Global Charter: the rollout begins

- ACC-CDI agreement breaks new ground
- Nexen: going the extra mile
- Focus on Security

2005: Responsible Care 20th anniversary year
In commemoration of its 10th anniversary, Japan Responsible Care Council (JRCC) will hold a lecture meeting at Nadao Hall, Tokyo on November 21, 2005. JRCC will also host the international 2005 Responsible Care Leadership Group conference at Shin-Urayasu Oriental Hotel, Chiba on November 22 and 23, 2005.

Capacity Building
As one of its activities, JRCC has been conducting Capacity Building activities in ASEAN member countries that contribute to the sustainable development of chemical industry in those countries by diffusing RC activity and Globally Harmonized System of Classification and Labelling of Chemicals (GHS) primarily through workshops.
The Chemical Industries Association would like to congratulate the winners and finalists of the following 2005 Awards which were:

**Sustainable Development Award**
Sponsored by The Associated Octel Company
**Solvay Specialty Chemicals Ltd, Cheshire**

**Responsible Care Award**
Sponsored by the Royal Society of Chemistry
**Huntmen Polyurethanes UK, Teesside**

The other finalist companies were:
**Ineos Chlor, Runcorn; Rohm and Haas UK Ltd, Jarrow; Uniquema, Wilton**

For details on entering the 2006 awards or sponsorship opportunities, please contact:
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Smith Square
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Tel: 020 7834 3399
e-mail: JamesI@cia.org.uk

**RESPONSIBLE CARE AWARDS**
The purpose of the awards is to recognise:
- best practice in implementation of Responsible Care - the winner has shown exceptional continuous improvements in all aspects of their health, safety and environmental performance (Responsible Care Award)
- an outstanding safety performance - no lost time injuries during the past ten years (Platinum Site Safety Award)
- an outstanding sustainable development programme and related activities (Sustainable Development Award)
Careline Announcement

As we celebrate the 10th anniversary of Careline Magazine, we extend our appreciation to readers and supporters all around the world. Special thanks to the organizations quoted and to our leading company supporters Rohm and Haas, and Dow Chemical Pacific.

Debbie Jackson and Francis Gillis

As Responsible Care continues to expand and gain recognition and acceptance around the world, Careline has been an essential source of information about the initiative. By highlighting both the opportunities and challenges facing the chemical industry and Responsible Care, Careline has earned and deserved—issue after issue—a reputation for honest and thorough reporting. Congratulations on your 10th anniversary Careline—and wishes for many more to follow.

Terry F. Yosie, Vice President, Responsible Care, American Chemistry Council

One of the most fortunate and happy events in the 20-year history of Responsible Care was the arrival of Debbie Jackson on the ICCA doorstep 10 years ago, with the concept an independent, critical and supportive Responsible Care magazine tucked under her arm. Her unique skills, commitment and passion, against all odds, have led given us an urgently needed voice - one that more than ever needs to be heard by an ever-widening circle of people.

Brian Wastle, vice president Responsible Care, CCPA

The past decade has been a time of growth for Responsible Care in Europe particularly in recent years, with 26 countries - half the global total of national programmes - now signed up to the initiative. During this time, Careline has provided an invaluable line of communication and information for us at the regional level, as well as for federations and their member companies. Congratulations and best wishes for the next decade.

Dick Robson, Cefic Director, Responsible Care and Sustainable Development

On behalf of JCIA/JRCC and their member companies, I would express my sincere congratulations for Careline’s 10th anniversary. The contribution of Careline to Responsible Care activity in the world for this decade is really immeasurable. We have always recognized Careline as a morale booster, information resource and communication forum with international colleagues. We believe in Careline’s greater success in the next decade.

Kazuo Imada, Deputy Secretary General, JRCC

Careline, on behalf of SOCMA and its member companies I want to thank you for ten years of commitment and excellence in covering Responsible Care. As Responsible Care continues to evolve worldwide, we always can rely on Careline to provide the most comprehensive program coverage. We look forward to another great decade of Careline.

Melissa Hockstad, Director Responsible Care, SOCMA
Former vp business development for Harley-Davidson Clyde Fessler was the featured speaker at the ACC Responsible Care conference in Las Vegas in May. Describing how the company successfully implemented the ‘4 Ps’ of marketing – product, price, promotion and place – Fessler turned to a ‘5th P’ which, he said, is the difference between winning and losing: People. ‘People bring passion to the business…you need to do [the same] in the chemical business.’

The first issue of Careline was published 10 years ago and during that time it has been my privilege and pleasure to meet and work with many, many people from all around the world that undoubtedly have the passion that keeps Responsible Care a growing and strengthening ethic. It is managing to do so by reinventing itself to keep pace with a world that looks rather different than it did 10 or, of course, 20 years ago when the initiative was first launched.

But it’s a sad fact that Responsible Care has hit its 20th anniversary without being able to claim either wide recognition or more respect for the ‘brand’, although there are some encouraging signs that this is changing. Hopefully, it’s not too late. I see many of the company people that carried the torch for Responsible Care since its inception moving on or retiring, and their passion is not being picked up by their successors. Sometimes their regional or global role to act as a guardian of Responsible Care implementation simply disappears when they do.

Over the coming months as the Global Charter is rolled out to the chemical industry in all parts of the world, CEOs will commit to support and implement Responsible Care worldwide. It’s a great opportunity to rekindle that passion and enthusiasm, and to enable industry to see its unique initiative grow in terms of recognition and of achievement over the next 10 or 20 years. It’s an opportunity that must not be missed. DEBBIE JACKSON
Things you should know about the Charter

What is the Responsible Care Global Charter, and why was it developed?

Answer: The Responsible Care Global Charter is an agreement achieved among the members of the International Council of Chemical Associations (ICCA) to create a common global vision for Responsible Care and to improve the environmental, health and safety performance of chemical producers in the 52 nations that implement the initiative. The Charter was prepared as a means to address ongoing stakeholder expectations, respond to evolving challenges and enable the industry to speak with a common voice on the global commitments it has made.

What are the specific objectives of the Charter?

Answer: The Charter articulates a set of core principles and commitments for chemical producers worldwide that belong to ICCA member associations. They include: continuously improving and reporting performance; advancing sustainable development through Responsible Care; enhancing the management of chemicals; extending the use of Responsible Care along the chemical industry’s value chain; actively supporting improved governance processes to ensure accountability and transparency of trade association and company performance; and addressing stakeholder expectations.

Are there major differences in Responsible Care implementation requirements in various countries? Does the Charter eliminate the ability for Responsible Care programs around the world to be tailored to regional needs?

Answer: Responsible Care has evolved as a global initiative over two decades. As a result, there are differing requirements for Responsible Care participation and performance within national associations. The Charter now establishes a set of core global commitments and processes, while preserving implementation flexibility to account for the distinctive aspects of national laws and cultures and differing business needs within the 52 implementing nations. This effort recognizes that the timetable for implementation will vary country by country. Over the next six to twelve months, individual association will be discussing with their members what changes, if any, need to be made to national programs based on the availability of resources.

When will the Charter become a public document?

Answer: Individual trade association will begin publicly discussing the Charter through a series of regional meetings beginning this summer. In addition, there will be a formal public release of the Charter, together with elements of the ICCA’s Global Product Strategy, at an international ministerial meeting hosted by the United Nations Environmental Programme in February, 2006 in Dubai. The Charter will be posted on public Web sites and broadly circulated to external stakeholders at that time.

Charter roll out in Dubai

■ A new launch date has been set for the Responsible Care Global Charter, and while the rescheduling effectively means delaying the original schedule for the public launch, the new platform is expected to have far more impact. That platform is the International Conference on Chemicals Management being held in Dubai, UAE, from 4-6 February 2006, and attended by governments and high-level delegations from industry and the NGO community, plus of course the world press.

The Dubai conference, convened by the United Nations Environment Programme (UNEP), is aimed at adopting the completed Strategic Approach for International Chemicals Management (SAICM). The chemical industry has positioned Responsible Care and product stewardship as an important element of its response to SAICM.

The industry’s increased focus on product stewardship led to the setting up of the ICCA Global Product Strategy (GPS) Task Force chaired by Bayer’s Attila Molnar towards the end of 2004. The GPS project will be reporting back with preliminary recommendations at the next ICCA Board meeting in October 2005 in Nice, France.

The chairmen of the Responsible Care Leadership Group, the GPS and the ICCA’s Technical Affairs Group – namely Jose Maria Bach, Attila Molnar and Rainer Koch – have met to ensure a coherent and integrated industry response to the SAICM, and this response was endorsed by the Global CEO Dialogue meeting in the US in June.

The decision to focus on a major launch of both the Responsible Care Charter and the GPS next February makes sense as the Dubai conference is seen as the best opportunity in the next five years for industry to demonstrate its commitments and positive actions towards chemicals management, specifically through Responsible Care and product stewardship.

In the meantime, regional and national launches of the Responsible Care Global Charter will continue during 2005, led by Brazil’s ABIQUIM at its annual conference in July. That event is acting as a platform for the other Responsible Care associations in South America that will all be represented at the meeting, namely Argentina, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay and Venezuela. In Europe, the launch will take place in October at the Cefic conference in Dublin, while the Asia Pacific Responsible Care Conference (APRCC) in November will roll out the Charter to countries of that region.

At national level, several countries are planning events with two of the high profile launches taking place in Canada and Japan. Both countries are celebrating significant Responsible Care anniversaries this year: 20 years for Canada 10 in Japan which will host the Responsible Care Leadership Group meeting in November. In Canada, a number of multinational company CEOs have already signed a Declaration of Support (see panel).

With the ICCA’s approval of the Global Charter, the Japan Responsible Care Council moved quickly to produce a reference material containing the original document in English and the corresponding Japanese translation, to help pave the way for its acceptance.

The JRCC notes: ‘Although the Charter is epoch-making for the further development of Responsible Care activities, there is always the concern of misunderstanding and self-serving interpretations due to the fact that Japan is not an English-speaking country. Further, several different Japanese translations of the Charter would lead to confusion.’

Canadian multinational company CEOs who have signed the current Declaration of Support:

■ David Emerson, Canada Colors & Chemicals
■ Mark Davis, Chemtrade Logistics Inc.
■ Paul Timmons, ERCO Worldwide
■ Richard Boudreux, Recochem Inc.
■ Bruce Aitken, Methanex Corporation.
After more than a year of discussion and analysis, the American Chemistry Council (ACC) has reached an important agreement on Responsible Care with the Chemical Distribution Institute (CDI), an independent organization that provides inspection and audit data for the risk assessment process in three key areas: chemical and LPG tankers, marine packed cargo, and tank storage.

The Memorandum of Agreement (MoA) was signed on 23 May and covers CDI-Terminals, already a well-established global protocol for the tank storage sector (issue 35, p14). Terry F. Yosie, ACC vice president for Responsible Care notes that ‘this comprehensive agreement will obtain expanded business value for both ACC members and Responsible Care Partners. It will also increase credibility and credit for improved performance in important segments of the chemical market place.’

The agreement is described by Martin Whittle, CDI’s General Manager, as ‘the culmination of 18 months work by two forward thinking organizations. The dexterity of ACC and CDI has successfully demonstrated how harmonious solutions can be achieved to benefit both Responsible Care Partner companies and the chemical industry.’ Harry Brown, chairman of CDI-T, adds: ‘This agreement provides a win-win situation for terminal services providers and users. The joint audit solution meets the requirements of both CDI-T and Responsible Care while providing global consistency.’

The MoA was negotiated specifically to enable the audit scheme to be used by ACC Responsible Care Partner Terminals companies as part of the Council’s mandatory certification requirements for Responsible Care. ‘Although this agreement is for Terminals companies only, ACC hopes that CDI-T will act as a model for the development of cost-effective audit programs for other Partner sectors,’ says Yosie.

To reach the agreement, a gap analysis of the CDI-T questionnaire was carried out against ACC’s Responsible Care Management System (RCMS); 29 questions have been added as a result. Some refer to security but in the main, the new questions revolve around stakeholders, broadening the previous emphasis on neighbouring communities to encompass ‘an entire outreach process’ explains Whittle. Additional Responsible Care training for CDI-T inspectors has been completed and the database has been re-engineered. ‘CDI-T now mirrors RCMS to all intents and purposes.’ Notes Yosie: ‘We have mutually strengthened our respective programmes.’

The CDI-T executive board has taken pains throughout the process to ensure it adhered strictly to its ‘golden rule’ of not deviating from the global approach. ‘We have always stressed that there are no regional themes under the CDI inspection scheme, and that it is a truly global approach,’ Whittle says. ACC’s Yosie echoes this, commenting: ‘we are gratified that the structure and discipline of a management systems approach to Responsible Care are being promoted worldwide through CDI-T.’

‘This is not an “Americanisation” of the CDI-Terminals scheme,’ Whittle adds, ‘and the changes are relevant on a worldwide basis. However, a complete questionnaire revision at this stage would not be fair to the rest of the world, so the additional questions are currently included as a separate chapter (chapter 16) which is optional for companies outside the US.’ When it comes to preparing the 4th edition of CDI-T in 2006, chapter 16 will be incorporated and become a mandatory part of the audit process.

That said, terminals in Japan and elsewhere have already shown considerable interest in completing the RCMS section of the questionnaire.

In the US, ACC Partner companies in the tank storage sector can now look to CDI-T to fulfill their Responsible Care obligations, although this is not the only option open to them. As reported in our last issue, Odfjell Terminals opted for certification under RC14001. One major operator that will be following the CDI-T route is Vopak, a company which has lobbied strongly in the past for a global approach to Responsible Care (issue 34, p10).

Jim DuBose, Vopak’s Senior Vice President Operations North America, comments: ‘The approval of CDI-T by the American Chemistry Council is another step toward a standard audit for the terminal industry. The CDI will make audit results available to all industry using our terminals at substantial cost savings over doing their own audit of the facility.’

DuBose adds the ACC ‘has been supportive of efforts to find innovative ways to bring value into Responsible Care requirements. The CDI-T/RCMS is an example of how savings can be accomplished.’ Vopak North America has already begun preparation for auditing terminals under the new RCMS version of CDI-T.

From the point of view of the chemical producers, which have carried out their own audits for many years, the agreement with ACC will, potentially, save them considerable resources.

‘Dow is very pleased with this agreement on Terminals between ACC and CDI. We encourage similar agreements for marine and packed cargo operations in the US. By using the CDI organization and applying the CDI protocols for the assessment and selection of our marine, terminal and packed cargo logistic service providers, we are helping to reduce logistics incidents not only for Dow but for the entire industry while taking safety performance to a higher level. Dow has seen the number of transportation incidents for all of our modes globally decrease by 70% largely due to this effort,’ states Wubbe Prins, Dow Chemical’s Global Supply Chain EH&S Leader.

Meantime, another gap analysis against RCMS is being undertaken this month (July) for CDI’s marine packed cargo scheme, CDI-mpc. ACC Partner companies in the logistics sector do not have a tailor-made solution for verifying compliance with Responsible Care. The mpc scheme has ‘come on significantly’ in recent times, says Whittle, with participation tripling to include 16, major container lines.
**Responsible Care endorsed by US auto association**

The American Chemistry Council’s (ACC) Responsible Care programme has been endorsed by the Original Equipment Suppliers Association (OESA) as an effective driver of continuous improvement in environmental, health, safety and security performance and recommended for use by automotive manufacturers and their suppliers.

On July 8, OESA’s Environment, Health & Safety Council, representing major automotive suppliers, adopted a resolution stating: ‘To date ISO 14001 has been the accepted standard for an environmental management system. OESA Council members, however, encourage consideration by their OEM customers [original equipment manufacturers such as Ford and Toyota] to recognize Responsible Care certifications, used globally and developed and managed by the American Chemistry Council in the US, as a suitable alternative program meeting the OEMA requirements for an integrated environmental management system in the chemicals, plastics and aligned industries.’

Margaret Baxter, OESA Vice President of Policy and Program Management, said: ‘Responsible Care companies have embraced an ethic of openness, performance and accountability that benefits customers, suppliers and business partners throughout the value chain as well as communities and even consumers.’

‘OESA’s endorsement demonstrates the growing momentum of Responsible Care to deliver improved performance and business value,’ added Terry F. Yosie, ACC’s Vice President of Responsible Care.

ACC began discussions with giant auto makers Ford and General Motors over five years ago to explore whether Responsible Care could be an acceptable alternative to ISO 14001 (Careline, issue 20). The move to mandatory third party certification is a key factor in the latest development. OESA represents more than 60% of North America’s automotive supplier sales.

**Dow works on new goals for 2015**

The year-end will see Dow Chemical complete the 10-year goals announced in 1996 when the company committed to publicly report on a range of health, safety and environmental indicators. Speaking at the ACC Responsible Care conference in May, Larry Washington, vice president Sustainability and Environment, Health and Safety, said Dow had opted for 10-year goals as against annual goal setting because the longer timeframe ‘makes you think big’.

A decade down the line, Washington said thinking big has left Dow ‘on track on a couple of goals, and off on a few’ but it remained focused on its ‘Vision of Zero’ injuries, incidents and harm to the environment. For example, the company’s safety performance last year was the best ever with the combined Dow employee and contractor injury and illness recordable rate at just 0.50 – an 81% improvement on the 1994 baseline performance. The 10-year target is a 90% improvement. But as the company states in its latest public report: ‘The reality, however, is that we lost two co-workers. Losing even one person is one too many.’

Washington said that the company was in the process of defining a new set of goals to take it through to 2015. Seeking the same kind of leverage it has had from its current goals, Dow wants to ‘keep ways of doing less bad but also find ways of doing more good.’ This would involve a greater focus on product impact, and ‘our overall impact on the world’, he said.

The Dow executive noted that it was important to ‘focus on a critical few’ goals and get the balance right, which meant addressing the global audience but at the same time staying in touch with employees and local communities. He added ‘Our goals have to help earn us respect.’

To help with its task, Dow has a panel of 10 people from around the world that meet twice a year to ‘hold up a mirror on what we are doing [that’s] good’, and has reviewed a first draft of the new goals. Other stakeholders being involved in the goal shaping process include influential NGOs, Dow community advisory panels, employees and customers, and senior leadership.

Washington expects that the new goals will be fully defined and made public by May next year. Will Dow be linking its sustainable development efforts to the new Responsible Care Global Charter? The answer, according to Washington, is yes, there will be a linkage with Responsible Care, but the company ‘expects to go beyond’ with its 2015 goals.

**China conference shares best practices**

The Association of International Chemical Manufacturers (AICM) and China Petroleum and Chemical Industry Association (CPCIA) held a joint conference on Responsible Care in Beijing in June.

Aim of the three-day meeting was to promote Responsible Care in China, and was a clear success in this respect, say the organizers. The rapid growth of China’s chemical industry has increased the need for all chemical firms – large and small, domestic and foreign – to take a proactive approach to health, safety and the environment.

As part of efforts to engage in sustainable development of the chemical industry in China, the organizers note: ‘AICM and CPCIA agree that a more coherent effort should be in place to promote and implement Responsible Care in China. The plan may include training, regular communication and consultation within the chemical industry in China.’

The conference was aimed at:

- enhancing stakeholder awareness of Responsible Care;
- sharing best practices and encouraging Responsible Care implementation to improve EHS performance in China’s chemical industry;
- identifying the obstacles for companies embracing Responsible Care concepts, principles and tools;
- establishing a sound communication channel for chemical companies, related agencies and associations; and
- further strengthening cooperation between AICM and CPCIA in pursuance of sustainable development in both foreign and domestic chemical companies.

AICM member companies ploughed over US$100,000.00 worth of sponsorship into the conference, 62% of the total. Sponsor companies include Dow Chemical, BASF, Rohm and Haas, Bayer, ExxonMobil, Akzo Nobel, Cognis, Arkema, BP and Degussa. The conference was attended by around 480 people from China and around the world, and attracted a number of senior government representatives including Cheng Siwei, Vice Chairman of the Standing Committee of the National People’s Congress.

Over 30 international experts shared their experiences and best practices in the implementation of Responsible Care.

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Members of the International Council of Chemical Trade Associations (ICCTA) agreed to strengthen their commitment to the management practices in Responsible Distribution and Responsible Care at a meeting in June.

In an important first step, it has modified and strengthened its key guidance material “A Joint Responsible Distribution-Responsible Care Programme,” initially drafted in 1996 (see issue 38, p28). The document now contains two key provisions: a commitment to working towards third-party verification of all members’ Responsible Distribution and Responsible Care programmes and 100% participation in indices of performance by 2009.

The revisions were drafted by a working group led by Robert Stuyt of the Dutch distributor association, VHCP and made up of members from chemical distributor associations in Britain, Canada, Germany, and the US.

'The goal of the Joint Programme is to promote greater use of these health, safety, environmental, and security management practices and to increase credibility among policymakers and the public through expanded use of third-party verification,’ says ICCTA President Steven LePoole. 'The new document does exactly that.'

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UK welcomes group from new Responsible Care associations

Key members of chemical associations from central European countries underwent a week-long training session in the UK exploring Responsible Care best practice earlier this year. The internship was organised by the Chemical Industries Association (CIA) at the request of Cefic.

The nine association staff all deal with Responsible Care in their home countries, and learning about CIA’s long-standing approach to Responsible Care enabled them to take away practical solutions to share with their own member companies.

The week involved a combination of sessions focusing on the framework and tools used by UK chemical companies, with visits to CIA member companies to see at first hand how those aspects are practically implemented.

‘This internship gave our guests an excellent demonstration of how chemical companies actually use the Responsible Care initiative, and allowed us to share best practice with fellow chemical industry members in central Europe,’ said Judith Hackitt, Director General of the CIA.

According to Silvia Surova from the Slovak Republic chemicals association ZCHFP, both the training at CIA and site visit were ‘very interesting and useful’. She said it meant a lot to be able to see at first hand the amount of effort that the CIA puts into its Responsible Care activities, and to experience the work it does with member companies.

Surova considered the group’s visit to former Responsible Care award winner Associated Octel (see issue 37) one of the highlights of the trip. ‘It was very impressive to see implementation of Responsible Care in practice and we very much appreciated that CIA chose a plant which was not built in last 10 years,’ she added, a reference to the fact that most chemical plants in CEE countries are aging facilities built during the Communist era.

Latvia’s Aivis Zemitis said the UK association presented the group with ‘valuable printed Responsible Care materials developed by CIA and copyrights to use these materials in our countries. These will be very useful for further development of the Latvian Responsible Care programme.’

‘The visit to the UK was very useful. I believe such visits are the best form of experience exchange among associations, he added. The demonstration of the CIA’s product stewardship system PSGO (issue 21) was, said Surova, one of the single most useful learnings from the trip. Her view was echoed by Zemitis who noted that PSGO will be ‘our primary material for product stewardship implementation in Latvia.’
It is 20 years since the birth of Responsible Care and the anniversary is marked by the introduction of the ICCA's Responsible Care Global Charter. At the same time, the world is demanding social responsibility from companies, which has provided us with a significant opportunity to take a look at Responsible Care from some different angles, and foster a better understanding of Responsible Care. The Japan Responsible Care Council has prepared an “Analysis of Responsible Care (Revised Edition)” in the hope that it will be used as a reference material in future discussions of the initiative.

CHAPTER 1. The ‘Origin of Responsible Care and its Development’
Looking back in time, the opening chapter explains how the beginnings of Responsible Care lie in society’s objections to environmental pollution and multiple accidents and disasters that resulted in multinational chemical companies feeling a crisis looming over their business existence. It examines the main reason why the Responsible Care movement started in Canada, caught hold in America and eventually grew into a global activity: because the issues – pollution, accidents and disasters – were themselves global. The second reason is that the parties involved were multinational companies. And the third is that the number of products manufactured by chemical companies is so great that chemical management can not be addressed by legislation alone. Chapter 1 also addresses how government recognizes that they too are looking for better ways to address this issue other than legal measures.

CHAPTER 2. The Role of Ethics in Responsible Care
This chapter explains how Responsible Care is a tool to help companies to regain society’s confidence and ensure the industry’s survival. There had to be a paradigm shift from “Compliance with the law is sufficient” to “Let us do more than what is required and do what is right. We must listen to and address society’s concerns.” Responsible Care calls for a shift in company ethics, as stated in the independent commitment of those companies. This chapter also explains that since Responsible Care is a voluntary activity, it is characterized by the following characteristics: it eliminates complacency and leads to continuous improvement; it requires companies to communicate openly and honestly with stakeholders; it is based on top-level commitment fed throughout the company; and requires distribution of responsibility.

CHAPTER 3. Responsible Care and CSR
Corporate Social Responsibility (CSR) is addressed in Chapter 3: how it is a fundamental responsibility of a company as a part of society to ensure it provides a positive benefit to that society. Attention is paid to unique aspects of the chemical industry: the effect of its products and services on society – both on people and on the ecosystem we inhabit. Thus, it is explained that Responsible Care is an integral part of CSR.

CHAPTER 4. Merits of implementing Responsible Care
Here, JRCC outlines the benefits of Responsible Care. Practical benefits include savings on insurance costs due to decreases in accidents and emergencies, cost reductions due to energy and resource conservation, securing quality employees as a result of an improved corporate image, increased funds due to improved share price, and so on. There are also other important benefits, such as the inherent value in creating a better company environment, and building a company in which employees have confidence and are proud to work for. And while there are costs entailed to obtain these benefits, it is important to consider the balance of this account which is very much long term, and to consider the enormous worth of employees that take pride in their work and their company.

CHAPTER 5. Voluntary activity support system
This chapter looks at Responsible Care as a total system made up of objectives, ethics, voluntary activities and voluntary activity support systems. There are two frameworks to this support system: the global framework provided by the International Council of Chemical Associations and the domestic framework of each national chemical industry association. The global framework comprises the eight fundamental features that are common to every country’s Responsible Care initiative. The JRCC framework is also explained in this section, including how the Council’s verification process has entered a new stage called the “How-To Audit”, thereby encouraging the participation of more companies to undergo verification.

CHAPTER 6. What kind of activities are to be implemented and how?
Looking at the different kind of activities that fall within the scope of Responsible Care, the JRCC publication notes that it is important that the companies themselves select the activities that must be implemented. It further explains that the use of the Responsible Care Management System (RCMS) is effective in the implementation of these activities.

CHAPTER 7. Knowing the ‘how to’ of Responsible Care
Discussion of the detail of the RCMS operation raises seven key points, namely: Leadership must come from the very top Know how to prioritize Ensure thorough implementation after focusing on what is important Break down the PDCA cycle to individual level Keep each cycle as short as possible Aim for continuous improvement Ensure individual commitment to the PDCA cycle – in other words, make sure it works because of the individual’s desire for it to work, not because it is an order

CHAPTER 8. Understanding Responsible Care
A set of 23 questions comprises the eighth and last section of the JRCC publication, and these have been compiled in order to ascertain that the reader has a good understanding of the issues explained in the previous chapters.
Step three: Evaluating EHS & S risks

The last issue of Careline addressed the process for the identification of a facility’s EHS Hazards and Risks (p14). Identification, of course, is only half the process. The facility must also establish a process for evaluating the risks. The purpose of this article is to provide you with information and examples detailing the process that we have used successfully at over 100 industrial operations.

First of all it is important to remember that for the long-term success of your program, you should follow a standardized process that is both easy to use and understand. This will help save time down the road when you begin implementation at other facilities or when you are responsible for training new personnel on how to manage the system.

Second, make the most of programs that are already in place. Most chemical facilities have established processes for evaluating health and safety risks and security risks. In general, you can use the results from these programs to fulfill the requirements of RCMS and RC14001 with little or no changes. Because these processes are already in place the remainder of this article is going to focus on completing a risk assessment for the environmental impacts of an organization’s activities, products and services.

As most of you know, a simple risk assessment is an evaluation of frequency multiplied by severity. For an environmental impact, frequency represents how often the impact occurs, whereas severity represents the change to the environment resulting from the impact.

To ensure consistency and accuracy of the results from the risk assessment, it is highly recommended that you use a numeric process for this ranking. This will aid the implementation team in identifying those items of greater risk. It will also greatly increase the effectiveness of your team and will help decrease the arguments/debates between team members.

Applying a scale for frequency is relatively easy (1 = annually; 3 = monthly; 5 = daily). Establishing a scale for severity, however, is a little more challenging. For example, how would you consistently rank the environmental severity of the following spills: 1000 gallons of water; 55 gallons of acetone; 25 gallons of liquid hazardous waste and 50 lbs of anhydrous ammonia? Let me tell you from experience, it is very difficult to teach people in a plant how to effectively do this using only one number.

The severity of an environmental impact can have many different characteristics. Depending on your background and job responsibilities, you may feel more comfortable ranking an impact based on the toxicity of the substance; or the cost to clean it up; or even the effect on public image. Table 1 below provides an example of 9 different characteristics that can be used as parameters in an equation to evaluate the severity of an environmental impact.

It is up to the implementation team to select the parameters that best describe the severity of impacts at their plant. On average most organizations effectively utilize equations with 3 – 5 parameters in them.

Once the parameters are selected, the facility must establish a rating scale for each of the parameter (i.e. 1 – 3 or 1 - 10) and then define the points. The scale should be delineated based on realistic values for your facility, refer to sample above.

Now it is up to the implementation team to establish an equation to be used. For example: Risk = Freq. (V * T + R + C). In most cases, facilities will either add or multiply the numbers chosen for each factor. The multiplication process increases the spread between the numbers and at times will help to better distinguish where the high risk rating should begin.

Members of the implementation team must now evaluate each impact for the selected parameters. The value chosen should be based on the worst-case scenario resulting from normal operation, start up, shut down and potential realistic accident situations.

After completing the risk ranking for each EHS&S situation, the facility must review the results and select the numeric point for each that they feel the “significant” risks begin. There is no guidance given in the standards for this selection, and that makes sense when you consider the variety and types of facilities implementing RCMS or RC14001.

After you have defined something as having a potential/actual significant risk, you must establish an operational control for the corresponding hazard. This control is put in place as a proactive measure to help minimize the potential risk. But now for the catch! During the registration audit the Registrar’s (ASP) auditor will come in and evaluate the rating process for its effectiveness in the identification of these significant risks.

Once the process is established, the identification of an organization’s significant EHS&S hazards and risks is not that difficult, but it can be a tedious and laborious process. The results of this process are very important and are the foundation that the management system is built upon. Should you have any questions about this process or what to expect during the registration audit, please contact Ray Patchak at 773-784-8803.

Good luck!

Raymond Patchak is the Manager of Technical Services for Sierra Services, Inc. He has over 17 years of EHS compliance experience and has spent the last 7 years assisting companies in the development of effective EHS management systems in accordance with ISO 14001, RC14001, RCMS and OHSAS 18001. Further information from: rpatchak@sierraservices.net or www.sierraservices.net
You’re a chemical industry association committed to Responsible Care. An environmental group conducts a flawed survey that seems designed to embarrass you, but that shows a significant portion of your members not responsive to telephone calls from the local community asking about risks at their sites. The group posts the results of the survey on their web site as a failure of Responsible Care on a core principle. How do you respond?

Do you complain that the group’s approach was unfair? Do you publicly rebut the report, citing all the ways in which your members have demonstrated transparency? Do you correct the errors of fact in the report? Do you simply ignore the report - especially if the group has a low profile?

Just such a situation recently confronted the Canadian Chemical Producers’ Association (CCPA). In December 2004, Environmental Defence issued a report entitled Survey Says...An evaluation of the effectiveness of Responsible Care. In its report, the Toronto-based group – which has no affiliation with Environmental Defense in the US – stated that volunteers across the country had surveyed ‘the membership of the CCPA,’ asking 70 facilities seven questions about their chemical use and community safety. The purpose of the study was to determine the facilities’ responsiveness to public inquiry.

The questions focused on such issues as ‘toxic and carcinogenic’ chemicals, transportation accidents, emergency management plans and pollution prevention.

The report concluded that ‘Responsible Care has clearly failed to protect the public’s right to information about environmental hazards. The poor implementation of this core principle calls the program’s other principles, including that of safe chemical management, into question.’

CCPA Responsible Care vice president Brian Wastle noted that 20 of the 70 companies called by the surveyors are not CCPA members. He also noted that, despite the report’s claim that CCPA membership covers only 10 percent of chemical facilities in Canada, the Association actually represents 90 percent of chemical production in Canada. Environmental Defence’s definition of a chemical facility is not clear.

Nevertheless, it was clear that group volunteers had contacted half of CCPA members companies, and a third of those companies answered none of the surveyors’ questions.

Association staff consulted with all member companies, the CCPA Board of Directors and the National Advisory Panel on how best to address the report. Panel facilitator John Vincett of Public Dialogue Alternatives also provided advice and suggested that CCPA invite Environmental Defence to a Panel meeting; the group declined. All these sources called for CCPA to take the report as a positive learning experience.

CCPA’s ultimate response is represented in the accompanying letter to Environmental Defence. Note the tone of the letter, the acknowledgement of a problem and the commitment to action.

Asked if Environmental Defence responded to the letter, Wastle said that the group feels they did their job and CCPA is doing its job in addressing the responsiveness issue.
By Steve Rice

Q: In the last issue (p15) you stated that a significantly large percentage of companies have opted to conduct RCMS audits instead of RC14001 audits, yet ACC reports a modest preference for RCMS and David Chatfield indicates a strong preference for the RC14001 option. Why are there such differences?
A: There are subtleties involved. First, my research figures (www.enviropps.com/rcmsresearch.html) are based on the actual number of headquarter and facility audits to be conducted whereas ACC’s figure reflects companies’ primary focus. For example, Sunoco is focusing on RC14001 while Air Products is focusing on RCMS. This primary ‘company focus’ viewpoint gives about an even split between RCMS and RC14001. However, since Air Products has over 200 sites, more than 10 times Sunoco’s, the split in actual audits to be conducted is more like 90/10 RCMS/RC14001, hence the difference in percentages quoted.

David Chatfield’s number, if you read carefully (page 10), indicates that his figure is based on “the ACC members his firm has been working with across the country”. This suggests that members (not partners) need more external help with RC14001 than with RCMS. It’s a much finer statistical ‘cut’ than either mine or ACC’s.

Second, my research included both ACC members and commercial partners; I believe that ACC’s numbers are for ACC members only. I’ve found that partners are choosing RCMS over RC14001 almost exclusively and that some partners have a great number of individual facilities.

Q: As a small but growing polymers producer, can we implement a Responsible Care Management System through the Society of Plastics Industries (SPI) or must we join either SOCMA or ACC?
A: You cannot implement RCMS without a licensing agreement, but can implement RC14001 without one. The Responsible Care FAQs (www.rctoolkit.com/faqs.asp) state:

1. Who is eligible to seek RCMS Certification? RC14001 certification?

All ACC Members, Responsible Care Partners, and Responsible Care Licensee Companies are eligible to seek RCMS certification. RC14001 certification is available to the general public, however, because a RC14001 certification results in both a Responsible Care certification and an ISO 14001 certification, the latter of which is available to the general public.

Although SPI is aligned with the American Chemistry Council (ACC), Dan Roczniak tells me that SPI doesn’t have an RCMS licensing agreement with ACC, so you would have to join either ACC or SOCMA, which does have one. Alternatively, you could explore entering into your own licensing agreement. Several weeks ago I had some discussions with ACC about the potential framework for licensing agreements with both industry/trade associations and independent companies that wish to participate for their own benefit and value. While ACC is considering several options, it hasn’t made any decisions yet.

In the future, this will become a more significant issue if RCMS is to grow to include the chemical industry in other countries, as well as other industries. Licensing arrangements and stewardship will be required to ensure consistency and credibility.

Q: Why doesn’t RAB provide RCMS auditor certification any more?
A: That is a mild misperception. First, the Registrar Accreditation Board (RAB) doesn’t provide individual auditor certifications because on January 1st its auditor certification and training course accreditation elements were separated from RAB, then merged with Australia’s Quality Society of Australia (QSA), to form RABQSA International (www.rabqsa.org).

Second, while RABQSA has backed off from conducting active RCMS auditor certification, auditors can still obtain certification through RABQSA by meeting BEAC’s new RCMS auditor certification requirements. This revised certification participation was announced in a press release on April 19, 2005. Michael Carmody, RABQSA’s CEO, indicated to me that it was important that RABQSA continue providing RCMS/RC14001 auditor certification because of the international recognition that certification through RABQSA provides the auditors it certifies.

Steve Rice has over 30 years of executive EH&S leadership and petrochemical industry experience. He is accredited by BEAC as a conditionally-certified RCMS Auditor and is on the advisory boards of Careline magazine and Corporate Environmental Strategy journal. Website: www.enviropps.com/rcms.html
Nexen Inc., a Canadian oil and chemicals company, is known for its leadership in Responsible Care. It was the first member company of the Canadian Chemical Producers’ Association (CCPA) to apply Responsible Care to its oil and gas division. Nexen’s gas processing facility in Balzac, Alberta was verified in January 2003.

As well, Nexen is only the second CCPA member company to fully apply the Responsible Care codes and ethic to an entire business entity outside Canada. The cultural and distance challenges of transposing the Canadian process to Yemen were described by Careline in 2002 (Issue 28). Success in meeting those challenges was recognised in April of this year when Canadian Nexen Petroleum Yemen (CNPY) received Responsible Care-in-Place verification. Included in the verification were the seismic and drilling process, the crude processing facility (CPF), a 130-kilometre pipeline and a crude shipping terminal at Ash Shihr on the Gulf of Aden.

The verifiers agreed that CNPY has met, and in many instances surpassed, the requirements for in-place verification. While the team identified 20 opportunities for improvement, there were no findings requiring action. Moreover, the team noted seven ‘extra miles’ and a dozen ‘best practices.’

In CCPA verification, an extra mile is ‘an initiative or activity unique and leading edge resulting from the company wishing to move beyond generally accepted practices.’ In their report, the team commented that ‘the entire process of implementing Responsible Care at CNPY and supporting a team of verifiers, 60% transported from Canada, is indeed a very large extra mile.’

The team noted areas where CNPY excelled in developing unique ways of applying the codes:

- The ‘back-to-back’ process safety management system is robust and transparent. Managers and most employees rotate to their jobs in varying cycles of usually 35 days. During the rotation cycle the managers may not even see their replacement and depend on comprehensive notes and support employees to ensure a smooth transition. When an outside observer analyses the success metrics of Nexen’s Safety Environment Social Responsibility (SES) management system at both the CPF and the terminal, a very impressive accomplishment is evident.
- There was a civil war in Yemen in 1994 and the potential for unrest remains, particularly in the northern sections of the country. Add to this the broader context of instability in the whole region, and you have a particularly daunting security challenge. CNPY has developed comprehensive security management systems that include the Sana’a headquarters, the CPF, the 130-km pipeline, the Oil Export Terminal and an offshore loading facility.
- A TransCAER code requirement is to inform communities and their emergency responders along transportation corridors of any hazards that may be present due to company shipments. Due to the lack of an emergency response infrastructure in Yemen, CNPY logistics managers have developed management systems, including shipment escorts and vehicle inspections, to minimise risk to communities and the environment along the entire route from the unloading port to the CPF or the terminal.
- To date, CNPY is the only entity in Yemen with the knowledge and resources to respond to a major incident at their facilities and along the pipeline. The company demonstrated these capabilities during a major flood in the Wadi Arf and a tanker bombing close to the Ash-Shihr Terminal.
- Responsible Care calls for companies to meet or exceed regulations. CNPY is creating operational standards and policies that far exceed local laws and regulations. An extra mile identified by the team is the overall application of North American standards and Alberta oil and gas regulation to the Yemeni system.
- For cultural reasons, CNPY occasionally is required to utilise local contractors who might not normally qualify for employment, but the company has an extensive ‘mentoring and inspection’ process that gradually improves contractor performance to acceptable levels. The company maintains a contractor database and the work performance is...
reviewed monthly. As well, the company utilises third party specialists for specific functions and certification of contractor employees to accepted international standards.

- All employees exhibited a very good understanding of Responsible Care. Visibility of Responsible Care through flags and logo application is the best of any location visited by the team.

- Extra miles in social responsibility include: funding of specialist medical personnel from Canada to teach and perform specialised surgery in Yemen; providing a clinic at the CPF open to the community at large; provision of medivac capabilities; the ‘Bridges’ programme to enhance nursing services in Yemen. Further details on CNPY capacity building efforts in the areas of water, electric power, health and education are provided in Jean M. Bélanger’s article on the evolution of Responsible Care (p…).

There’s no doubt Nexen has done an outstanding job of implementing Responsible Care in Yemen, but there is still room for improvement, says Jeffrey Perkins, the ‘communities-at-large’ member of the verification team. Commenting as an individual several months after the verification (and not speaking for the verification team as a whole), he warns against one of the dangers of success. ‘Nexen has become complacent,’ he says. He refers to ‘weaknesses’ in the company’s dialogue with the government and community.

In a largely tribal and patriarchal society like Yemen’s, a Community Advisory Panel would not work. Moreover, CNPY is in Yemen under the terms of a negotiated agreement, which covers not only petroleum exploration and production, but also such issues as the utilisation of in-country resources and the Yemenisation of the CNPY workforce. At CNPY community dialogue is carried out by the site Public Relations Liaison, who visits the villages and Sheiks on a regular basis. The liaison also brings back from the villages requests for assistance with, for example, water wells or electrical generators. By mutual agreement all such requests are brokered by the Governate of Hadhramout to ensure equal treatment of the various villages. ‘While this process works extremely well at a macro level,’ reads the verification report, ‘the team feels there are improvement opportunities at the micro level.’

For example, notes Perkins, CNPY’s dialogue with the government is all through one person, which does not allow for continuity. The verification report calls for succession planning for this position. It also calls for the company to urge government representatives to release relevant information about CNPY to the community in a more timely manner.

Perkins also notes that the two local community representatives on the verification team were university professors appointed by the government, raising the issue of just how representative they could be.

All that said, Perkins emphasises that ‘from the get-go, Nexen has listened as well as talked. This has always been their approach, even before (the company brought its oil and gas division into) Responsible Care.’ He adds that CNPY is the best example of a multinational company operating in Yemen.

Perkins is also impressed with CNPY’s effectiveness in moderating a macho culture of speeding by Yemeni truckers contracted by the company. Indeed, speeding and risk taking are endemic among drivers in Yemen. Perkins notes that there were 100,000 accidents last year in Sana’a, the capital city. CNPY has installed speed monitors in vehicles. If a driver exceeds 80 kilometres an hour more than twice a week, says Perkins, he is called in to get re-educated by the company.

Perkins attributes Nexen’s successful implementation of Responsible Care in Canada and in Yemen to the commitment of CEO Charles Fischer and the senior management team. Employees at all phases of the operation strive to make Responsible Care work in an oil and gas setting, ‘because Charlie Fischer wants it that way.’ Managers are willing to take risks to move Nexen in Responsible Care directions, because they know the company will support them, says Perkins. ‘Corporate commitment makes the difference.’

The complete CNPY verification report is available at www.ccpa.ca. For a description of the CCPA verification process, see ‘Canada marches to a different drummer’ (Issue 39).
US security legislation to be based on Responsible Care code?

As the terror incidents in London provide yet another grim reminder of what is at stake around the world, important security milestones specific to the chemical sector have been passed or are likely imminent in the USA. As mandated by the Responsible Care Security Code, adopted in 2002, members of the American Chemistry Council (ACC) have completed vulnerability assessments, implemented security enhancements and had the enhancements verified by third parties at all 2,040 facilities.

Members of the Synthetic Organic Chemical Manufacturers Association have also completed implementation of the Security Code. SOCMA began implementing the enhanced version of Responsible Care a year later than ACC, but made the extra effort and investment to catch up with the Council on the security aspects.

The Security Code has been recognised in law and regulation by the US Coast Guard, the City of Baltimore and the states of Maryland and New Jersey. It now looks like federal chemical security legislation, which may similarly recognise the Security Code, has a good chance of getting through Congress. On July 13, Senator Susan Collins (Republican – Maine) and Senator Joe Lieberman (Democrat – Connecticut) announced that they are planning to introduce bipartisan legislation in September.

In recent testimony before two Congressional committees, Martin Durbin, ACC managing director of security and operations, noted that member companies have invested over $2 billion in security enhancements since 9/11. He also credited the federal government, in particular the Department of Homeland Security (DHS) and the Coast Guard, for working with the chemical sector to secure the industry.

He reiterated the Council’s call for federal legislation that will:

• Establish national standards for security of chemical facilities;
• Regulate facilities to conduct vulnerability assessments and implement security plans;
• Provide oversight, inspection and enforcement authority to DHS.

A risk-based approach based on vulnerability assessments fits well with the ACC Responsible Care Security Code.

At an earlier hearing of the Senate Committee on Homeland Security, the Administration of George W. Bush, through DHS, for the first time testified publicly that it supports federal legislation to regulate security at chemical sites. DHS recognised that many companies have voluntarily taken steps to secure their facilities, but testified that not all companies abide by such codes of conduct and a patchwork of state laws is insufficient to reduce the vulnerability of the nation’s chemical facilities to attack.

Testifying before the Senate committee on behalf of SOCMA, Matt Barmasse of ISOCHEM Inc. strongly supported national legislation, but emphasised that a one-size-fits-all approach to security is neither appropriate nor feasible. He explained why the flexibility of a tiered, risk-based approach is especially critical for a small, specialty batch company like ISOCHEM, located near Buffalo, New York. He noted that 90 percent of SOCMA members have a similar profile, with the levels of risk at their sites varying from day to day, making them much less attractive as terrorist targets.

SOCMA director of government relations Robert McArver said that the committee’s Q&A session with Barmasse seemed positive. He believes that committee chairman Senator Collins and ranking member Senator Lieberman understood Barmasse’s arguments.

ACC spokesperson Kate McGloon said there appears to be widespread recognition in Congress of the Security Code and the considerable security measures voluntarily undertaken by Responsible Care companies. There is also ‘more recognition that the industry actually supports federal legislation.’

McGloon noted that, with federal legislation, DHS would be a ‘backup’ to ensure that ACC members as well as other companies have put

Security Summit brings best minds together

Over 250 delegates participated in the 2005 Chemical Security Summit at Arlington, Virginia, on June 27–28. Protecting assets using a strategic risk-based framework was the central theme.

Co-sponsored by ACC and SOCMA, this annual meeting of chemical industry leaders features Department of Homeland Security (DHS), intelligence and industry experts. They provide current information and perspectives regarding site, value chain and transportation security.

Keynote speaker Jack Williams, Professor of Law at Georgia State University College in Atlanta, is a special advisor on intelligence analysis and terrorism at various federal and state agencies and the military. He provided insights into the role of the Internet in transforming and enabling terrorism, and in motivating forces in terrorist organisations.

Melissa Hockstadt, director of Responsible Care at SOCMA, was impressed with Williams’s remarks, particularly his point that terrorism is not solely a threat from Islamic fanatics, but also from criminal gangs, fringe groups such as the Aryan Nations and environmental extremists.

Supportive remarks from DHS acting undersecretary Bob Stephan were timely, given current Congressional hearings on federal security legislation, a level of regulation long called for by ACC and SOCMA (see accompanying article). Stephan stressed the critical need for ‘unity of effort and leadership’ at all levels of government and industry in the ongoing fight against a very real terrorist threat. He commended the ‘leadership, resources and commitment’ of the chemical industry, pointing especially to the work accomplished under the Responsible Care Security Code. While recognising the significant progress made on a voluntary basis to date, Stephan also reiterated DHS’s call for additional regulatory authority.

Summit panels addressed cyber security, business continuity, and security experiences at US facilities overseas. US Customs representative Todd Owen, director of the innovative public-private trade programme, C-TPAT (Customs-Trade Partnership Against Terrorism) highlighted ongoing efforts to increase supply chain security, emphasising detection, shared responsibilities and security awareness.

Marty Durbin, ACC managing director of security and operations, praised the collective knowledge and depth of understanding of security and intelligence matters represented by the attendees, speakers and panelists. They ‘made the Summit a tremendous success,’ he said.
in place security measures that meet national standards.

She agreed that such national standards would help counter industry critics who say that companies that make their own vulnerability assessments under the Security Code could go too easy on themselves in determining the level of security upgrades required. She added, however, that such criticisms do not take into account that ACC used government experts for developing the methodology for making the assessments. As well, under the Security Code, the third party who verifies that the company has made the upgrades indicated by the assessment, must be credible and experienced in security issues. McGloon assumed that, under federal legislation, DHS would play a verification role.

She noted that the vulnerability assessments make very clear what can and needs to be done to enhance security. The assessments will ‘make for some very interesting discussions for non-ACC companies.’

She commented that the ‘enormous amount of money’ ACC members have invested in security has put them at a competitive disadvantage. National legislation will ‘level the playing field.’

She emphasised that ACC members represent ‘only a part of America’s critical infrastructure,’ and so the Council wants federal legislation to ensure that the rest of the chemical sector is secured.

Some NGOs have called for federal security legislation that mandates inherently safer production. In his testimony to Congress, Durbin presented the Council’s views on this ‘important and frequently misunderstood’ subject. He defined inherent safety as ‘designing a process to avoid creating a hazard in the first place rather than trying to control the hazard afterward with add-on protective equipment and procedures.’

Durbin said that the chemical industry has long embraced inherently safer approaches, but that ACC has been dubious of any regulatory initiative that involves government agencies or other third parties reviewing and approving—or disapproving—facility decisions regarding inherent safety, in the context of security or otherwise. He observed that inherent safety typically involves making very challenging risk/benefit judgements to ensure that risks are not unwittingly shifted or substituted, and that overall risks are reduced. He indicated that facilities themselves are much better positioned to make these judgements than outside authorities.

Barmasse also emphasised that federal legislation should not include inherently safer technology, that decisions in this area are best left to chemical manufacturers and scientists. He noted that there are ample economic and safety factors that motivate companies to reduce the use of hazardous materials. Furthermore, if the security requirements by DHS become more demanding, depending on what tier of vulnerability a company is assigned to, companies will be motivated to make process changes that will put them in a lower risk tier.

DHS, ACC and SOCMA all see federal legislation as urgent, though McArver remarked he would rather see the process go a little more slowly, if that’s what it takes to get it right. At the same time he seemed gratified that he has ‘not seen such momentum in the Senate for a long time.’

As a demonstration of that momentum, McArver noted that Senators Collins and Lieberman are to hold another hearing on this legislation on July 27, the fourth hearing since April. The senators did not indicate the precise topic.

McArver thought the two senators might introduce the legislation on September 11th. He said that DHS and the committee seem to be going in the right direction from industry’s point of view. ‘We’re in for an interesting and exciting time, and we’ll see what happens next.’

- FRANCIS GILLIS

Successful experience sharing for Cefic

Call to explore possible synergies

A recent conference in Brussels addressed the issue of security in the context of the new geo-political situation and the potential effect on ‘critical infrastructures’. Cefic’s Marc Devisser provides a snapshot.

The Council’s Director General Alain Perroy confirmed in his welcome address that this is a relatively new issue at European level, and that Cefic will monitor and support initiatives taken by the EU institutions and organisations such as UNICE (European Federation of Employers’ Associations).

In the first session, keynote speaker Gijs de Vries, EU Counter-Terrorism Co-ordinator gave a broad picture indicating that the new situation as regards security was taken very seriously by the EU bodies and that several major initiatives — increasingly involving the private sector — were currently planned or being implemented. He called on Cefic to link up with partners across the Atlantic and explore synergies that may exist between European and American sector efforts in protecting chemical infrastructure.

Mrs Pia Bucella of European Commission Directorate General Environment, Civil protection presented the approach taken by her DG in the broader context of the Seveso directive.

The second session presented a series of ‘security’-related case studies from other sectors such as the nuclear industry and port facilities as well as cases on chemical plant protection and on the chemical supply chain.

These case studies were followed by a presentation on ‘security’ trade aspects and ended with a presentation on the UNICE ‘security’ positions and initiatives.

The last session was dedicated to a plenary discussion with the 40 attendees, all from the chemical industry or related associations, invited to answer questions such as ‘who should do what?’ and ‘what is the way forward?’ and Cefic’s role in security.

It was suggested that Cefic should continue monitoring the European scene, and maintain the momentum of enhancing awareness and
Secure and efficient supply chains

Caroline has taken the following extracts from the presentation on ‘Secure and efficient supply chains’ by Dow Europe’s Paul Gooch, Regional Director, Supply Chain.

The European Commission’s DG TREN (Transport and Energy) regards the supply chain as being vulnerable to terrorist attack, and the general level of security remains low. Without international rules on supply chain security that could be used as a basis for regulation, a proposal to develop a European Community legal instrument was published in December 2004.

With an estimated 500,000 transport related operators in Europe, DG TREN recognizes that the achievement of a harmonized implementation of security compliance in Europe will be dependent on an evolutionary process, and initially on a voluntary scheme. Participants in the voluntary scheme would need to comply with a list of minimum standards in order to be awarded the status of ‘known operator’, and to benefit from facilitations in relation to security and customs control – not unlike the provisions of C-TPAT in the US (issue 38, p21). “Known operators” will fall under one of four categories: shipper, transport company, forwarder of goods, and warehouse/storage/terminal operator.

The results of a comparison between the content of the proposed Regulation on Enhancing Supply Chain Security compared to various chemical industry initiatives in Europe – some of them already well-established – are very encouraging.

The chemical industry has developed a series of schemes under the umbrella of the CEFIC ICE program, and the Responsible Care Distribution Code of Management Practice. These are designed to:

1. Improve safety and quality performance in the distribution process
2. Provide cost effective systems for risk assessment
3. Make assessment data available to logistics providers to enable continuous improvement

Road and rail transport of chemicals is incorporated in the European-wide CEFIC SQAS assessment regime. Inspection protocols have been modified to include a section on security, although questions tend to be at a relatively high level because of the need to keep security schemes confidential in order to reduce vulnerability.

Trucks generally load at secure chemical plants and terminals, and dangerous goods will probably discharge at a secure location. The carriers of these products are well-defined, specialist companies with trained drivers. Although deliveries are usually direct, if there is a weakness in the chain then it is while the vehicle is parked. For all modes of transport, when it comes to security, equipment at rest is equipment at risk.

The CEFIC SQAS Road Questionnaire has been enhanced with a Section 5 on Security, which covers Company Procedures, Site Security, Security during Transportation, High Consequence Dangerous Goods, and Training. This is essentially the same content as Annex 2 (Transport Company) of the DG TREN proposed regulations. So the prospects for collaboration with the authorities look promising.

Bulk marine, terminals, and marine packed cargo operations are covered by the global Chemical Distribution Institute (CDI) schemes. The inspection protocols have similarly been enhanced to include a section of questions on security (see p7).

The management of CDI has already established contact with major companies in non-chemical sectors, and also with the World Customs Organization which is seeking to establish global security standards. Collaboration between the authorities and industry in the use of such a scheme would enable the regulators to target containers moving through a weak supply chain.

Managing data and information has always been key to efficient and effective supply chains, and many of the new security requirements will necessitate increased use of automation and technology. This will help to improve accuracy and efficiency. This will also necessitate more collaboration and communication with suppliers and logistics partners, which I believe will be a positive development.

In fact, the best defense is probably a combination of public and private partnerships, technology, and best practices to help thwart potential terrorist activity in the supply chain.

Security is a management system, not a piece of paper. In the end, it’s all about behaviour.

Gijs de Vries: ‘We must get this right, and to do so we must work together’

Gijs de Vries, European Union Counter-Terrorism Coordinator, speaking at the Cefic Security Conference:

… governments cannot do this job alone. Much infrastructure is owned or operated by private companies. Companies, whether in the chemical or other sectors, must therefore be security producers as well as security consumers. Security is everyone’s business…”

‘…To assist the competent national authorities, EU Ministers have decided to set up a Critical Infrastructure Warning Information Network, bringing together national experts. The European Commission has been asked to propose, working with this network, a European Programme for Critical Infrastructure Protection before the end of this year. This programme will build on the policies and legislative measures already agreed by the European Union in areas such as air transport security and maritime security…..’

‘…Industry, the Commission has pledged, will be closely consulted both in the process of writing the infrastructure protection programme and in its implementation. Active participation by industry is indispensable to make sure that Europe will develop effective - and cost-effective - policies and instruments to support the work already done at national level. We must get this right, and to do so we must work together…”
Albemarle: meeting the organometallics challenge

Albemarle Corporation, one of the world’s leading suppliers of organometallics, devotes considerable resources to sharing information with its customers and educating them on a proper respect for these products’ flammability and reactivity. Despite this challenge, Albemarle’s and its competitors’ stewardship has permitted the growth of sales of these products throughout the world.

Aluminum alkyls are among the most challenging product lines on the chemical market today. They are pyrophoric (spontaneously burst into flame when exposed to air), and they react violently with water. But these products are used widely as raw materials in the production of primary alcohols; tin compounds for PVC heat stabilizers, biocides and catalysts; synthetic elastomers; polyethylene and polypropylene; and in other processes as well.

‘Albemarle has been very good at anticipating potential hazards,’ says manager of customer technical services Michael Krause. ‘We work hard to train customers in unloading, handling and ultimate disposal (of our products).’ He notes that, from the earliest uses of organometallics in the 1950s, very careful stewardship was in place. Now there is ‘a tremendous amount of literature on the web and in hard copy.’

At Albemarle, ‘our organometallics customer tech service team constantly fields questions from customers’ about alkyls, Krause says. The company provides training on customer sites from time to time, involving 20 to 40 employees. Also popular with customers are the one-day product stewardship seminars that Albemarle conducts at its plant in Pasadena, Texas and other company sites.

The typical seminar will attract 50 to 60 participants, most of them customer employees dealing with aluminum alkyls on a day-to-day basis—operators, engineers, purchasers, etc. Occasionally, notes Krause, a middle manager or even a more senior executive will attend.

The seminar covers such areas as fire fighting techniques, personal protective equipment and safe loading, unloading and transporting of containers.

The most dramatic part of the day is the outdoor demonstration. In one demo, an alkyl fire is doused with a dry chemical extinguisher. In another presentation, two demonstrators in aluminised suits turn a water hose on a small amount of burning aluminum alkyls (three gallons or less) from a distance of 20 to 30 feet. As the alkyls react with the water, there is a shock wave and a loud bang that never fails to impress seminar participants.

The seminar makes clear that as long as these organometallics are kept away from moisture and oxygen their handling is not particularly onerous.

Krause says that reactions to the seminar have been universally positive. Typical responses are: ‘a marvellous day,’ ‘useful,’ ‘practical,’ ‘training I can use.’

Vetting of new customers, and safe transportation and storage complete the stewardship circle.

Albemarle owns its distribution fleet and prepares every cylinder before filling and shipment, Krause notes. The containers are designed to minimize risk and the company works with shippers on safety issues.

‘To our knowledge,’ says Krause, ‘in 50 years there has never been a transportation incident causing injury or substantial release of product.’ Even when incidents happen out of Albemarle’s direct control, the containers’ safe designs hold up. He cites a handful of shipping incidents that demonstrate the robustness of the container system:

- 1979: During a storm, four 7500-litre tanks went overboard into the English Channel. It took eight months to recover the tanks in 62 metres of water. There were no leaks.
- 1988: A truck and flatbed trailer with two 7500-litre tanks rolled down an embankment in Mexico. There were no leaks.
- 1993: In the port of Salvador, Brazil, an ISO tank (22,000 litres) fell into 10 metres of water as it was being lifted from ship to dock. The tank had exceeded its reach capacity. The tank was recovered and safely delivered to the customer.
- 2003: A tank trailer was rear ended by another 18-wheeler on Interstate 10 near the Louisiana-Texas border. The rear axle was broken, requiring the trailer to be towed back to the plant. There were no leaks and the trailer was offloaded without incident.

Krause notes that most of Albemarle’s customers’ for organometallics are large, well-known companies. ‘When we get a request from a new customer, before we agree to ship, we try to get a sense of their understanding of the product, and if they are set up properly to handle it.’ If deemed prudent, adds Krause, an Albemarle representative will visit the potential customer’s site. If there are any concerns, Albemarle will back off until the customer is properly prepared. ‘We only sell to people we’re very comfortable with.’

The company often assists customers by critiquing their facility’s design for properly handling the product. For the first unloading, a company representative may go to the customer’s site to help supervise.

Albemarle sells alkyls in South East Asia, the Middle East, Europe, Australia and North and South America. Krause has visited customers in most of these areas and been reassured that Albemarle and its competitors have done a good job in training customers in the proper handling of organometallics.
A management systems solution – without the paperwork

Like any business-critical activity, product stewardship needs to be effectively managed, and there is a corresponding need for high-quality guidance and tools to support organisations across chemical producing and using sectors. With increasing numbers of companies seeking specific product stewardship management systems guidance, this article describes the key benefits and features of a commercially available product stewardship management systems software solution, Chemicals Management Compliance, which will enable companies to quickly address this and other key related issues.

The past couple of years have seen growing momentum behind the Plan-Do-Check-Act (PDCA) management systems approach to Responsible Care, sparked especially by the switch away from Responsible Care codes in the US, to RCMS / RC 14001 and Cefic’s development of a pan-European Responsible Care management systems framework.

The advantages of a PDCA approach are undeniable: it allows organisation policies to be turned into action, performance to be measured, and management to oversee the direction of the programme based on continuous improvement, all within specified timescales.

Product stewardship strongly encourages the extension of chemicals management practices as far into an organisation’s supply chains as it is practical to go. Experience shows that new approaches are required in areas such as acquiring product-use information for risk assessments, skilling key personnel, assessing supply chain partners etc.

Why a PS e-solution?

Many chemical producing and using companies still, surprisingly, rely on paper-based systems to manage their internal health, safety and environmental affairs. Not only does this represent a significant cost burden (human effort), it poses a significant business risk because of lack of transparency about the real status of a business’s safety, health, environment and quality (SHE&Q) performance.

Using a paper-based system to manage the product issues relating to hundreds or thousands of supply chain partners multiplies the costs and business risks enormously.

An organisation that can respond to supply chain product stewardship needs in an efficient and timely way automatically puts itself in a favourable light with its upstream and downstream partners, and in a stronger position to capitalise on the product stewardship weakness of other players and competitors.

Key benefits of the Chemicals Management Compliance system

- Helps control or reduce operational overheads by automating many product stewardship tasks; removes paperwork distribution and collation, as well as data compilation
- The burden of compliance with supply chain product legislation (e.g. REACH in Europe) is eased especially for SMEs
- The transparency of the system enhances confidence in employees that everyone is playing their part
- The visibility of the system encourages trust in supply chain partners and other key stakeholders such as regulators, insurers
- Performance monitoring both within and beyond the organisation: key ‘lead and lag’ performance indicators are captured in real-time. Accurate answers to the questions, ‘do we do what we say we do?’ and ‘is what we do enough?’ ensure that business goal and management system objectives are being met

Description of the Chemicals Management Compliance system

There are two parts to Chemicals Management Compliance, which reflect the differences between internal business requirements, and external supply chain requirements.

1. Business product stewardship compliance

A series of interlinked modules contain key, actionable product stewardship content, set around an Action Tracking process module. New product stewardship objectives and actions that are logged in a particular module automatically transfer to the Action Tracking module and may subsequently trigger new activities in other modules.

For example, the detailed circumstances of a downstream adverse product incident may be entered into the Incident Investigation module, which leads to agreed actions for sales, medical and product stewardship personnel. Completed actions are recorded in the Action Tracking module, and new actions can be initiated.

Thus, the product steward may decide that the incident warrants discussion at the next product stewardship steering team meeting, and logs it as an agenda item in the Meetings Module. Additionally, s/he may register a potential product development opportunity in the Issues Module, based on the fact that one of the causes of the incident was the poor handling characteristics of the current product.

If actions are not completed by their due date, the system will automatically flag to designated personnel that there have been shortcomings in the organisation’s response. This also has the great benefit that actions that are completed on time do not normally need further attention. However, the transparency of the system means that real-time checks can be made at any time, so increasing product stewardship assurance.
SCLG - Closing supply chain gaps

The UK’s Supply Chain Leadership Group (SCLG) is taking the next steps in a process that has focused on mapping four supply chains in the past year: textiles for clothing, food packaging, paint, and beauty products.

Jo Lloyd, the Chemical Industries Association head of products and health, says the group of chemical manufacturers and retailers has already identified that there is a lot more product information available in supply chains that are more tightly regulated, such as food packaging and beauty products, than those that are not, such as paints and clothing where retailers find it difficult to even find basic information on the actual ingredients of finished goods.

The SCLG has now taken on a consultant to look more closely at two of the chains - one highly regulated and one not - and prepare a detailed analysis showing the kind of information and guidance that will help close these gaps, improve knowledge and enable better management of chemical products throughout the supply chain.

During this phase of the work the SCLG wish to engage with those industries that sit between producers and retailers to ensure the guidance is relevant at all steps in the chain.

Lloyd notes that interest in the UK initiative has been shown by chemical producers in other countries, and suggests similar alliances would be beneficial elsewhere. Strengthening the relationship between chemical firms and retailers has been ‘a nice spin off’ of the SCLG alliance, she says, and the dialogue has helped improve understanding of product stewardship issues in the supply chain, and the different meaning of business risk at the two ends of the supply chain.

To find out more about the SCLG, which was launched back in 2003 (p5, issue 33), and how you can get involved, e-mail Joanne Lloyd at the CIA: LloydJ@CIA.org.uk

The parallels between this part of the system and Responsible Care requirements are apparent. Indeed, the core system has been in use for many years by leading multinational chemical companies through to single-site SMEs, to manage their SHE&Q/Responsible Care programmes, and is tried and tested under the 24/7 operating circumstances of chemical plants which fall under the stringent UK COMAH Tier 1 legislation, to take just one example.

2. Supply chain product stewardship compliance

Utilising a web-based approach, which circumvents the problems associated with company firewalls or software incompatibilities, it is now technically possible to connect the product stewardship management systems of organisations through entire supply chains. The Chemicals Management Compliance system is configurable so that as much or as little of each supply chain partner’s management system may be seen by other partners.

Currently this level of transparency tends to be driven by downstream partners eg retailers requiring assurance about specific substances, but can equally well be used by chemical companies wanting ‘real-time’ assurance about the product stewardship performance of suppliers. In these examples, one party tends to exert a ‘pull’ on the others.

This will not always be the case in future. Organisations through whole supply chains are increasingly worried about the adverse effects of tough product legislation (eg REACH in Europe), and are fighting back by setting up common interest groups to develop voluntary chemicals management programmes. A good example of this is the Voluntary Emission Control and reduction Action Programme (VECAP), which brings together EU-based producers and users of the flame retardant deca-BDE. The parties to the VECAP scheme are committed to demonstrable improvements in the way that deca-BDE is managed through textiles supply chains, for example, and have chosen a management systems approach in order to quantify these achievements.

It is initiatives like these – in which all partners willingly co-operate to robustly apply product stewardship through entire supply chains – which will especially reap the benefits of PS management systems solutions.

If you would like more information about the PS e-system Chemicals Management Compliance please contact: Chris Eacott, Stewardship Solutions, Tel: +44 (0)7834 676908 or e-mail: chriseacott@stewardshipsolutions.co.uk; Website: www.stewardshipsolutions.co.uk
Does your lawyer belong on your crisis management team?

Opposing viewpoints: Public relations professionals and lawyers often come from completely opposite points of view when advising their clients how to handle a media crisis. Lawyers often advise their clients to refuse comment because something might be used against them if a lawsuit ensues. They are trained to follow precedents and a strict set of rules about what can and cannot be said in a court of law. Media trainers urge openness and sharing of information, even when it is embarrassing. They figure short-term reputation damage pales in comparison to the long-term damage done if they appear arrogant and uncaring. They know that, in the court of public opinion, there are NO laws. Perception is reality. The public will be influenced by many things not legally admissible – emotions, rumours, the way someone delivers his/her messages, etc.

Cooperation, not confrontation: I hate to see my public relations colleagues make blanket statements like: ‘When a situation is being tried in the media, your lawyer will ALWAYS be wrong.’ I was fortunate to have worked in a corporation where the in-house lawyer understood the importance of public opinion.

One incident stands out clearly in my mind. The chemical manufacturing company for which I worked caused an emission of very odorous vapors. The wind was blowing directly toward the near-by high school. When students complained of headaches and nausea, the administrators decided to evacuate the school.

Among my many tasks as the Manager of Public Affairs, one of the first was to ask our corporate lawyer if I could volunteer to pay the doctor bills. Some lawyers would have responded, “Are you CRAZY? Why admit legal liability?” His response, after a few seconds of total silence, was, “Yes. That’s the right thing to do.”

The result? Of the handful that went to the doctor, I received three phone calls. Before the parents could even ask, I volunteered that we were very sorry about the incident and invited them to send me the bill. That was the end of it.

A seat at the table: So, lawyers are not always going to give bad advice in a public relations crisis. They are paid to try to minimize the organization’s legal troubles.

What you do NOT want is to have the Crisis Management Team work together to develop the statement and then ‘run it by legal’ at the last minute. If the lawyers are going to be surprised by what you intend to say, they will usually react with: ‘You can’t say THAT! Just say, “No comment.”’ Even if the CEO has the strength to stand up to the legal advisor, having to get a legal review at this point will cause significant delays. This gets you off on the wrong foot with the media.

Instead, when the public relations/communications professional is working with the Crisis Management Team to put the statement together, the lawyer should be at the table, providing input on the best wording.

Crisis response should be a team effort. CEOs must listen to both advisors and make a decision. It might take some compromise, but that is probably required if you want to win in the court of public opinion as well as defend yourself adequately in a court of law.

Czech association names new Responsible Care manager

The Czech Republic national chemicals association SCHP R has named its new Health, Security and Environmental Secretary and Responsible Care coordinator, Ladislav Špa ek, following the departure of Zden k Sp va ek.

Ladislav Špa ek has been working in the Sustainable Development of Industry department at the Czech Ministry of Industry and Trade for the past five years. He has considerable experience of environmental legislation including implementation of the IPPC Directive and can be contacted at tel. +420 266 793 574, fax +420 266 793 578, e mail: ladislav.spacek@scher.cz.

Judy Hoffman spent 17 years as the spokesperson for a chemical company. She started her own crisis communications consulting firm in 1995 and is the author of “Keeping Cool on the Hot Seat: Dealing Effectively with the Media in Times of Crisis.” She can be reached at www.judyhoffman.com or at 1-800-848-3907 PIN 2145.
**Better performance, communications are winning hands in Las Vegas**

Over 300 delegates from across the United States attended the American Chemistry Council's 2005 Responsible Care Conference in Las Vegas in May. They were joined by many more participants from around the world, including Canada, Brazil, the UK, Germany, Netherlands, Spain, Hong Kong, New Zealand, and Trinidad and Tobago. Despite the distractions of this centre of gambling and big name entertainers, sessions were well attended. ACC's Responsible Care conferences usually generate good participation, but certification deadlines and an appetite for insights on management system implementation may have further motivated delegates this year.

In a pre-conference meeting with the press, Fran Keeth, President and CEO, Shell Chemical LP and Chair, ACC Board Committee on Responsible Care, said that 2004 had been 'a year of massive achievement' for the US initiative. Her keynote address to delegates echoed this, recognising the audience's critical role in the process: 'We set tough goals and then set about achieving them.'

'People want to work where they feel they can make a difference.'

**BRILLIANT BRANDING:** The featured speaker was Clyde Fessler, who explained the marketing strategy that took the Harley-Davidson Motor Company from the verge of bankruptcy to outstanding performance on the New York Stock Exchange, and from 'a terrible Hell's Angels image' to one of the most respected brands in the world today.

Fessler's story was appealing in its own right, but his insights on brand identification are relevant to Responsible Care. Fessler spent 25 years creating and leading the Harley-Davidson marketing plan. 'You can't build a brand overnight,' he said. The brand has to be supported with quality control and efficient delivery systems (for Responsible Care, read performance) and employee involvement. At Harley-Davidson, 'we took the union leaders along' by communicating the shared interest of management and union in the success of the brand.

Over the course of the conference, delegates selected from among a dozen breakout sessions that explored specific Responsible Care issues in depth. Highlights from four of these sessions give a sense of the range and value of conference discussions:

**Becoming an OSHA Star site**

One of the oldest and most successful programmes of its kind in the US, the Voluntary Protection Program (VPP) was initiated by the Occupational Safety and Health Administration in 1982. Jennifer Kim, an OSHA official who participated in the discussion by phone, described VPP (which uses a management system) as more of a process than a programme. Based on labour, management and government co-operation, VPP is designed to achieve excellence in safety and health. Going beyond compliance and continuous improvement are basic tenets of the programme.

Kim presented data indicating that VPP significantly reduces injury rates, decreases turnover and absenteeism, and increases productivity.

Jack Cherry described the advantages for...
CPP Star in the Responsible Care Certification process at the Rohm and Haas powder coatings site in Reading, Pennsylvania. On April 11, 2005, this facility became the first in the world to receive the RCMS Site Certification.

When VPP and RCMS are integrated, Cherry said, there’s a big advantage gained in RCMS implementation efficiencies: ‘If you aren’t finding points of similarity and linkages between the RCMS and VPP, you aren’t looking hard enough.’

Cherry noted a number of similarities between the two processes, among them employee participation, performance measurement leading to corrective and preventative action, and management review and reporting. Further advantages of an RCMS linked to VPP are ongoing internal auditing efficiencies and demonstration of commitments to both the ACC RCMS and OSHA VPP.

Another link between Responsible Care and VPP is a Memorandum of Agreement now being completed between OSHA and ACC. The purpose of the MOA is to ‘Cooperate on matters of mutual interest to promote high levels of safety and health performance.’

Under the agreement, ACC will encourage its members and Responsible Care Partners to consider participating in VPP. Other goals are to achieve greater efficiencies in VPP evaluations and Responsible Care Certifications audits, and to minimise the audit burden on Responsible Care and VPP participants.

ACC says 15-20% of the Council’s membership currently participate in VPP.

Effective stakeholder outreach

This session featured Chris Pinney, Center for Corporate Citizenship, Boston College; Diane Sheridan, community advisory panels facilitator; Michael Sullivan, McDaniel Lambert; and Richard Siegel, Keramida Environmental. They talked about strategic development, implementation and measurement of the effectiveness of stakeholder outreach programmes.

Regarding measurement of programme effectiveness, it was noted that there are different kinds of measurement: performance or technical standards (there is a place for both) and qualitative or quantitative measurements. ‘Measure what you can achieve,’ Sheridan advised, ‘and measure how you have changed, not how stakeholders have changed. You can only control your own behaviour.’

Sheridan, who has been facilitating CAPs since the earliest days of Responsible Care, described the panels as a relationship, ie a process, not a project. The process is:

1. Request input.
2. Listen astutely (advice may be implicit in the questions asked).
3. Review input and discuss what you or others can do to address it.
4. Respond to the input in a timely manner (and when you cannot meet a request, explain why)
5. Record the input, discussion and response in meeting minutes.

In discussion with participants, the presenters emphasised the importance of being proactive. For example:

- Establish a relationship with stakeholders ‘before something goes wrong.’
- Invite the local press for a plant tour.

Environmental advocacy: engaging the neighbours

Ted Cromwell (ACC), Chuck Elkins (Elkins & Associates) and Rick Tabakin (Cytec Industries) reviewed environmental regulatory trends and initiatives, past and present. The chemical industry can be justly proud of its performance in voluntary initiatives and in meeting regulatory requirements, said Tabakin, ‘but new challenges are putting our skills at communicating that performance to the test – including at the plant neighbourhood level.’

One of the thorniest challenges discussed was the role of the Clean Air Act in adversely driving energy demand. EPA rules restrict or impose significant control costs for coal-fired units, while encouraging or rewarding the use of natural gas as a preferred substitute. ‘Our industry is switching more and more to natural gas as fuel,’ said Cromwell, ‘but the cost is going up exponentially.’ Meanwhile, health-based standards are being developed to address risk from air toxics and criteria pollutants. Major industrial facilities are now a small part of any remaining risk, yet they are still ‘easy targets’ in the eyes of the public, particularly at the local level.

Elkins noted that the EPA is now emphasising efforts to equip communities with tools to assess localised problems. Dozens of local projects are already under way across the US. Assessments range from increased monitoring and inventory accuracy to full-scale risk assessment projects that lead to the adoption of regulatory approaches. Yet industry has been slow to engage on these efforts. Should the chemical industry now increase its involvement at the community level? If so, how?

Open discussion of these questions between participants and presenters yielded many insights. A sampling:

- Establish relationships with emergency responders, regulators, neighbours (eg through a CAP), local media and NGOs/industry critics. ‘You can’t get all environmental groups to talk to you, but you can get some. It takes time.’
- Statements by expert third parties (eg health officials, academics) about the chemical industry’s small contribution to air pollution have credibility.
- Draw attention to other sources of pollution, eg motor vehicles, but make sure you’re doing all you can to reduce your own plant’s emissions.
- As an employer, look for opportunities to reduce pollution from mobile sources.
- Many companies have conducted epidemiological studies. They can be powerful tools in assessing health impacts, but the results may be difficult to communicate. There are state officials who are effective at explaining complex information and, again, as third parties they have more credibility with the public. Let them communicate your data.
• Sharing information means you have to share all information—favourable and unfavourable.
• Relationship building fosters trust and personal connections. When someone says the company lies, you can remind them: ‘Hey, that’s me you’re talking about.’

Generating business value: new approaches
Cheri Burton and Tim Sloan (Wacker Chemical Corporation), Catherine Coke (Rhône-Poulenc USA, LP), Greg Linder (Tomah3 Products, Inc.), Chhevi Sharma (Ashland Inc.), and Lou Wagner (Union Pacific Railroad) explained how Responsible Care can provide business value outside traditional EH&S performance improvement. They highlighted better relations with customers and other stakeholders, regulatory efficiencies, internal improvements (including integration of management systems), lower insurance rates and more business opportunities. There was also an intriguing discussion about Foreign Trade Zones.

Burton and Sloan talked about Wacker’s participation in the Foreign Trade Zone (FTZ) program. A company within a certain distance of a US port of entry (land or water) can apply to US Customs and Border Protection to implement an FTZ. Products that are manufactured in or pass through the FTZ never enter US commerce because they are forwarded to destinations outside the US, so no duty is charged on them. Many other benefits accrue, adding up to great savings and business value for companies that qualify.

Burton said that the key elements in the success of Wacker’s application to the FTZ Board were the Responsible Care Security Code and the Security Vulnerability Assessment.

She noted that the FTZ, the ACC Security Code and C-TPAT (Customs-Trade Partnership Against Terrorism) overlap significantly one with another—and where they don’t overlap, they complement and support each other. The synergies result in a considerable payoff, she said.

Value chain vulnerabilities
The closing plenary session featured a Customer Panel moderated by Terry Yosie, ACC vice president of Responsible Care. Representatives of two downstream companies who supply retailers discussed marketplace expectations regarding EH&S and social performance.

Rich Guimond of Motorola Inc., manufacturers of cell phones and pagers, said ‘the landscape is changing in terms of customer expectations.’ The public is concerned about Motorola’s footprint not just in America, but in Asia. Guimond cited a Forbes Magazine story (which turned out to be untrue) about slave labour at a Taiwanese factory supplying housing for Motorola products. The story illustrated that issues go back many steps in the supply chain. The housing had ‘Motorola’ stamped on it, so Motorola was vulnerable.

In the past, said Guimond, governments were driven to regulate the factory. In the future the drive will be to regulate the product.

Guimond described Motorola’s Supply Chain Corporate Citizenship Program, which goes well beyond traditional EH&S. Among the components of the programme is full disclosure about all materials used in a given product.

Susan Moore described how Georgia-Pacific (manufacturers of paper, tissue and wood products) works with customers at the company’s innovation institute to develop environmental solutions, eg elimination of a Dixie Cup coating, and unwaxed corrugated boxes to enable recycling; hand motion activated towel dispensers to reduce paper use. Moore said that ‘disciplined innovation’ is needed to respond to customer needs and values: ‘We do not believe that happy accidents happen.’ She also talked about Georgia-Pacific’s work with suppliers on environmental and social responsibility issues.

In discussion with participants, Guimond and Moore agreed that the term ‘sustainability’ did not have a clear meaning for their companies and customers, but ‘corporate citizenship’ was readily understood as encompassing environment, health and safety as well as social responsibility.

Asked if Georgia-Pacific requires its suppliers to meet EH&S criteria, such as membership in Responsible Care, Moore indicated that Responsible Care was not a specific criterion, but that her company ‘doesn’t buy a lot from non-ACC companies.’

Guimond said that Motorola requires its suppliers to have an environmental management system, of which Responsible Care would be an example. Moore commented that Responsible Care is the standard setter for other trade associations.

essential²™: Getting industry’s story out
Steve Gardner, ACC, confirmed that the budget for the essential, campaign has been approved, and it will ‘hit the airwaves’ on Sept. 22. Media ads will aim to achieve greater recognition for Responsible Care among informed Americans, employees in plant communities and policy makers. There will also be Internet banner ads tied to ACC and outdoor ads targeting plant employees. An ‘e’ campaign for employees is already under way.

Bryan Dumont of survey research firm APCO Insight, shared some surprising findings on what good chemical industry performance means to informed Americans. Focus groups saw community involvement as less important than regulatory compliance, safety, research and chemical testing. An industry obligation to inform and educate consumers was emphasised. Compliance was a key vulnerability area: ‘Industry needs to follow the law and clean up the mess they’ve made.’

The quality of chemical products received the most positive rating, and profitability and growth were seen as prerequisites for successful industry performance.

Actual industry performance in compliance, safety, research and chemical testing are ‘low hanging fruit for message development,’ Dumont said. The focus group work suggests that simple awareness of this performance will raise the chemical industry’s approval rating.

Speaking from the perspective of a small enterprise, Lynn Solorio described a very effective involvement of plant workers in the essential, campaign at Carus Chemical Company. Strategy was co-ordinated with ACC, who provided ‘all kinds of tactical tools,’ such as posters and a video. The theme of the campaign was that ‘employees are most essential, chemistry.’

‘ACC could not have possibly made it easier for essential, co-ordinators,’ said Solorio. ‘Everything is laid out. You just have to adapt it for your company.’

Solorio referred to a ‘buy-in chain’: employees à family and friends à community à surrounding communities à state and federal legislators.

‘Essential, is probably the most important communications campaign the chemical industry has ever undertaken,’ she said. ‘We need to tell our story.’

In discussion among participants, it was emphasised that essential, is not a replacement for Responsible Care; it communicates Responsible Care.
Top sites scoop CIA awards

- **Huntsman Polyurethanes UK**, based at the Wilton site in Teesside, was announced as the 2004 Responsible Care Award winner at the Chemical Industries Association’s gala Awards Dinner in Manchester in July. Solvay Specialty Chemicals Ltd in Cheshire scooped the Sustainable Development Award. BBC News Presenter, Peter Sissons, presented the top accolades.

  Sponsored by the Royal Society of Chemistry, the Responsible Care award recognises a company’s implementation endeavours. During 2004, the Huntsman site achieved significant improvements in areas such as waste reduction, energy efficiency, communications, employee participation and occupational safety, to beat strong competition from finalists Ineos Chlor, Runcorn; Rohm and Haas UK Ltd, Jarrow; and Uniqema, Wilton.

  CIA Head of Operations & Assurance, Colin Chambers said: “Huntsman Polyurethane is to be congratulated on its focus on creating business value through continuous improvement and employee involvement in applying the Responsible Care ethic to the company’s operations, products and community relations. To win this award a company must demonstrate that the Responsible Care principles are totally embedded in its culture, with extensive involvement of the workforce.

  Solvay was recognized for a firm commitment from both management and the employees to sustainable development, not just for the environmental benefit but because it makes good business sense too.

  The company has used a range of technical and innovative solutions leading to energy costs today that are just 30% of those in 2000, waste that has been cut by 50% and increased productivity of 80%. The site has also spent more than £50,000 on silencing noise emissions and reducing dust levels over the past five years.

  Dr Dave Bott, judge of the award and Technology Assessment Consultant, DTI, said, “It is unusual to find such a complete approach. This kind of thoroughness is an example to the rest of us - it is inspirational that they saw the opportunities and took them with such enthusiasm.”

  The finalists for the Sustainable Development Award, sponsored by Octel Corp, all demonstrated a clear commitment to the CIA’s 2004 guiding principles for sustainable business practices. Runners up were: AstraZeneca, Cheshire; BP Chemicals, Hull; Hydro Polymers, Co Durham; Rhodia Pharma Solutions, Dumfriesshire; Shell Chemicals UK Limited, Ellesmere Port.

  The next issue of Careline will feature Huntsman and Solvay as examples of best practice.

PACIA’s top performers

- Australia’s national chemicals association PACIA recently announced that CSBP Limited’s focus on water resource management and conservation had earned it the Sustainability Award – Chemicals for 2005. CSBP is a Western Australian based supplier of chemicals and fertilizers, and their integrated approach has resulted in on-site water savings of over 500 000kL per year.

  Nowra Chemical Manufacturers was the recipient of the PACIA T.G Crane Health and Safety Award. The company successfully adopted a near miss reporting system that involved a group of employees working closely with the CEO. Each member of the group (Business Systems) accepted a role: eg data base development and logging of cards, blue card design and printing, training, allocation of actions, publication of actions and completion data and feedback to blue card initiators.
The American Chemistry Council (ACC) presented its second annual Responsible Care Leader of the Year Award during the recent 2005 Responsible Care Conference in Las Vegas.

The recipients were Karl S. Kimball, Responsible Care Audit Manager for ACC member company Dow Corning Corporation, and two representatives in the Responsible Care Partnership Program: Don Gore, Manager of Regulatory Affairs for Odfjell Terminals (Houston) LP, and George L. Peirce, Vice President of Marketing & Sales for Transport Service Co.

Among his achievements, Kimball served on the steering and work teams for Dow Corning’s new Operational Excellence Management System and also worked industry-wide, serving on numerous ACC Responsible Care task groups and chairing the Technical Oversight Board, which is responsible for overseeing the Responsible Care Management System and certification process implementation.

Gore successfully led Odfjell Terminals (Houston) LP in its efforts to achieve the company’s vision of becoming the first Responsible Care Partner to attain certification, frequently sharing his experience and insights to help other organizations prepare for, and complete, the process.

Peirce provided outstanding leadership to both the Responsible Care Partnership Program and Bulk Truck sector, playing a key role in gaining approval for certification documents. He also was instrumental in assuring Partner issues were heard and addressed.

The National TRANSCAER Task Group has awarded 2004 TRANSCAER National Achievement Awards to BNSF Railway Company (BNSF) and Norfolk Southern Corporation (Norfolk Southern).

TRANSCAER, which stands for Transportation Community Awareness and Emergency Response, is a nationwide community outreach programme designed to promote chemical transportation emergency preparedness and awareness in communities. TRANSCAER fosters partnerships between chemical producers, distributors, carriers, first responders and government agencies.

The two companies received the award for their outstanding support of TRANSCAER and for excellence in four areas: activities, organization commitment, financial support and manpower investment.

TRANSCAER is sponsored by ACC, the Association of American Railroads, Chemical Educational Foundation, CHEMTREC, The Chlorine Institute, Inc., and National Tank Truck Carriers.

SPIK, the national chemical association of the Philippines, staged its third Responsible Care Day on May 31. Highlights included the Responsible Care Coordinators’ Conference and recognition of best practice. Six companies were given awards, with four of these recognized as best Responsible Care practitioners for 2004.

Those named for best practice were Bayer CropScience, Inc., BASF Philippines, Inc., TNC Chemicals Philippines, Inc., and United Coconut Chemicals, Inc. The awards were based on the companies’ self-assessment reports, on verification reports by Responsible Care experts, and evaluations by the SPIK Responsible Care Council.

Two more companies – W.R. Grace Philippines and McJanus and Base Graphics, Inc. – were authorized as Responsible Care logo users, boosting the total to 21.

Du Pont Far East Philippines, Inc. has supported the Responsible Care Day through their sponsorship of plaques of recognition for the past two years.
The 9th APRCC
Asia Pacific Responsible Care Conference

November 16 to 18, 2005
EDSA Shangri-La Hotel
Metro Manila, Philippines

Conference Theme:
Product Stewardship: a new focus

The Philippines hosts the 9th Asia Pacific Responsible Care Conference, a key regional gathering that tackles vital issues and shapes the course of the global chemical industry.

This year’s conference takes a new look at Product Stewardship – the promotion of environment, safety and health by conducting risk management throughout the product’s entire life cycle.

The event will also serve to launch the new Global Charter of Responsible Care in the Asia Pacific Region.

Organized by SPK
Samahan sa Pilipinas ng mga Industriyang Kimika

REGISTER NOW!
For event details, call APRCC Secretariat:
Meeting Points International
1000-E Quezon Blvd.
Sampaloc, Manila
Telefax

For more information, call the SPK Secretariat:
Unit 2201 Cityland 10 Tower 1
6815 H. V. dela Costa St., Ayala Ave.
1226 Makati City, Philippines
Tel: (632) 812-9854
(632) 814-0970 (fax)

Conference e-mail: aprcc2005@yahoo.com
aprcc2005@spik-ph.org
Website: www.spik-ph.org

651-1749