

# Management Summary

## Guidelines for Good Business Practices in the LPG Industry

GOOD INDUSTRY PRACTICES



## **The *WLPGA Guidelines for Good Business Practices in the LPG Industry*, is endorsed by the International Chamber of Commerce (ICC)**

These *Guidelines for Good Business Practices for the LPG Industry* have been developed by the World LPG Association (WLPGA) for two specific purposes:

- To provide global LPG industry participants with a tool for ensuring the marketplace, and more importantly the customer, is not compromised by those in the industry who carry out 'bad practices'
- To enlist the support of government in establishing and enforcing policies and regulations that creates a safe, equitable, and competitive environment for industry participants, and to ensure the benefits of LPG are not denied to those who rely on LPG for basic life needs

These guidelines serve as a voluntary framework for LPG companies and associations where there are no, or weak, regulations. They will also provide an operating framework where laws and regulations do exist, but are weakly, arbitrarily, or inequitably enforced.

For more detail on the safety implications of good practice it is recommended to read the *Guidelines for Good Safety Practice in the LPG Industry*, a publication of the WLPGA and the United Nations Environment Programme.

Government authorities should view these guidelines as a 'checklist' to ensure the issues and recommendations are considered in their own regulations. Government should also support industry's efforts for self-regulation.

Senior officials and policy makers will find this document helpful in understanding the product, the basic operations of the industry, the rationale for government involvement, and understanding some of the more common practices that demand enforcement.

Officials charged with development and enforcement of policies and regulations will find a detailed discussion of the industry, its operations, and recommendations for proper practices throughout the document.

These Guidelines are supported by a separate series of Guides for good industry practices, that have been written and published by the WLPGA, and focus on some of the more high risk areas of the LPG business that need particular attention.

These include topics such as LPG cylinder management, bulk installations and bulk road transport.

## **The *WPLGA Guidelines for Good Business Practices in the LPG Industry*, is one of the flagship documents of the WPLGA**

The guidelines include a description of some of the key stakeholders that operate in the LPG industry and the important role each has to play in creating a level playing field for the industry.



All stakeholders have an important role to play to ensure the LPG industry operates with good business practices but the two most important stakeholders are the government and the LPG industry itself.

The guidelines discuss the respective roles of government and industry, and what is expected of both, in order to manage a safe and sustainable LPG business.

The government must strive to eliminate bad practices through vigilant enforcement and strong penalties for non-enforcement. Government must also create an environment for a competitive business climate.

The role of the LPG industry is to provide a safe, dependable energy to its customers; provide training for its staff; operate its plants, transportation and equipment in a safe manner; treat its employees, contractors and customers fairly; operate its business ethically; and cooperate with local and national officials.

There is a section that describes what LPG is, and where it comes from, together with an explanation about the key properties and characteristics of LPG and how they impact on the safe storage, handling, distribution and use of the product.

The guidelines describe the key components of the distribution chain and where some of the bad practices might emerge.

## **The *WLPGA Guidelines for Good Business Practices in the LPG Industry*, describes the impact of bad practices on the industry**

Proper attention to good business practices is essential for maintaining:

- The customer proposition - including the quality of cylinders, tanks and the product itself
- Business assets - including personnel and all hardware
- The reputation and brand of the company
- The financial responsibility of the company
- Competition in the marketplace
- Other stakeholder interests

There is a description of each key market segment in the guidelines and some examples of common bad practices that are found in each.

The guidelines then emphasise what is needed in each part of the business in order to create an environment of good business practices.

Some of the most common examples of bad practices are included, with an explanation of what damage they might do to the business.

Finally, some mitigating measures are described to prevent these bad practices happening.



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The complete *Guidelines for Good Business Practices in the LPG Industry*, and other WLPGA publications, can be found here: <https://www.wlpga.org/publications/wlpga-publications/>

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