The thorny issue of 3rd party verification (TPV) at the industry’s principle-driven voluntary performance initiative Responsible Care has been around for more than a decade. In some countries there is still resistance to the idea despite associations signing on to the commitments embodied in the Responsible Care Global Charter (see panel overleaf).

Caroline’s survey, conducted a year after the Charter’s launch, takes a closer look at where the Responsible Care community stands on verification at this point in time, and offers some indication of future plans.

It reveals the range of verification processes employed by Responsible Care associations around the world. They vary from self assessment – in some cases mandatory, in others voluntary – to full 3rd party verification and certification for all member companies, with a variety of combinations in between.

Clearly many associations are enhancing their Responsible Care verification processes or have defined a timetable to do so, enabling industry to claim progress in resolving what critics perceive as a main weakness of the initiative.

Other associations, particularly those struggling to find enough resources to support verification activities, should benefit from ICCA plans. At the Responsible Care Leadership Group meeting in Santiago, Chile last November, a breakout group discussed management systems verification at the global level. It concluded that a non-prescriptive framework document and supporting materials such as case studies would be useful, so that associations do not ‘reinvent’ management systems approaches.

The group also believes that more guidance is needed and is already working on establishing minimum requirements for performance indicators, management systems approaches and verification processes. It is hoped that the management system framework guidance and other materials will be available during 2007.

It was stressed that there are no plans to introduce another management system, or a single global Responsible Care Management System.
Finding the right mix for TPV

Considering industry’s claims that the global Responsible Care initiative is a credible and effective means of ensuring chemical companies’ continuous improvement, and that it seeks ever-increasing business value through its use (particularly as a lobbying tool), some of the anomalies that exist must appear incongruous to stakeholders.

For example, there are still a few national programmes which state that it is mandatory for members to verify their implementation of Responsible Care yet have no formal process in place for verification. In such a situation how can an effective verification be delivered without a benchmark to carry out the verification, without specifying what competency the verifier should have, or what the scope of the verification should be? For verification to be credible it is important that all these elements are clearly set out, together with a minimum acceptable frequency.

These issues are well-recognised by industry and are being directly addressed through implementation of the Responsible Care Global Charter. The varied examples set by national associations and their member companies in Brazil, Canada and the USA – the three countries to date where Responsible Care is a condition of membership and 3rd party verification (TPV) is mandatory – are there for others to follow.

Within the verification community, it is accepted that the minimum period for verification is every three years, with surveillance visits either on an annual or 6 monthly basis. So, in an industry which is undergoing constant change and managing major hazards it is good to see that in the majority of cases verification takes place on at least this same basis. But some associations still leave it to the discretion of the member company to set its own frequency which is a weakness that critics will seize on.

Since the late 1990s, internal verification surveys have indicated a gradual move towards TPV, with many associations requiring that Responsible Care verification can be carried out at the same time as a company is being audited for a standard like ISO 9001.

This answers one of the main criticisms leveled at industry: that Responsible Care will never be truly credible as long as the industry is checking itself. For the verification process to be credible, clear minimum standards of implementation must be set out as the benchmark against which verification takes place.

Equally important is that the verification team is competent. The start point should be a requirement that auditors are either approved by the national association or work for a verification body offering accredited Responsible Care certification. Our survey showed that not all associations require that verifiers should have chemical industry and Responsible Care experience, and competence in auditing. Stakeholders may find it hard to accept that verification in these situations is credible. Knowledge of the industry is important to understand the processes and risks that are being managed, to check that the relevant legislation is being addressed, and that the right risks are being identified and managed.

Key Findings: Making progress but could do better!

- **Independence of Verification**
  - Increasing number of associations plan to or have introduced 3rd party verification
  - Improves credibility of Responsible Care implementation

- **Mandatory or optional?**
  - Increasing number of associations plan to or have introduced mandatory 3rd party verification
  - Gives Responsible Care brand more credibility
  - Helps prove companies are ‘walking the talk’

- **Formality of Verification**
  - Some national programmes state it is mandatory for members to verify implementation of Responsible Care but have no formal process(es) in place for verification.
  - Weakens credibility of verification claim

- **Frequency of Verification**
  - Most associations require verification takes place at least every three years. Some leave it to the company to set its own frequency.
  - Three-yearly or less is in line with recognised practice for national and international standards. But company choice weakens credibility of verification claim

- **Verification Credibility**
  - Mixed requirements and no clear minimum standards for verification team competence.
  - Weakens credibility of verification claim

Enhancing the Business Value

- **Independence of Verification**
  - Mixed results covering the scope of verification
  - Weakens credibility of verification claim

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One obvious way of enhancing the business value of Responsible Care is to integrate the Responsible Care verification with national or international standards so that one or more can be verified at the same time. This not only reduces management time, thought preparation for separate audit visits, and the time auditors are on site but also offers the opportunity of multi-certicates being issued. As our survey shows, a number of associations clearly recognise this benefit, and have ensured that their verification systems address standards such as ISO 14001, OHSAS 18001, etc.

This is also beneficial in that it supports the development of integrated management systems within the company and demonstrates – particularly to those who may be unfamiliar with Responsible Care – how the initiative encompasses environment, health and safety, and other elements with which observers may be more familiar. Such an approach makes it easier for regulators, suppliers, customers and other stakeholders to accept Responsible Care verification in place of these more ubiquitous standards.
The big picture: survey results and analysis

Distributors swit to embrace TPV

It is a 3rd party verification (TPV) set to lead to a two-track Responsible Care network? The short answer would be hopefully not. But in the short to medium term, it is clear that the issue of TPV is tripping up division between different sectors of the chemical industry and even different geographic regions. When it comes to the chemical manufacturing sector, the Americas have proved to be the leader in embracing and implementing TPV. Perhaps it is the global distribution sector that is now more widely recognising the benefits of TPV and, importantly, seems to be adopting the concept with some enthusiasm.

Again, the Americas have led the way. Canada and the USA have fully-baked protocols and processes in place and 3rd party verification is a condition of membership of their associations, comments Steven LePoole, president of the International Council of Chemical Trade-Associations. Brazil also has compulsory TPV. LePoole adds: Europe has been slower to take up the verification challenge, but since 2006 there has been a concerted effort by its distribution sector to get to grips with the issue both on a pan-European level and individual countries. During 2006 the UK distribution body, Chemical Distributors Association (CDA) announced that TPV of Responsible Care was to become compulsory for all its members by the end of 2009.

Commenting on the move CDA chairman Brian Orange said: "We believe 3rd party verification is essential for the future development of Responsible Care. Quite rightly, the industry is under pressure from legislators and stakeholders to continually improve its health and environmental performance, and independent assessment of these improvements is the next logical step forward for the industry." While Europe has some way to go on implementing TPV, LePoole notes that there has been a positive switch toward such a protocol. The situation is much improved in the last two years, he says. "Twenty European member associations of the ICCA have committed to implementing 3rd party verification by 2009. But while the global chemical distribution sector in Europe is learning to love TPV, producers seem less conversant, and this is where the second track emerges. LePoole says TPV has 'limited acceptance and experience in the producers’ world,' adding: ‘Canada’s system is exemplary, probably more effective than any other 3rd party verification system in the chemical world.‘ LePoole cites a lack of peer and commercial pressure from producers as being major reasons behind the reluctance to adopt TPV. But he also believes that the Responsible Care Global Charter hasn’t gone far enough on this topic: ‘From my reading of the Global Charter producers are not encouraged to move more strongly in any direction involving commitments beyond self-assessment.’

Perhaps as CDA chairman Brian Orange commented, it is the fact that TPV is now being regarded as ‘essential’ for the future development of Responsible Care that is the key challenge for everyone. But now perhaps more than ever TPV is a key part of the Responsible Care programme; also they will need to track those programmes for changes in order that their training content is updated for changes to ensure verifiers are still competent.

How Do Auditors Address the ‘Cross Border Challenge’?

Thus far, developments in Responsible Care verification have taken place almost entirely at national level with associations working on processes best suited to the peculiarities of national circumstances, their national programme, and member companies’ needs, etc. So it is not surprising that our survey shows a low level of integration with other national Responsible Care requirements. But at that level rise, specific challenges will start to emerge. For example, auditing training bodies who have been training ‘home’ programmes will need to determine if they are on the one hand ‘fitting’ the national Responsible Care programme, also they will need to track those programmes for changes in order that their training content is updated for changes to ensure verifiers are still competent.

Additionally, who determines what auditor approves Responsible Care training bodies and auditor in that country? LePoole comments that some countries focusing on Responsible Care training bodies are also undergoing TPV auditing training. Assuming this trend continues for RC14001 and possibly other standards, what future, what additional issues might be expected to surface? Without doubt, there will be the need for close and careful liaison between national associations and the 'competent authority' for those countries with formal Responsible Care verification processes, particularly TPV auditor certification. Could all of these developments all be essential to ensure informed stakeholders including regulators and politicians, for example, are not confused.

It’s a challenge for everyone involved, and is set to keep the topic of 3rd party verification of Responsible Care high on the industry’s and the auditors agenda.

During the middle of 2006 the China Chamber of Commerce of Metal, Mineral and Chemicals Importers and Exporters (CCCMIC) signed an agreement to become candidate members of the ICCA, in doing so the CCCMIC committed itself to its members to the eight guiding principles of Responsible Distribution – the US and Canadian distributors’ version of Responsible Care – and the implementation of Responsible Distribution over a five year period. Members of the CCCMIC are both producers and distributors. But producers viewing themselves as having a leadership role in Responsible Care, LePoole says, so the concept of the producers adopting TPV is not surprising.

The CCCMIC has already hosted a workshop on Responsible Distribution (see issue 40) which was presented by the National Association of Chemical Distributors (NACD). LePoole says the CCCMIC now intends to implement Responsible Distribution on an industry segment basis, with the citric acid sector being the first. Most recently, Mexico hosted NACD representatives where the distributor division of the national chemical industry association learned more about Responsible Distribution. It is clear that TPV is set to become a way of life for much of the chemical industry. How much longer a two track system can exist remains to be seen.

ESAD II GALVANIZES EUROPEANS

The European Single Assessment Document (ESAD II) has galvanized the European distributor sector, making TPV good for business and simple to implement. ESAD II is a joint initiative between Europe’s chemical manufacturers and distributors to devise and oversee a voluntary system for assessing the health, safety and environmental standards of distributors’ operations, while providing a 3rd party verification system for compliance to their Responsible Care programme. ESAD II is structured around the eight guiding principles of the Responsible Care/Distribution Programme of the International Council of Chemical Trade Associations. Europe is extremely fortunate to have the ESAD system. It is pan-European, well developed and accepted by producers and distributors and easy to use. According to LePoole, a distributor’s self-assessment should be able to move to ESAD without significant effort or cost, comments LePoole. The Chemical Business Association (CBA) described ESAD II as an ‘independent check to see that you are walking the talk.’ The CBA stresses that ESAD II provides tangible evidence that the Responsible Care is working effectively across companies. A number of European distributor associations have made involvement in the Responsible Care programme a requirement for membership. As well as providing verification for European facilities, companies are also applying the standard to their operations outside the region. – MABEL COXER

Verification Requirement by Association

Voluntary only 25%

Mandatory 75%

No of options offered

Breadth of Verification Options

Scope of Verification

Other Standards Covered within Verification

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Caroline Sannen

RESPONSIBLE CARE SURVEY

This has been a long standing feature of ICCA recognised Responsible Care programmes that verification of implementation is mandatory. However, the survey highlighted that in nine associations verification is still voluntary and one association relied on an environmental regulatory intervention as the means to verify Responsible Care implementation (Figure 1). A key weakness of the latter approach is that it is highly unlikely that the non-environmental aspects of Responsible Care would be verified as it would not be within the scope of the environmental regulator. Even if so, it would be no surprise if observers perceived that it was only a partial verification thereby potentially leading to a loss in credibility.

Just under half of the responding associations offer two means of verification: formally self-assessment and 3rd party verification (Figure 2). The survey shows that five associations report that both self-assessment and 3rd party verification (TPV) is mandatory for members. Further, seven associations say that both self assessment and 2nd party verification is mandatory, and one reports that self-assessment, 2nd party and 3rd party verification are mandatory. Where multi-mandatory verification processes are in place, they can only add value if they address different aims. The greater the overlap of their aims, the less the synergy and greater the burden on the party being verified, all for a smaller return. An alternative explanation could be that verification is mandatory but the party being verified can choose between the two or three options available so as to which process they will undertake. Additional follow-up would be required to determine the actual reason for this apparent multi-mandatory requirement.

For all those with formal verification, the process covers the management system and performance improvement (Figure 3). All but one also address the Guiding Principles. However, only about half address stakeholder engagement and the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic. This latter omission seems odd in that Responsible Care is fundamentally based on an ethic – yet systems are not verifying the Responsible Care ethic.
Checking out global developments

This section of our Verification report focuses on a selection of the national chemical associations where change to Responsible Care verification processes is afoot. In some cases, those changes are currently being implemented while others are still at the planning stage. Read on to find out who’s doing what, and where.

New Zealand

Nearly 90% of New Zealand businesses are small to medium sized enterprises (SMEs) that would not participate in a traditional, complex, fully documented, and expensive TPV scheme. The New Zealand Chemical Industry Council (NZCIC) has developed a unique and flexible approach that has been taken up by a wide range of organisations outside the chemicals sector. It offers businesses an innovative, multi-level verification-based scheme – Prince® Site Accreditation – that commences with a ‘desk top’ evaluation of safety, health and environmental performance. The boss completes a comprehensive yet simple Prince checklist. The checklist confirms a basic management system exists which triggers a quote and timetable for a thorough assessment of site operations, including:

- Compliance with SH&E regulations
- Local Responsible Care initiative
- Local resource consents, licences, etc
- Chemical management
- Contractor performance
- Future additions include the new Code of Practice to prevent the diversion of chemicals to illicit drug laboratories. The Prince report identifies regulatory compliance, non-compliance and best practice, and recommends remedial actions.

Qualified assessors can also verify ISO 9000/14000 certification, local workplace health and safety regulations, work permits and Responsible Care obligations. For example, Canadian methanol producer Methanex is implementing Responsible Care facilities at plants around the globe. NZCIC suppletes the visiting four-person audit team from headquarters with its own expert on local regulations, work permits and Responsible Care obligations.

In some cases, remedial actions may require return visits. Rather than entailing a ‘final exam’, Prince reports how to provide the CEG with a ‘blueprint’ for achieving compliance and ‘continuous improvement’. Successful Prince participants are authorised to use the Responsible Care logo and receive a certificate from a Cabinet Minister. Verification is carried out every 18–36 months, depending on the level of risk associated with site operations.

By using independent, NZCIC-trained contractors, the Council says Prince assessments offer excellent value for money compared with standard audits used in other parts of the world, and have been adapted by a wide range of businesses. It says experience has shown there is room for both approaches: the service offered by global auditing firms to multi-national branches that may insist on ISO14000 accreditation; and the Prince assessment scheme that is meeting the needs of hundreds of smaller companies simply seeking assurance that they are ‘doing the right thing’ by operating within the law and looking after their employees, their customers, and their community.

Today, more than 350 participating sites (members and non-members) include not only chemical manufacturers, but also importers, hospitals, military bases, research laboratories, universities, distributors, and retailers. Nearly 60% of rural retailers in New Zealand have adopted Prince as an industry benchmark for compliance.

Chile

The Atuoquium verification process is based on the Canadian system and has been linked to Chile’s Responsible Care awards scheme for several years. It starts with analysis of a company’s self-assessment and performance information. The verification team – comprising the chair of an NGO, an experienced chemical engineer, the association’s operations manager and a local community representative – carry out interviews with workers and with management from all parts of the company including contracting, logistics, distribution, communications, emergency response, acquisitions, health and safety, and security. In addition, the team will interview stakeholders, for example neighbours, suppliers, clients, contractors, fire fighters and transporters.

Atuoquium says external verification has resulted in a number of benefits, including:

- Recognition from public authorities / regulators
- Better regulations
- NGOs, local communities, academics have improved perception of industry
- Adoption of preventive actions by member companies
- Industry leadership in emerging initiatives like social responsibility
- Improved HSE and transport performance

Italy

In 1999 Italian chemicals organisation Federchemica decided to adopt and adapt the UK’s Responsible Care Management System (RCMS) for its own member companies. Four years later Federchemica undertook a review of its RCMS and arm its hallmark of ‘compatibility’ with other systems such as ISO 14001, EMAS and OHSAS 18001 which are widely implemented by Italian chemical companies.

Responsible Care is a voluntary programme in Italy so Federchemica’s ‘markets the initiative by emphasizing the links between its RCMS and other standards, noting that Responsible Care companies will find it much easier to obtain ISO 14001, EMAS or OHSAS 18001 certification. For those already certified to these standards, Federchemica explains how they can use Local Responsible Care to integrate their management systems and ‘move toward excellence.’

While the association says it does not intend to introduce mandatory TPV of its Responsible Care management system because of the high level of certification already in place and strict government controls, Federchemica is working towards introducing TPV as an option for member enterprises to meet its criteria. Membership has been doubled with verifiers with a view to drawing up a checklist against ISO14001 and OHSAS18001.

Netherlands

Dutch association VNCI rolls out a pilot process for sector and federation level TPV this year, notes Spier Loopis, Responsible Care manager. The VNCI Board has announced it will have mandatory verification in place by 2010. Currently VNCI has voluntary self-assessment in place and sees around 75% of members comply.

The pilot, involving around five companies and lasting for at least a year, will help the association’s Responsible Care working party draw up detailed plans on how to proceed. Sector verification, Loopis explains, means that only those elements of a company’s management system relating to Responsible Care will be verified. He says that most member companies already have ISO14001 or their own quality, health, safety and environment standards in place and the verification process will be linked to those standards. However, he adds that ‘no decision has been taken’ about what details to verify, as for certification, Loopis notes that companies have their own schemes and it is not planned as part of the association’s verification scheme. Verification will be led by a mainstream supplier and will involve external stakeholders probably drawn from NGOs, academia, and downstream users.

The scheme is part of VNCI efforts to improve the industry’s image and Responsible Care is a ‘cornerstone’ of that programme, says Loopis.

South Africa

The Chemical and Allied Industries Association developed a procedure for TPV of Responsible Care during 2003 and 2004. All CAXA’s Responsible Care members are required to have undergone TPV by the end of September 2007. New members are required to carry out self assessments during the first two years of membership after which verification becomes mandatory.

The auditor guidance documents cross reference ISO14001 and OHSAS18001 clauses to allow for integrated audits if a company chooses this route. It also includes the NOSA system (a South African health and safety management system), so allowing for simultaneous auditing of several management systems thus reducing the auditing time and cost to the members.

Seven management practice standards are currently included with an eighth - process safely – now ready for inclusion in the verification process during 2007.

Brazil

Abiquim undertook a major overhaul of its entire Atuação Responsável (Responsible Care) programme between 2003 and 2006. A year earlier, in 2002, the association had launched a pilot verification scheme known as VerificAR and by end 2004 had verified 24 member sites. Mandatory third party verification (TPV) was introduced in 2005 and by end 2006, a total of 17 sites had been verified by a team comprising ISO-certified auditors, community leaders and member company professionals. Companies can also request to have customer representatives involved in the process.

Although ISO-certified auditors led the verification, Abiquim’s Marcelo Kos notes that the old scheme was not suitable for ISO or equivalent certification audits. It involved a simple scoring system and an audit report highlighted main strengths and opportunities for improvement.

New Atuoquium verification addresses these issues by enabling companies to go through an integrated audit which will provide ISO or equivalent certification on application. Both auditors and the member company professionals involved in the process will also need to be qualified verifiers of Ilirazzo’s well-regarded Quality and Excellence standard PNF. A more sophisticated scoring system (0 to 1000 points) and a pre-audit ‘management report’ based on self-evaluation and quality awards reports are additional changes that the Brazilian association has introduced to increase the value of VerificAR for its member companies.

Kos notes there are short term challenges to be addressed including incentivisation for those companies seeking alignment with ISO audit requirements; and allowing additional time for integrated audits. In addition, auditors require training on the new VerificAR scheme, while Abiquim must ensure the new verification protocol is both comprehensive and robust, define the new scoring criteria and ensure it achieves full alignment with PNF.

Korea

The Korea Responsible Care Council is upgrading its Responsible Care programme and replacing the current self assessment process used by member companies with a new Council-led external assessment process involving environment and safety specialists. The scheme will provide technical consulting expertise for those deemed as ‘under-performing’ companies and will identify improvement opportunities in others, says KRCC. A new Responsible Care awards scheme will recognise performance excellence or major improvements based on the external assessment. Specialists will be drawn from a pool of retirees with over 20 years experience in chemical plants.

KRCC aims to have its training programme in place by the year end and says it intends the new scheme will eventually lead to an overall upgrading of self assessment practices to a level that enables regulatory authorities to act as an assessment group.
Japan

The Japanese Responsible Care Council introduced a third party verification process in 2002 and uses it to identify problems and provide advice on EHS improvement at member companies. The Council’s RCMS is an integrated management system including ISO 14001, OHSAS 18001, and ISO 9001. Based on the assumption that the main purpose of Responsible Care verification is to enhance performance, the JERC says that certification is ‘not suitable’ for this purpose and, therefore, does not offer third party certification under its verification scheme. For the same reason, it says that it will be giving priority on system management and implementing ‘concrete activities’ rather than further developing the system itself, in order to help member companies achieve continuous improvement.

US

In 2002, as part of a radical overhaul of its approach to Responsible Care, the American Chemistry Council (ACC) replaced a voluntary management systems verification process with mandatory third party audits for members and Partners (Partner companies handle but do not manufacture chemicals). Assessments are by certification body accredited auditors with qualifications in environment, health and safety, and Responsible Care. All members and Partners must have their headquarters and a sample group of sites certified during a three-year cycle.

ACC provides two certification options. RC14001 incorporates all of the ISO 14001 standard. As well, it is compatible with ISO 9001 and OHSAS 18001. The Responsible Care Management System (RCMS) is compatible with other standards and not truly integrated with them as is the RC14011 technical specification.

Based on what ACC is hearing from its members, Roczniak says that companies are also reacting positively towards external auditors. ‘When it comes to auditing, says ACC’s Dan Roczniak, ‘we were pleasantly surprised at the willingness of the auditing community to participate in the certification process.’ He notes that 16 auditing firms are currently participating and other firms are in the witnessing process to become accredited. Their understanding of Responsible Care is very sound, he says, though there are some challenges around product stewardship issues. The Council hopes to provide some supplemental training opportunities on product stewardship in the future so that auditors can be better informed of the commitments made by ACC companies in this area. The process has run surprisingly well over the past several years, Roczniak says. ‘This is a testament to the hard work being done by the member companies and the auditing firms to make it work.’

Bulgaria

One of the newest members of the Responsible Care ‘community’, the Bulgarian Chamber of the Chemical Industry has self assessment and 2nd party verification in place. Representatives from BCC’s national Responsible Care Committee check member companies self assessment. BCC says it has no plans to increase the level of verification in the near future, and points out that its Responsible Care focus is on issues such as product stewardship, energy efficiency, environmental protection, workplace health and safety, and of course RAEC legislation. In fact, introduction of 3rd party verification would result in the loss of member companies, comments BCC.

Equador

In Ecuador, the national chemicals association Apquque says its focus on Responsible Care verification is geared towards government recognition, both at national and local level. Under its Responsible Care programme, Apquque operates a mandatory 2nd party verification scheme whereby it acts as the verifier, and this year will start revetification of member companies.

Germany

Germany’s national chemicals VCI has long maintained that Responsible Care implementation is a matter for its member companies, and is verified through self assessment. Many member companies have a range of different management systems in place. The VCI notes that there is ongoing discussion of Responsible Care verification in ‘the relevant committees’ at both Cefic and ICCA level and the outcomes will be dependent on international trends and the benefit for members.

Indonesia

Use of the Responsible Care logo is only granted to those companies that undertake verification every three years, as stipulated by the national Responsible Care body KN-RI in its Articles of Association. Verifiers undergo special training conducted by the KN-RI. The training sessions are led by experts, and have been sponsored by multinational companies including Bayer and Rahn and Haas as well as the Japan Responsible Care Council in cooperation with the government sponsored trade body, Jetro.

Malaysia

In two to three years, the Chemical Industries Council of Malaysia aims to introduce mandatory 2nd party verification. It intends to integrate the system with OHSAS 18001 and ISO 9001 standards and seek recognition of verification by government enforcement agencies, which regulate the industry’s safety, health and environment performance.

Mexico

Mexican association Apro is developing a TPV process for Responsible Care and plans to carry out verifications on a three-year cycle, although currently member companies can choose the frequency. Apro has signed an agreement with the Economy Ministry which has clear benefits for those companies that have successfully undergone Responsible Care TPV as they are able to save on import duties on certain materials.

Poland

One year after joining the Responsible Care programme in Poland, a company must go through a ‘certificated audit’ conducted by auditors approved by the Polish Chamber of Chemical Industry. The following year a company undergoes a ‘confirmation audit’, after which they are mentored every three years.

Spain

Self assessment and 2nd party audit of the codes of practice by the national chemicals association Fenix are mandatory for Spanish chemical companies committed to its Responsible Care programme, Compromiso de Progreso. The Responsible Care auditors are appointed by Fenix each year. Rather than introduce a formal 3rd party verification scheme, Fenix says it plans to focus changes to its audit process on improving the visits of pest performers and new member companies.

Switzerland

Switzerland’s SGCI has voluntary self assessment of Responsible Care in place, and says there are no plans for a more rigorous system. The association explains that its member companies already have their own EHS management systems in place, and that the country’s ‘very stringent EHS legislation’ means there is little added value for either 2nd or 3rd party audits. In addition, there are no resources available, says SGCI.

Thailand

The Thailand Chemical Industry Club’s Responsible Care programme has mandatory self assessment and voluntary 3rd party audits. Enhancement of the verification process is under discussion. Training on RC14001 (developed for the American Chemistry Council’s Responsible Care programme) started in 2006 and will be followed up with a full training workshop in 2007. US companies are already using RC14001 as a reference and the Thai Industrial Standards Institute is considering its adoption.

Vietnam

Asquop introduced a voluntary second party verification process in November 2006, with a three year cycle. If a company does not meet the necessary standards then the association will reviewly a year to check improvements have been implemented. Asquop says it will work towards introducing mandatory third party verification.

Colombia

Colombia introduces a new self assessment model this year, plus external verification by accredited auditors...

France’s national association UIC says it will implement TPV in line with the Cefic Management Framework for Responsible Care, and will work towards integrating the process with existing management systems. As yet, it has not yet decided either on the frequency or who will carry out the audits...

Singapore is ‘reviewing the possibility of TPV’...

Netherlands introduces a new self assessment model in 2007...

Morocco plans to introduce voluntary self assessment of Responsible Care in 2008...

And Finally...

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This report was compiled and written by Debbie Jackson, Colin Chambers, Francis Gillis and Muriel Cozier. Colin Chambers is a member of Careline’s advisory board and has over 15 years’ experience in management systems and verification. Francis Gillis, Careline’s North American Editor, researched and wrote our US and Canadian profiles. ICB Environment Editor Muriel Cozier contributed the Distribution report. Thankful grateful to the 37 chemical associations from the following countries for their valuable input: Austria, Australia, Brazil, Bulgaria, Canada, Colombia, Czech Republic, Ecuador, Estonia, France, Germany, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Korea, Latvia, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Philippines, Poland, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, United Kingdom, United States of America, Venezuela.
US companies rolling out RC14001 around the globe

A growing number of chemical facilities in a wide range of jurisdictions outside the USA are being RC14001 certified. The standard, which incorporates all of the ISO 14001 technical specification, was developed by the American Chemistry Council (ACC) as an option for its own members and partners when they tried to develop Responsible Care audit criteria in 2002. The other ACC option for members and Partners is RCMS (Responsible Care Management System) certification.

Brad Vernico, president of auditing firm Vernico Associates, agrees there has been an internationalisation of RC14001, with most of the demand coming from US-based companies with operations overseas. He notes that his company, which helped develop the RC14001 and ROAMS standards, has provided RC14001 training to auditors from Gencor, Malaysia, Singapore, India and Brazil.

Vernico sees the Responsible Care Global Charter as one driver of the growing number of RC14001 certifications outside the US. Another driver is the value clients see in integrating ES and Responsible Care into a single management system. US-based companies with operations in Europe are also looking at RC14001 certification as one way to ensure they are meeting the requirements of Reach legislation.

For US-based companies, RC14001 offers global consistencies and efficiencies in their environment, health, safety and security (EH&S) systems. That is the rationale for Cytec, for example, which is rolling out RC14001 certification to its 41 sites around the globe (see page 18) and for Ahlbrand, which is moving in the same direction (see Issue 43).

Vernico Associates is planning to offer RC14001 auditing training in London in April or May, pending sufficient interest. As well, the company has been asked to provide auditor training in conjunction with BEAC (Board of Environmental, Health & Safety Auditor Certifications) in Amsterdam later this year. Vernico Associates would do the auditor training and BEAC would conduct the accreditation exam right after. Apart from the UK and the Netherlands, says Vernico, there are indications of interest in RC14001 in Germany, Belgium and Italy.

Not all of the companies being certified to RC14001 are ACC members. The ThaiChem Industrial Club started offering RC14001 training last year and the Thai Industrial Standards Institute is considering adopting it. Vernico Associates is working with a company in Trinidad, a country that does not have Responsible Care. The Canadian owners of the company want all their sites to be in Responsible Care and have chosen to certify them to RC14001. Vernico says there have also been indications of interest in RC14001 from waste haulers, non-ACC chemical producers, and distributors that distribute or handle chemicals.

Vernico notes that, while any company can apply for RC14001 certification, only Responsible Care companies are eligible for ROAMS certification. A company not in Responsible Care that achieves RC14001 certification cannot use the Responsible Care logo, but they can say they are ‘RC14001 certified’ at the location that was covered in the audit.

Dan Racoznia, who manages Responsible Care certification at ACC, emphasises the importance of clarity on the use of Responsible Care logos in different countries. He notes that an ACC member company can use the ACC logo in the US. If it operates overseas and is part of the local trade association, it should use the local logo. If an ACC company is certified to RC14001 outside the US, it should not mix the RC14001 term with the local logo, nor should it attempt to use the US logo at a location outside the US if it is not a Responsible Care program. All of these builds off the ICA’s guidance on using the Responsible Care logo at the local association, he says.

The ACC is not actively recruiting companies to conduct RC14001 audits outside the US, says Racoznia, nor is it instructing training companies to offer courses overseas. ‘We’re relying on the market as the driving factor. To us, it’s a positive sign that companies are truly finding value in Responsible Care certifications and driving the creation of the infrastructure to support them,’ he adds. ACC has encouraged BEAC to consider offering the RC14001 exam opportunities overseas primarily because it is clear that the auditing community has been asking for it. He notes that BEAC has agreed to offer courses this year, but in the future, BEAC will also need to weigh the costs and benefits of going overseas to hold exams.

Asked whether it would be easier just to fly US-based auditors into overseas jurisdictions rather than developing local Responsible Care auditor training infrastructure, Vernico says overseas clients want to make sure auditors have a clear understanding of the national Responsible Care programme and local issues. He adds that, as demand for auditor training in RC14001 grows, it becomes more cost-effective to have structure locally.

Racoznia says that ACC member companies with facilities overseas are interested in using local auditors to reduce the costs of audits. They and their auditing firms have weighed the travel costs of sending RC14001 auditors to conduct audits outside the country and inquired about options for getting local people trained and qualified. Also, auditing firms have inquired about auditor training and BEAC exams at overseas locations, even when they do not have a specific audit schedule. ‘As with any business,’ says Racoznia, ‘they are trying to ensure that they can offer a service if requested. Sort of a built-in and they will come scenario.’

Cytec sites rally round RC14001

A number of US-based multinationals are rolling out RC14001 to their sites overseas, but Cytec has probably gone further and faster than most other companies in this process. The manufacturer of chemicals, polymers and additives for a wide range of industries has 41 manufacturing and R&D sites located in the US, Europe, Latin America and Asia. To date, corporate headquarters and four manufacturing sites have been certified. By the end of 2007, the company plans to have certified an additional 12 sites in the US and nine outside the US. The remaining 16 sites will likely be certified within the next two years.

The rationale for the rollout of RC14001 is consistency throughout the company, says Cytec Responsible Care co-ordinator Carol English. ‘We want the same systems and management practices at all of our sites.’ She says that RC14001 is ‘more robust and widely accepted. The global chemical industry is asking for it and it is clearly the right move.’

Racoznia says that ACC has been open about the possibility of harmonising in the past. ‘When we developed the RC14001 technical standard,’ he says, ‘we made sure that certain elements were put forward as guidance. Whether associations will eventually take the step of mutual recognition of Responsible Care certifications is ultimately a member driven process. If the member companies want mutual recognition it can happen. ACC and the Chemical Producers’ Association (CPA) have “struggled” with this issue and agreed to a process where the two audit processes can work side by side in a single audit event. However, neither association recognises the other’s certification as meeting the obligations of its own programme. But that can change if the member companies want it to change.’

Asked if there is any underlying intention to make RC14001 the recognised global standard, Racoznia says that the chemical industry, as influenced by external forces, will ultimately determine if there will be a global Responsible Care standard and what it will look like. ‘We created our certification process at the request of our members for their use,’ he says. ‘We did not restrict them on where they could use it (RC14001) certification, and some are moving quickly from overseas associations who have adopted the RC14001 standard. Others are essentially customising their own programmes. We are not pushing an agenda here, just giving guidance. Whether associations will eventually take the step of mutual recognition of Responsible Care certifications is ultimately a member driven process. If the member companies want mutual recognition it can happen. Whether associations will eventually take the step of mutual recognition of Responsible Care certifications is ultimately a member driven process. If the member companies want mutual recognition it can happen. Whether associations will eventually take the step of mutual recognition of Responsible Care certifications is ultimately a member driven process. If the member companies want mutual recognition it can happen. Whether associations will eventually take the step of mutual recognition of Responsible Care certifications is ultimately a member driven process. If the member companies want mutual recognition it can happen. Whether associations will eventually take the step of mutual recognition of Responsible Care certifications is ultimately a member driven process. If the member companies want mutual recognition it can happen.
Verifying CSR: Canada dips toe in water

The Canadian Chemical Producers’ Association (CCPA) conducted its first third-party Responsible Care verification in 1993, and verification has been mandatory for members since 1994. Each company is verified every three years. The most salient features of the Canadian approach are the make-up of the audit teams, an assessment of the Responsible Care ethic at the audited company, and the link with the Association’s three-year strategic planning process. An interesting feature of recent verifications has been information gathering on companies’ social responsibility efforts (though without performance assessment).

The four-person verification team must include: a credible outside critic of the chemical industry; a representative of the local community; and two representatives with knowledge and experience of the chemical industry. Between them, the industry representatives particularly need to have experience in health and safety, environment, auditing and Responsible Care.

In addition to reviewing a company’s Responsible Care management system, the verifiers assess whether the company’s culture from the top down embraces the ‘Responsible Care ethic.’ This is necessarily a judgment call, though CCPA provides some guidance by contrasting a Responsible Care ethic with the ‘other ethic,’ for example below.

The Nexen Inc. – Balzac Complex report indicates that that company has a particularly well developed social responsibility policy and set of requirements based on the International Code of Ethics for Canadian Business. Nexen’s board has a Safety, Environmental, Social Responsibility (SESRI) subcommittee to oversee corporate governance in this area. Corporate philosophies that begin with President Charlie Fischer include ‘how we conduct our business is just as important as the outcomes’ and ‘not creating the perception that such information is meant as a lever to deflect concern or criticism.’ Nexen follows the ‘Imagine Canada’ formula, annually donating 1% of pre-tax earnings based on the three previous years’ results. Significant contributions are made to education, health and welfare initiatives, the arts, environmental programmes and community development projects. The report notes that Nexen obtains external audits of their SESRI programme and practices. Two such audits were completed in 2005, the first by the sustainability practices group of accounting firm Pricewaterhouse Cooper and the second by a multi-stakeholder group including representatives of employees, academic and local site communities, labour unions and an environmental NGO.

Verifiers have cited several best practices in social responsibility:

- Canexus Chemicals Canada: The inclusion of social responsibility and Responsible Care in the corporate values statement posted on the company website.
- Rohm and Haas: All direct reports to the Rohm and Haas Canada president have a measure in their performance document for doing something supporting their community.

Noted for several of the verified companies was an opportunity to better present the benefits of their presence in the community (in a way that does not create the perception that such information is meant as a lever to deflect concern or criticism). This suggestion implies that the social benefits of a responsible and successful company encompass much more than charitable donations and other activities traditionally labelled social responsibility; the actual business of the company brings more than charitable donations and other activities traditionally labelled social responsibility; the actual business of the company brings economic, psychological and social benefits to the community.

Hence, it is appropriate to label as social responsibility Patres Canada Inc.’s encouraging employees to become active in professional associations or the association of manufacturers and exporters of Quebec, and for Kronos Canada Inc. to say that its social priority is to operate in a way that avoids all risks that are unacceptable for its employees, the local population and the environment. The two companies are also involved in charities and community projects, with Patres returning 1% of company profits to the community.
Community verifiers ask profound questions

The Canadian Chemical Producers’ Association (CCPA) is likely unique in including local community representatives as full fledged members of Responsible Care verification teams. Each team also includes two chemical industry representatives and a credible member of the general public, e.g. an industry critic. ‘Companies report that the public and community verifiers ask questions from a unique perspective,’ says CCPA Responsible Care vice president Brian Wakefield, and after asking those questions challenges the companies to re-think their approach. ‘This far exceeds the originally intended value of gaining credibility for the process.’

Francis Purves, asked to three local community representatives about their experience as verifiers.

How did you become involved in Responsible Care verification?

Jim Wakefield: I had just retired, when we got a flyer from the Palm and Haas plant at the end of our street. They were looking for a volunteer to be the community rep at their upcoming verification. I applied. They liked that I lived close by and had a business background. I also volunteered to join the Community Advisory Panel, which in turn led to being volunteered for a number of other verifications.

Keith Purves: Marsulus was going to established groups in the community, looking for volunteers for their verification. I’m involved in the Fort Saskatchewan air monitoring group and, when they came along, I volunteered. For the other verification, Shell Chemicals put an ad in the newspaper. I responded to that and was chosen by their selection panel, which included their CAP and others.

Ron Omrason: I sat on the Chestnut Public Advisory Committee (CPAC), appointed by the local township council to advise on environment, health and safety issues related to the facility. The chair of the verification team asked the CPAC chair to advise him on a committee member who could be the community rep, and he recommended me.

What do you see as the benefits of including local community reps on the verification team?

Wakefield: The community rep brings a complete local perspective. He or she asks the ‘dumb’ questions that turn out to be the smart questions. Those basic and profound questions that the more knowledgeable verifiers would not ask for fear of sounding stupid – or might not even think of – the guy who doesn’t know any better goes ahead and asks. Also, the community rep is not shy about raising local concerns the company might be reluctant to talk about, noise or odours for example. And the community rep adds a local credibility factor, so the community will not say the company is trying to pull the wool over their eyes with this verification.

Purves: First of all, the community rep can bring a different perspective, can bring forward local issues and concerns to the (verification) team and the industry there in the community. The local individual may not have all the (background) information and might misinterpret in the community. The local individual may not have all the information and might misinterpret concerns to the (verification) team and the industry there in the community. The local individual may not have all the background information and might misinterpret concerns to the (verification) team and the industry there in the community. The local individual may not have all the background information and might misinterpret concerns to the (verification) team and the industry there in the community. The local individual may not have all the background information and might misinterpret concerns to the (verification) team and the industry there in the community.

Omrason: The big thing is for plant managers and company officials to learn what is important to the community versus what they think is important. At the verification (participated in, they heard about community concerns first hand. There has been a lot of concern about legacy issues at this site. But they learned that day-to-day operations, and the risks associated with that, are more significant for the community than the desire to clean up long term legacies from the 40s and 50s, when a different ethic applied. They learned they have to do a better job on addressing the health effects of emissions and odour from emissions.

Has the experience of verifying plants been meaningful for you?

Wakefield: It’s been a very meaningful experience. I have a business and auditing background, but I was new to the chemical industry, so I was a little apprehensive at first. But it’s been a very satisfactory experience, and I’ve learned a lot over the years. It’s opened up a whole new world to me. It’s very rewarding to be able to contribute to the process. I am treated as an equal member of the verification team, and the leader and team members are very accepting of me, even though I’m not a chemical guy.

Purves: The experience was very positive and meaningful in a lot of ways. I saw first hand the process and systems companies use to promote the ethic, which I really liked. I was able to choose which staff members to talk to; it was a very open process. I was impressed by all the resources dedicated to practicing the Responsible Care initiative, which results in a safer job performance overall. I saw first hand that employees had the right kind of attitude about reducing risk, the right kind of mindset in thinking and behaving. My expectations concerning a safe work environment were met and that increased my degree of trust in the chemical industry. I thought the ethic could apply to everyone and everyday life. The process gave me a greater understanding of what it takes to manage a chemical business.

Omrason: It was meaningful for sure, a wonderful opportunity for a large corporate interest to hear from an average member of the public. There has been a long and frustrating history around this site, which has been owned by several companies over the years. There were so many issues around regulatory compliance, control orders and strained relations with neighbours. The site only recently became verified under Crompton, now part of Chemtura. Things are much improved now. They are empowering staff who were always there but did not have the right resources and latitude to move forward to Responsible Care goals. It was refreshing to learn about problems from the chemical site perspective. I learned some new things. The way the business operated was interesting. I well aware of the economic issues going in, but learned just how tumultuous the competitive environment in the chemical industry can be. I was also very proud to learn that Responsible Care was a Canadian initiative. Would I do another verification? Absolutely. It was worth every hour.