

COVID-19 PANDEMIC: PROPERTY LOSS PREVENTION

Pharmaceutical and Medical Devices

At FM Global we remain committed to providing our clients with the best property loss prevention advice to keep your facilities resilient and safe, particularly during these challenging times. Industry is adapting rapidly to the new demands caused by these challenges. These can have an impact on property risks and resulting business interruption. In the pharmaceutical and medical devices industries in particular, we are seeing:

- Significant changes in product demand, including:
 - Extreme increases in demand for products deemed essential to respond to the pandemic. This includes select pharmaceuticals that may be effective in treating/preventing COVID-19. Key medical devices and PPE products are also in extreme demand (e.g., ventilators, masks, gowns).
 - Reductions in demand for products used in elective procedures, which are not permitted at this time. In some cases, sites are being temporarily idled as a result.
 - Changing operations to produce products needed for the pandemic response. In some cases, the new products introduce completely different hazards.
- An increased level of government influence on production and supply chain. This includes mandated increases or changes in production rates and/or dictating where product is sent.
- A reduction in the number of site personnel, with nonessential employees working from home.

PROPERTY LOSS PREVENTION ADVICE

To assist you in your efforts to mitigate the potential impact of these risks in this sector, the following loss prevention advice will help keep your properties resilient and safe.

- Safety Culture and Process Safety
 - Maintain corporate and site discipline to ensure a strong safety culture remains in place at all levels. This includes discipline in challenging financial situations. This may include corporate/C-suite messaging on the importance of safety during these challenging times.
 - Maintain Process Safety programs at a high level and use a Process Safety methodology to manage risk introduced as a result of the pandemic. The Center for Chemical Process Safety (CCPS) has developed guidance on managing Process Safety during disruptive times, which can be found [HERE](#).
 - Establish a Pandemic Risk Assessment Team to review critical risks introduced to people, facilities or equipment as result of the changing conditions. This group should have stop-work authority if risks exceed appropriate levels.



- Significant Capacity Changes and Idle Facilities
 - Ensure there is a central tracking for all facilities that have had a significant change in operating mode. This includes sites redirecting to new products and idle facilities.
 - Notify Corporate Risk Management and FM Global if there is a “loss of control” of a facility to local or federal government entities. This includes nationalization of assets, seizing or directing sales of finished products, application of the Defense Production Act, etc.
 - If switching to new products not previously produced (such as hand sanitizer), conduct a Management of Change (MOC) evaluation prior to initiating operations. Do not initiate new operations that introduce fundamentally new hazards to the facility, for which the equipment was not designed, or operators have not been trained in.
 - Ensure equipment been laid up in a manner that preserves the equipment and permits prompt restart. That includes flushing, inerting and purging equipment, etc. Ensure a Pre-Startup Safety Review (PSSR) has been done prior to restarting any operation.

- Staffing Reductions and Deferred Activity
 - Ensure adequate staff is always on-site to complete critical tasks. This includes emergency response functions, emergency shutdowns, etc. Criteria should be established for when a site should shut down because of an inability to maintain sufficient staff.
 - Conduct an MOC for all deferred maintenance outside the accepted maintenance intervals for any pieces of equipment.
 - Ensure all safety-critical systems, including fire protection remain in-service. This includes the appropriate inspection testing and maintenance to ensure reliable performance.

USEFUL RESOURCES

These FM Global resources can provide you with additional information:

- [Pandemic Cyber Loss Prevention Checklist – Information Security](#)
- [Pandemic Property Loss Prevention Checklist](#)
- [Temporary Production of Hand Sanitizer](#)

For more information and methods for addressing loss prevention concerns at your facility, refer to the free resources on FM Global’s website at fmglobal.com. FM Global clients can contact their account engineer.



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