criminal convictions or bankruptcy a condition of employment.

Perimeter Protection
Controlling the movement of people within a facility is important, but it is far better to stop intruders—whether they are terrorists, saboteurs, vandals, thieves, or protesters—at the edge of a facility’s property, long before they reach vital assets and operational areas.

Perimeter protection includes such measures as these, which you can consider and implement as appropriate:
- Bollards and trenches that prevent vehicles from driving into the site at points other than official entrances;
- Vehicle gates with retractable barriers;
- Personnel gates and turnstiles; and
- Lighting that makes it easier for employees and even passers-by to observe and possibly identify intruders.

Supply Chain Security
The risk assessment should determine your actions – for example, if you supply oxidising agents or dangerous goods, your risk management practices should be appropriate to this level of hazard. If you supply, for example, gypsum, then a different degree of security consequence may be considered.

Your customers
Product Stewardship requires effective management of the risks associated with products through the supply chain. Particular emphasis is placed on active dialogue with customers and other direct product recipients.

Verify that all customers are legitimate. Security can involve close monitoring of all sales of products, particularly products containing chemicals whose toxicity, physical properties and availability makes them potentially suitable for terrorist use. Dialogue with purchasers can include, if appropriate, discussing security arrangements for the safe storage of such products.
Transport considerations
Carefully monitor deliveries and distribution of materials and products to and from your site:
- Know the carrier – supplying into and distributing out of your facility;
- For deliveries - verify that the delivery is expected, and inspect the delivery vehicle;
  Check the goods are what you are expecting;
- Do not accept unscheduled deliveries. Only known vehicles should be allowed on the premises; and
- Follow up with the supplier immediately if the quantity of goods received is less than expected.

Ensure you comply with all relevant security requirements under Federal and/or state dangerous goods transport legislation.

7. Risk Mitigation
In addition to identifying and managing current risks companies should develop and regularly review strategies and plans to remove or lessen the identified risks.

8. Minimum Standards for High Security Risk Products
The Australian Government has identified a list of high risk products that require specific attention from a security perspective. This section describes the minimum standards that must be applied to these products. The standards should be incorporated into the overall management of security as described in this code of practice.

Two fertilizers are currently included on this list, sodium nitrate and potassium nitrate. In consultation with the relevant Government Agencies it has been agreed that the following minimum standards must be implemented for these products. From time to time the list of products and the level of controls may be amended, at which point this code of practice will reflect any changes.

Products that have been defined as security sensitive ammonium nitrate (SSAN) are subject to stringent security regulations in each State and Territory. This code of practice may complement the regulations; however companies should ensure that they comply in all respects with the regulations in the jurisdictions in which they operate.

Before proceeding please check with Fertilizer Australia to ensure that you have the current version of this Code of Practice.

Training and awareness
- All staff at premises that sell the listed products must be provided with a copy of the Security Guidelines for Agricultural Distributors.
- Compliance with these guidelines must be incorporated into job descriptions.
- Staff must have a sound understanding of the procedures listed below.

Physical security
- The products must be stored in a lockable container such as a building, caged area or shipping container.
• The container must be capable of preventing access without obvious signs of break in, for example windows must have appropriate security mesh fitted and any cladding must be in good condition without loose or broken panels.
• When not in view of staff, the container must be kept locked and a system must be in place to ensure key security.

Inventory management
• Any receipt must be checked against the purchase order and any shortfall checked with the supplier immediately.
• Inventory must be reconciled daily.

Customer management
• Products must only be sold to known customers with a trading account or to persons providing photo proof of identity such as a current Australian driving licence.
• Each sale must be recorded in a sales log with a reference to the trading account or the details of the photo proof of identity.
• The name of the purchaser must be printed in the log and the purchaser must sign the entry.

Reporting
Any unexplained loss or suspicious purchase must be reported immediately to the local police.
Other sources of information


**Australian Government Chemical Security web site** [www.chemicalsecurity.gov.au](http://www.chemicalsecurity.gov.au). The site provides information and resources on the security risks of chemicals and how to reduce those risks. You can also access the *National Code of Practice for Chemicals of Security Concern*; the Fertilizer Australia Security Code of Practice is consistent with the national code.


Australian Standards can be purchased online from [www.saiglobal.com](http://www.saiglobal.com)

Plastics and Chemical Industries Association Inc. (PACIA) [www.pacia.org.au](http://www.pacia.org.au)


The Fertilizer Institute (U.S.A.)  [www.tfi.org](http://www.tfi.org)

The national security hotline 1800 123 400
### 9. Appendix 1: Internal Compliance Checklist

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### Risk Assessment

| **Question** | **Flexible** | **Recommendations** |
| 1 | Have we identified all possible risks? | |
| | Manufacture | |
| | Distribution/Transport | |
| | Storage | |
| | Sale/Supply | |
| 2 | Have we performed a security assessment/gap analysis? | |

### Site Security

| **Question** | **Flexible** | **Recommendations** |
| 1 | Have we implemented appropriate access control measures, such as signs, secure doors and windows, locks, and control of gates? | |
| 2 | Do we have appropriate perimeter protection, using, for example, fences, bollards, trenches, turnstiles, and security lighting? | |

### Supply Chain Security

| **Question** | **Flexible** | **Recommendations** |
| 1 | Have we verified our customers are legitimate? | |
| 2 | Do we know the carriers & their dangerous goods license regime? | |
| 3 | Do we have a system to check that only scheduled deliveries are received & dispatched? | |
10. **Appendix 2. Some indicators of suspicious orders or enquiries.**

Indicators that can be used by the industry to identify suspect customers

- A new customer, with reluctance to supply identification & address details
- A ‘walk-in’ customer (personal appearance)
- An offer to pay an excessive price for certain fertiliser
- Cash payments, even for large purchases
- Purchases in small packs even when the request for supply relates to commercial use
- Irregular ordering patterns and unusual quantities ordered
- Indications of intended use that is inconsistent with the fertiliser ordered
- Failure or unwillingness to supply a telephone number or an address
- Lack of business acumen and absence of standard business stationery
- Reluctance to supply a written order

11. **Appendix 3. Fertilizer Australia Membership list**

The current Fertilizer Australia membership list can be found at: