


Should You Trust Voluntary Initiatives?

Verification of Canadian chemical
companies under Responsible Care

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Outline

- Responsible Care: Ethic, Principles, Codes
 - Verification of companies: Purpose, When, Who, How, Reporting and Follow-up
 - Credibility
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Responsible Care

- Canadian Chemical Producers' Association (CCPA) ~ 80 companies
- 1980s: Crisis of confidence in industry
- 1985: Established Responsible Care
 - a voluntary initiative to address public concerns
 - to effectively manage chemicals, chemical products and processes over their life cycle
- Ethic, principles and codes of practice
- Requirement of membership
- Verifications of company compliance (since '94)
- Has spread to over 40 countries

Ethic

- Commitment to do the right thing and be seen to do the right thing
 - Guided toward environmental, societal and economic sustainability by a set of principles
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Principles

- Stewards of our products and services during their life cycles to protect people and the environment
- Accountable to the public, who have a right to understand the risks and benefits
- Respect for all people
- Work together to improve continuously
- Work for effective laws, and will meet or exceed them in letter and spirit
- Inspire other to commit to the principles

Old vs. New Ethic

Old Ethic

- ✗ do what the law requires
- ✗ low profile
- ✗ limit product obligations
- ✗ downplay public concerns
- ✗ assumption of product innocence
- ✗ hazard information only if necessary
- ✗ defensive approach to new laws
- ✗ every company for themselves
- ✗ ignore or fight advocates
- ✗ bottom line & laws guide decisions

New Ethic



- ✓ do right thing (exceed laws)
- ✓ be seen to do right (or wrong) thing
- ✓ life cycle stewardship
- ✓ seek & address public concerns
- ✓ precautionary approach
- ✓ public, employees right to know all
- ✓ lead in public policy process
- ✓ mutual aid & peer pressure
- ✓ seek advocates' input
- ✓ integrate all above into decision

Codes

- Community awareness and emergency response
- Research and development
- Manufacturing
- Transportation
- Distribution
- Hazardous waste management

Management systems

- Each company is expected to have management systems that ensure it meets 151 code requirements
- Plan ---> Do ---> Check ---> Act
 - Set goals, benchmarks
 - Establish responsibilities, train, document
 - Audit, measure performance
 - Correct deficiencies, improve


Examples of requirements

- Emissions
- Planning products and processes
- Planning new facilities
- Risk assessments
- Emergency response
- Transportation routes
- Product stewardship
- Communication (dialogue) with public
- Security

Does it work?

- CCPA National Advisory Panel and some companies said need to check company compliance
- Objectives:
 - Enhance credibility with public
 - Help companies improve
- Audience
 - Company including employees
 - Public and governments
 - Other companies (CCPA and supply chain)

Verification to check on

- Understanding of the ethic
 - Management systems
 - Plan--> Do --> Check --> Act
 - Follow-up on previous verification reports
 - Response to incidents
 - Compliance with codes
 - Community dialogue
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Verification

- When

- Initial verification in 3 years
- Re-verification every 3 years

- Who does it

- Independent, “third party”
 - Two from industry
 - One from local public at each site
 - One from larger public

How

- Advance review of documents
- 3-day on-site visit
 - Interview and question management, employees, neighbours
 - Phone call to customers, suppliers, contractors, emergency responders, etc.
 - Review documents
 - Tour site
- Questioning is not an audit

Results

- Consensus report to company
 - Understanding and acceptance of RC ethic
 - RC management system
 - Finding on specific codes and community dialogue
 - Findings requiring action
 - Opportunities for improvements
 - “Extra miles” and best practices

Reporting and Follow-up

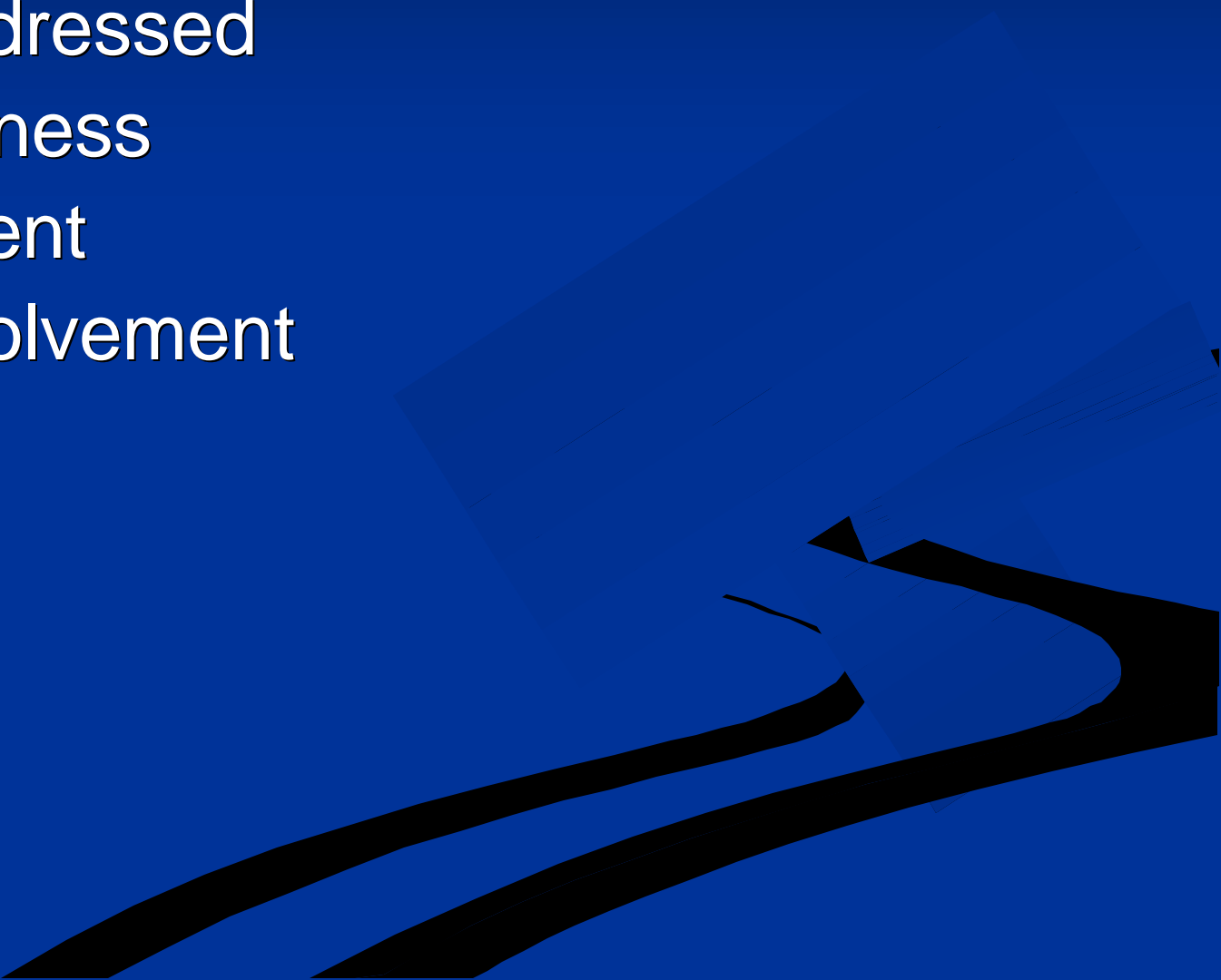
- Report must be shared with public
- Follow-up
 - By team within 1 year if not “self-healing”
 - Public dialogue process
 - CCPA: peer pressure
 - Next reverification in 3 years

Should public trust Responsible Care?

Depends on:

- Requirements of Responsible Care
- Credibility of verifications

Requirements

- Issues addressed
 - Ambitiousness
 - Commitment
 - Public involvement
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Issues addressed

- Ethical practices
- Social impacts
- Environmental impacts and risks
- Economic impacts

RC addresses all to some degree

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Levels of ambitiousness

Sustainability

Product stewardship

Pollution prevention

Community involvement

Regulatory compliance

RC achieve lowest three and strives for all

Levels of commitment

Publish performance results

Audit performance

Set targets

Establish policy

Declare commitment

RC requires that companies do all of this

Levels of public involvement

Citizen control

Partnership

Consultation

Informing

Manipulation

RC is at middle level

Credibility of verification

- Checking
- Credibility of verifiers
- Sanctions
- Transparency

Levels of checking

Public review

3rd party (independent) review

Association monitoring

Self-reporting

Self-monitoring

RC verification requires all of this

Credibility of verifiers

- Conflict of interest
- Knowledge
- Training and consistency: accreditation

RC ensures no conflict, but no accreditation.

Public members lack knowledge

Levels of sanctions

Mandatory fines

Public disclosure

Disclosure to peers

Expulsion from membership

Peer pressure

Introspection

RC has all but the top level

Levels of transparency

Public questioning

Public report

Press release

No reporting

RC requires top level

Conclusion:

Elements for public trust in voluntary initiatives

- Meaningful requirements
- Independent verification
- Public reporting
- Sanctions

Thank you

Questions?

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