



National Advisory Panel

Webinar Minutes
February 2, 2016
1:00 pm – 2:30 pm

National Advisory Panel:

Nadine Gudz
Richard Janda
Gail Krantzberg
Brenda Lorenz
Pat McLean
Andre Morriseau
Ron Ormson
Bruce Walker

CIAC:

Gilles Laurin
Luc Robitaille
Lauren van den Berg

PDA:

Francis Gillis
John Vincett

Regrets:

Michelle Adams
Jane Lister
Errol Mendes
Ken Ogilvie
Keith Purves

Panel members discussed the CIAC Triennial Plan. A discussion paper on this topic had been distributed to the Panel in advance of the Webinar.

There was also brief reference to a New York Times article regarding a DuPont USA site and release of a toxic chemical substance.

Agenda Item 1: Triennial Plan Discussion

Lauren van den Berg, Manager, Business and Stakeholder Engagement, chaired the Webinar. She presented key points of the discussion paper on the CIAC Triennial Plan (Appendix 1). She noted that the focus of Responsible Care in 2010 was the new sustainability-focused principles. In 2016 the focus will be on streamlining the verification process, improving data collection and finding ways to encourage companies operating in Canada, but headquartered in the U.S., to join CIAC.

Lauren said that, in terms of the public accountability, the American Chemistry Council (ACC) has been closing the gap between their Responsible Care program and that of CIAC. Nevertheless, the CIAC verification process has been a barrier to U.S.-headquartered companies in Canada joining the Canadian association, she said. They hear CIAC saying, "It's our way or the highway," and see CIAC verification as a

duplication of the ACC Responsible Care audit, RC14001. She asked Panel members: Do you think CIAC could recognize RC14001 as equivalent to CIAC Responsible Care verification?

Lauren noted that CIAC has gone from 70 members down to between 35 and 40, and suggested that too rigid an approach to verification could make Responsible Care in Canada its own worst enemy.

Asked if the CIAC and ACC systems were examined to determine what the level of differences actually are, Lauren noted that a gap analysis was completed in 2010, which indicated more public accountability in the Canadian system and more robust security measures in the U.S. system.

Asked about the level of interest shown by the ACC in the CIAC program, Lauren remarked that the Canadian association is seen by ACC as “their well-meaning but much smaller cousins.”

Lauren said that her personal bias is that it is more valuable for CIAC to have more people inside the tent than to too rigidly hold to one way of approaching verification.

Panel Comment:

In general, Panel members recognized the need for flexibility in CIAC's approach to verification in order to draw more members to the association, but were loath to see any reduction in public accountability.

Comments included:

- “I recognize the argument that too few members reduces CIAC's ability to claim to represent the chemistry industry. But Responsible Care in Canada is ahead of the curve in comparison with other countries, notably with the verification process, and it would sad if that standard were allowed to wither.”
- “If more members are in CIAC, it strengthens the association.”
- “It is important that specific gaps between CIAC verification and the RC14001 audit be closed.”
- “I want to see more companies coming in to CIAC. We need as many as possible in the tent. I believe in compromise to achieve that end. But if Canadian companies feel that those opting for RC14001 don't have to do as much in terms of public reporting, that would be an issue.”
- I'm hearing two themes from today's discussion: 1) don't lower standards, and 2) let's be flexible. I tend toward No. 1. When we talk about Responsible Care in a university setting, there is a cynical reaction from students. Any lowering of standards would reinforce that cynicism.

A Panel member suggested, however, that the reluctance of plants operating in Canada to join CIAC (whether headquartered here or in the U.S.) has more to do with paying CIAC dues than with the demands of Responsible Care. For example, a Montreal-based company left CIAC because its management felt the \$300,000 it was paying in annual dues could be better spent on other priorities.

Luc Robitaille, Vice President of Responsible Care, said that it would be great if the CIAC verification process and RC14001 became almost the same. The rest of the world has adopted RC14001. For sure, CIAC is planning to keep the Canadian process in place. “We are not sure if everyone will try to go to RC14001,” Luc said. “We plan to try to make it work without losing what we have. If we bring in more members, we'll have a stronger organization.”

A Panel member remarked that there is an accountability gap in the U.S. Responsible Care program. Luc commented that the gap has shrunk. The influence of the International Council of Chemical Associations

(ICCA) will shrink it further. CIAC would prefer not to let public accountability, in particular the public reporting of verification results, go by the wayside. A CIAC committee is proposing to the Board a shorter version of the public report be developed for RC14001.

John observed that the international model of Responsible Care is extremely important. Over time, the Canadian version stressed quality. The U.S. position stressed quantity because of its extensive membership base. But over time the U.S. system evolved to also insist on quality. Taking a different program in the US that is plant based as an example, it is possible in VPPP (largely a workplace health and safety standard) to achieve a pass or a Gold Star level of accomplishment – which does bring with it a higher expectation of performance and some regulatory inspection relief. U.S. plants work extra hard to get that Gold Star for quality. So is there a way to incorporate such recognition of quality into RC14001?

In a note following the Webinar (Appendix 2), a Panel member emphasized that we should not be discussing a U.S. versus Canada model but rather Canada versus the international model. If, however, the international model does not allow for modifications by individual countries, then the member would support John's comments about adding a star or some such designation to recognize accountability.

A Hybrid CIAC verification / RC 14001 audit was seen as an important opportunity:

- “The joint Responsible Care verification / RC14001 audit at Chemtrade (presented at the Panel meeting in Fort Saskatchewan in 2013) provides valuable independent information on the feasibility of joint verification of the two systems. Joining the two processes would help to address time and expense concerns.”
- “A couple of companies have gone through the hybrid process. Is CIAC convinced that there's been enough time for companies to consider the hybrid option?”
- “CIAC should still push for the hybrid model. Consider special recognition, for example a Gold Star for companies that have done the ethical discussion with the CEO as part of verification and allowed for public participation in the verification and some form of public reporting. I can't understand who would not want those three items. Otherwise, it would be worrisome.”

Lauren noted that the companies that have tried the hybrid process have been very enthusiastic about it. They found it went relatively smoothly without loss of CIAC values.

Establishing Resources and Aligning Priorities:

The Triennial discussion paper sets up four levels of CIAC priorities:

- Level 1 – Strategic
- Level 2 – Secondary
- Level 3 – Monitoring
- Level 4 – Abandon

Luc clarified that the Triennial plan refers to advocacy only; it does not affect Responsible Care priorities in any way. In terms of advocacy, he said, on some issues, the association can be more effective as part of a broader industry group. On others, CIAC can take ownership and seize a leadership position.

A Panel member referred to the Great Lakes Water Quality Agreement between Canada and the U.S. in 2012. What's in the government agenda here? This is one area where CIAC could be an important voice. There may be other such political opportunities for CIAC in Canada.

Luc said that the set of CIAC advocacy priorities is clearly a living list. Issues can move up and down the four levels.

A Panel member agreed that some issues by definition are better addressed through a coalition with other industry associations, but CIAC should definitely take the lead on Chemicals Policy and Health,

Luc noted Ontario has invited CIAC as one of the voices to streamline the regulatory process in the province, to reduce red tape. CIAC will look for such opportunities.

Supporting Advocacy through Effective Communications:

This section of the discussion paper (pp. 17–18) proposes the following breakdown of key audiences:

Primary Audiences:

- Key politicians
- Government officials
- Member companies and partners
- The chemistry industry more broadly

Secondary and tertiary audiences:

- Local plant communities
- Media
- Scientific community
- ENGOs

In a note following the Webinar, a Panel member tended to agree with this breakdown, but specified three distinct categories (Appendix 3). The member noted, however, that the designation of primary, secondary or tertiary can change, depending on different circumstances.

A Panel member asked if there is such flexibility in the assignment of audiences in one category or another?

Luc said, yes, there is such flexibility. Of course, the primary audiences listed (see above) will always be primary. And he suggested that the local plant should be included in the primary audience category.

A Panel member was not convinced that it is necessary to rate audiences, given that secondary/tertiary audiences can easily become primary.

Additional Thought:

A Panel member, who has worked with industry consultant Bernard West, referenced his call for getting the ethic of Responsible Care into other industries. The Panel member remarked that this would make the broader industry, for example fracking, more careful about its potential impact on the environment, it's an opportunity to broaden the influence of Responsible Care, the member said.

Luc commented that this is definitely an area CIAC wants to expand. The association is looking upstream and downstream for companies to join as Responsible Care Partners.

Agenda Item 2: DuPont USA PFOA Issue

In advance of the Webinar, Panel members were provided with a link to a New York Times article on decades-long release of PFOA from a DuPont site in West Virginia:

<http://www.nytimes.com/2016/01/10/magazine/the-lawyer-who-became-duponts-worst-nightmare.html?hp&action=click&pgtype=Homepage&clickSource=story-heading&module=photo-spot-region®ion=top-news&WT.nav=top-news&r=1>

The article raises disturbing questions about the behaviour of a Responsible Care company regarding its handling of a toxic chemical.

A Panel member commented that the article raises the challenge of how companies take responsibility for past actions. It's not good enough to say: "that was in the past" or "that was another company."

Asked what the status of DuPont in Canada is, Luc said that, as of 2016, DuPont is a Responsible Care Partner in CIAC. The company is not involved in chemical manufacturing in Canada.

Some Panel members had not had an opportunity to review this article. John indicated that this case could be on a future agenda. Should CIAC address the case? Is it for review by ACC or ICCA? And if so, how?

Agenda Item 3: Forthcoming Meetings

John said another Webinar on the Triennial is planned at the next appropriate point in the Triennial Planning process, likely to be held in May.

Asked about the timing of a Panel meeting in the fall, Gilles Laurin, Manager Responsible Care, said that a date and venue will be determined as soon as he hears about plans related to the Safety Train.

National Advisory Panel Webinar – Appendix 2

E-mail from Panel Member:

While I was able to hear all of the conversation, my microphone was a problem. As a result, I wanted to follow up with some comments that I couldn't make during the meeting.

I strongly believe that we should not be discussing a US versus Canada model, but rather Canada versus the International model. Does the ICCA model include sustainability and accountability in any form? If it does not and also does not allow for modifications by individual countries, then I would support John's comments about levels of membership. Adding a "star" or other identification to recognize accountability especially would be a new standard to reach. This I believe would allow us to maintain our "gold standard: for those companies who want to apply for it. It also deals with the practical reality of attracting more members. From [another Panel members'] comments, your membership fees are another major barrier.

At the last NAP meeting, we talked about public trust of chemical companies. Trust is built with communication and community engagement. Companies that meet the accountability codes need to be recognized not lumped together with others that do not, just to implement a ISO 14000 system.

Yes, I support that the verification process could be streamlined using the 14000 system and money saved by both the company and the Assoc. However, for those companies who want to meet the higher Canadian standard, that option could be available and since it deals with only one set of codes, the cost to verify it would not be prohibitive.

Why would the Assoc be considering a MOU with ACC, why not with ICCA? Are there not international companies that would be part of a new system? Is ISO 14000 not an international standard?

National Advisory Panel Webinar – Appendix 3

E-mail from Panel Member:

Hi John and Gilles

Great discussion today.

I've been thinking about our last discussion point on "audiences". I think I agree with CIAC's take on the divisions.

The primary audience is obviously their members and other chemical manufacturers. In the CIAC's advocacy role, it is important to have close contact with politicians and government officials so I think that they are the one of the first audiences that their efforts should address.

Moving out I think that the local communities are a secondary audience. It is their "social licence" that allows the companies to operate in their location so therefore not a "national" responsibility. Included in this audience I would consider other companies and organizations that have a direct impact on the companies' operations - transport companies, suppliers, power and water providers, etc.

The third audience would be groups/people that don't have a direct contact (other than using their

products) with the companies. This would include the scientific community, ENGO's, broader public. etc.

I would not put the media in any of the specific groups. They are really a "tool" that the CIAC uses to spread their message to their audiences and it can be used to varying degree for any of the three audiences.

Although I have put groups in specific audiences, I think that the designation can change depending on different circumstances. For example, the local community could be a primary audience under unusual or emergency conditions.

These are some of my thoughts.

Thanks.

National Advisory Panel Webinar – Appendix 4

Good Afternoon Francis,

I just wanted to say that I enjoyed our webinar.

I sincerely think that we should keep an open mind with regard to strengthening our relationship with our American cousins. Having a larger playing field would allow us to strengthen best practices. I think everyone has the opportunity to win. I see this as a positive longer term strategy.