DELIVERING RESULTS FOR CANADIANS

Under Responsible Care®, CIAC member-companies are expected to report all workplace injuries or illnesses on an annual basis, as well as all substance releases — even those that fall below the reporting threshold of Canada’s National Pollutant Release Inventory (NPRI).

As part of the International Council of Chemical Associations (ICCA), CIAC is committed to accelerating progress towards the United Nations’ 17 Sustainable Development Goals. These sustainability goals are identified throughout the report. For more information, please visit sdg.icca-chem.org
Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

The Chemistry Industry Association of Canada (CIAC) first launched Responsible Care in 1985. During the last 34 years, the initiative has inspired CIAC’s members to continuously work to improve their health, safety and environmental performance — all while delivering essential products Canadians rely on everyday.

Every CIAC member must commit to Responsible Care’s rigorous codes and ethic. They influence all aspects of a company’s operation and drive members to not only meet government regulations, but exceed them. Responsible Care’s principles compel them to innovate for safer and more environmentally friendly products and processes, and to strive to reduce harm throughout the entire life cycle of those products.

By committing to Responsible Care, CIAC members serve as an example of environmental stewardship and transparency for other industries in Canada and around the world — and that commitment has made a difference.

RESPONSIBLE CARE® PRINCIPLES FOR SUSTAINABILITY

We dedicate ourselves, our technology and our business practices to sustainability — the betterment of society, the environment and the economy. The Principles of Responsible Care are key to our business success and compel us to:
• Continually work for the improvement of people’s lives and the environment, while striving to do no harm;
• Be accountable and responsive to the public, especially our local communities who have the right to understand the risks and benefits of what we do;
• Take preventive action to protect health and the environment;
• Innovate for safer products and processes that conserve resources, minimize waste and provide enhanced value;
• Engage with our business partners to ensure stewardship and security of our products, services and raw materials throughout their life-cycles;
• Understand and meet expectations for social responsibility;
• Work with all stakeholders for public policy and standards that enhance sustainability, act to advance legal requirements and meet or exceed their letter and spirit;
• Promote awareness of Responsible Care at all levels, demonstrate visible leadership and inspire others to commit to these principles, throughout the chemistry product value chain.
CIAC seeks feedback and guidance on its performance and reporting from the Association’s National Advisory Panel and its Environmental Protection Steering Group, a group of representatives from federal and provincial governments, environmental NGOs, academia and the chemistry industry.

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Since 1992, CIAC MEMBERS HAVE:

AIR QUALITY
Reduced sulphur dioxide emissions by 90%.

PROCESS SAFETY
Cut the number of manufacturing process-related incidents by 50% and virtually eliminated large-scale incidents.

CLIMATE CHANGE MITIGATION
Reduced greenhouse gas emissions by 66% through efficiencies in operations, major investments in process upgrades and product innovation.

COMMUNITY SAFETY
Prepared emergency response plans in place, ensuring communities are equipped to respond to chemical-related incidents — 100% third-party verified.

WATER QUALITY
Virtually eliminated discharges to water — a 99% reduction.

COMMUNITY DIALOGUE AND ENGAGEMENT
Worked with communities living close to our members’ facilities to ensure the public understands the risks and benefits of operations and products — 100% third-party verified.

TOXIC SUBSTANCES
As part of its commitments under the Canadian Environmental Protection Act (CEPA), reduced emissions of toxic substances by 90%.

SUPPLY CHAIN STEWARDSHIP
Worked with supply chains — from supplier to customer — to minimize risks through the entire life cycle of their products, including during product transport — 100% third-party verified.

HAZARDOUS WASTE
Since reporting began in 1995, reduced hazardous waste for disposal by 64%.

SUSTAINABILITY
Committed to ambitious goals to reduce plastic waste in the environment — 100% of plastics packaging to be reusable, recyclable, or recoverable by 2030.

WORKPLACE SAFETY
Reduced the number of workplace injuries and illnesses by 78%, one of the lowest injury rates in Canadian industry.
The chemistry industry has made it a priority to reduce emissions of air pollutants such as nitrogen oxides, sulphur dioxide, and volatile organic compounds — helping to ensure cleaner air for all Canadians.

Nitrogen oxides (NO\textsubscript{X}) are released during the combustion of fossil fuels — primarily by vehicles — and have a detrimental effect on air quality. Sulphur dioxide (SO\textsubscript{2}) is a colourless gas and one of the main causes of acid rain which can damage crops, forests and ecosystems. Volatile organic compounds (VOCs) are carbon-containing substances which come from everyday products such as gasoline, solvents and oil-based paint.

In the presence of sunlight, VOCs react with NO\textsubscript{X} to form ground-level ozone. When mixed with sulphur dioxide (SO\textsubscript{2}) in the atmosphere, VOCs also create fine particulate matter, another key air pollutant.

WHAT CIAC MEMBERS ARE DOING TO MAKE THE AIR CANADIANS BREATHE CLEANER

Reducing the emission of pollutants and improving the quality of the air Canadians breathe is a priority for CIAC members. Since 2004, CIAC member-companies have:

- reduced NO\textsubscript{X} emissions by 32 per cent;
- achieved a 76 per cent reduction in SO\textsubscript{2} emissions;
- reduced VOC emissions by more than 27 per cent;
- reduction of particulate matter (PM2.5) of 77 per cent.

In 1997, CIAC’s top-25 VOC-emitting member-companies signed a Memorandum of Understanding with Environment Canada to voluntarily reduce their VOC emissions to 25 per cent below 1997 levels within five years. They not only met this target but exceeded it three-fold, with an impressive reduction of 75 per cent since 1997.

Blue Skies Award for NOVA

On June 6, 2018, as part of Clean Air Day, NOVA Chemicals was proud to be awarded the Parkland Airshed Management Zone (PAMZ) Association Blue Skies Award, which recognizes individuals and organizations taking exemplary steps to improve air quality in the Central Alberta PAMZ region. The award was in recognition of NOVA’s E2 Furnace Refurbishment Project and its goals for reducing NO\textsubscript{X} emissions. NOVA initiated the project in 2014 as part of its commitment to sustainability and continuous improvement in operations. The goal of the eight-year project is to achieve a 30 to 40 per cent reduction in NO\textsubscript{X} emissions. Recent testing at the completed furnaces confirms that NOVA is achieving this reduction. Five of 11 furnaces have now been refurbished with four of the remaining six scheduled for completion by 2021.
1 The emissions data published in this report was obtained in cooperation with Environment Canada’s Single Window (SW) online reporting system. CIAC members report all releases via the association’s National Emissions Reduction Masterplan (NERM) and Environment Canada’s National Pollutants Release Inventory (NPRI).

CIAC seeks feedback and guidance on its performance and reporting from the association’s National Advisory Panel and Its Environmental Protection Steering Group (a group of representatives from federal and provincial governments, environmental ENGOs, academia and the chemistry industry).
Methanex making a difference through CO$_2$ injection and support for low-carbon energy

Since 2013, Methanex’s Medicine Hat plant has injected recycled CO$_2$ gas into its process, sourced from a neighbouring facility. Carbon dioxide is one of the required synthesis gasses produced from natural gas to make methanol. By injecting additional CO$_2$ into the process, excess hydrogen (otherwise unconverted and burned as fuel in the reformer) is combined with waste CO$_2$ and converted to methanol. The increased efficiency from the CO$_2$ injection produces supplemental methanol that has a 35 per cent smaller life-cycle carbon footprint than traditional methanol. The volume of CO$_2$ injected at the Methanex facility has increased from approximately 15,000 tonnes in 2013 to over 130,000 tonnes today.
Federal and provincial governments are seeking low-carbon solutions as they confront the impacts of climate change. Canada’s chemistry sector and its highly skilled workers are uniquely positioned to provide innovative solutions in the fight against climate change.

Worldwide, the chemical and petrochemical industries are by far the largest industrial energy users, accounting for 10 per cent of total global energy demand. Over 80 per cent of emissions occur during the manufacturing process. This is a key reason why using low-carbon feedstock and implementing the best available process technologies play such an important role in determining the overall greenhouse gas (GHG) content of chemistry products.

WHAT CIAC MEMBERS ARE DOING TO ADDRESS CLIMATE CHANGE

Globally, chemical manufacturing contributes seven per cent of total GHG emissions. In Canada, by contrast, the sector accounts for less than 0.5 per cent of the national GHG inventory thanks to a commitment to innovation from industry and support from government.

Canada’s chemistry industry is a world leader in low-intensity carbon chemical production for many reasons. Perhaps the biggest natural advantage the chemistry sector enjoys is access to abundant supplies of natural gas liquids. Canada’s chemistry industry continues to show global leadership when it comes to its own energy footprint, recognizing its role as both an emitter of GHG emissions and a climate change solutions provider.

The international consulting firm McKenzie & Company has developed a technology roadmap for the global chemistry sector identifying all energy and GHG reduction technology available today. Each of these are already being used at one or more facilities in Canada, even technologies identified as experimental or pre-commercial.

Since 2004, CIAC members have invested heavily cutting their carbon dioxide emissions by 18 per cent:

• investments in new plants and technologies;
• efforts to conserve energy, through improved energy and emissions tracking;
• investments in combined heat and power facilities;
• substitutions of lower-carbon fuels;
• process changes;
• CO₂ capture and use in production or enhanced oil-recovery operations; and
• replacements or upgrades of older boilers and heaters.
Integrated clusters sharing resources

Canada’s chemistry sector routinely creates integrated clusters to utilize co-products from primary production processes and turns them into high-value products. As an example, CO$_2$ from Dow Chemical’s plant in Fort Saskatchewan is sent to a nearby Praxair production plant where it is purified for use in industrial and commercial products. Praxair also uses the same site to produce oxygen which is then used back at the Dow Chemical facility.
RESOURCE CONSERVATION

Responsible Care® drives companies to find innovative ways to eliminate waste, improve their energy efficiency, conserve resources, and reduce their emissions throughout the entire life cycle of their products — from their design, production and distribution to their use by customers and beyond.

WHAT CIAC MEMBERS ARE DOING TO CONSERVE RESOURCES

Canada’s chemistry industry is highly innovative and recognized globally as the best in its class in energy efficiency and carbon emissions intensity. Through careful monitoring of energy usage during the past 24 years, CIAC members and partners have implemented formal energy management systems and taken action to improve the energy efficiency of their operations.

Research from the International Energy Agency shows that for every unit of GHGs emitted as part of chemical manufacturing, the industry’s products and technologies result in a net reduction of 3.1 units of emissions during a product’s life cycle — from extraction of feedstock and fuel, through production, ultimate use and end-of-life management.

Using emerging technologies, this ratio increases to more than 4:1. Among the most important emerging technologies helping move the world to a low-carbon economy are in the building, transportation, energy, agricultural, air conditioning and refrigerant sectors. Studies show that global emissions would be over nine gigatonnes of CO₂ equivalents-per-year lower if these technologies were used to their full potential right now. That’s more than the annual emissions of the United States.

When CIAC began waste reporting in 1995, members produced more than 61,400 tonnes of hazardous waste for disposal. Since then, CIAC members have reduced the hazardous waste for disposal to 22,070 tonnes — a reduction of 64 per cent.
Safety is first and foremost at every Responsible Care® company. For more than 34 years, CIAC members have been creating workplaces which are as healthy and safe as possible through initiatives such as SHARE (CIAC’s Safety, Health, Analysis, Recognition and Exchange network). SHARE brings together CIAC member-company health and safety professionals who are committed to measuring, tracking and continuously improving performance, with the goal of achieving zero workplace injuries and illnesses.

As part of the SHARE meetings and review of health and safety performance, CIAC identified slips, trips and falls as a significant cause of injuries, especially during winter months. This led to the mandatory use of winter cleats at several facilities that have seen a dramatic drop in injuries since this practice was put in place and shared with other member-companies.

**PROCESS SAFETY**

To protect their workers, the public and the environment, all CIAC member-companies must have comprehensive process-safety management systems in place and adhere to standards established by the Canadian Society for Chemical Engineering. Any gaps between a company’s management system and the standard must be assessed, and action plans developed and implemented to raise the company’s process safety to the acceptable level. A comprehensive examination of a company’s process-safety management system is a fundamental component of the Responsible Care triennial verification process.

**WHAT CIAC MEMBERS ARE DOING TO PROMOTE WORKPLACE AND PROCESS SAFETY**

Since 1990, CIAC members have reduced the number of injuries and illnesses at their facilities by 78 per cent. CIAC members have also reduced the number of process safety incidents by 50 per cent since 2004 and have fully eliminated Tier 3 incidents — the most severe — since 2009. And they aren’t stopping there. Member-companies are expanding their efforts and extending their safety programs to contractors and other service-providers to ensure the safety of everyone involved in the business of chemistry.

**Development and publication of the CSA Z767 Standard**

Working with like-minded organization, CIAC and its members assisted with the development and publication of a Process Safety Management (PSM) standard in 2017. PSM is the application of principles and systems to prevent and respond to process-related incidents. The standard, called CSA Z767, helps companies identify performance requirements for organizations that plan to implement, or have implemented, a PSM system. The standard was prepared by the Canadian Standards Association Technical Committee on Standards for PSM, which has representation from different Canadian industrial sectors, regulators, academics and government.

Its development was made possible, in part, by the financial support of CIAC and the technical contributions of our members.
**MEGlobal Canada wins gold in Canada’s Safest Employers awards**

Alberta-based chemical company and CIAC member MEGlobal Canada was the proud gold winner of the 2018 Canada’s Safest Employers Awards in the chemistry category. With manufacturing operations in Prentiss and Fort Saskatchewan, Alberta, the ethylene glycol producer was honoured for its long-term sustainability goals aimed at maximizing environment, health and safety performance. Targets of a 0.1 injury and illness rate, zero process safety events and zero transportation incidents are listed on the company’s website for transparency. External audits are conducted regularly, in which auditors identify gaps in the company’s safety management system and recommend improvements based on best practices.

**Methanex partners with Minerva Canada to provide health and safety education**

In 2018, Methanex established a partnership with Minerva Canada, a non-profit organization dedicated to health and safety education. Methanex, a CIAC member and the world’s largest producer and supplier of methanol, is working with Minerva to partner industry experts with graduate students at Canadian universities to create teaching modules that address health and safety gaps in engineering curricula. This is in response to industry feedback that students are completing university with a limited understanding of health and safety. In 2018, Methanex employees from Medicine Hat worked with the University of Alberta on a risk communication module to teach engineering students how to communicate risk to external stakeholders, using different scenarios based on real-world examples. Once completed, all curriculum modules will be available for free on Minerva’s website.
Every day, chemicals are transported through Canadian communities by rail, road, or pipeline. Ensuring their safe and secure transportation is of paramount importance to CIAC members. And being accountable and responsive to the public — especially to the communities in which they do business — is also a fundamental part of being a Responsible Care® company.

Through TRANSCAER®, a voluntary initiative led by CIAC and the Railway Association of Canada, CIAC members work closely with communities along transportation routes to ensure residents, municipal officials and first responders are aware of any hazards associated with their products. They also help communities prepare for and respond to potential transportation incidents involving dangerous goods.

Being a good neighbour is key to being a Responsible Care company, which is why CIAC members must develop an open dialogue with local citizens to ensure they are aware of:

- any hazards associated with members’ operations;
- what members are doing to reduce the risks associated with their operations and the transportation of their products; and
- the specifics of their local emergency warning system and what they need to do to protect themselves and their families in the event of a chemical incident in their community.

WHAT CIAC MEMBERS ARE DOING TO MAKE OUR COMMUNITIES SAFER

CIAC members must have an emergency response plan in place demonstrating their capacity to safely and efficiently respond, contain and mitigate any chemical transportation incident. They must also develop transportation safety plans which favour:

- the safest mode possible for transporting their products;
- the safest route possible, while taking action to reduce any risks associated with that route; and
- the safest transportation carrier.

CIAC MEMBERS MUST ALSO HAVE SITE-SPECIFIC EMERGENCY MANAGEMENT PLANS IN PLACE DEMONSTRATING:

- they have the capacity to safely and efficiently respond, contain and mitigate the effects of an incident involving their operations; and
- they have tested their plan, with the active participation of other industries, officials, first responders and members of the media in their communities.
TRANSCAER® Canada’s 2018 outreach

In 2018, TRANSCAER Canada hosted a total of 35 outreach events across the country helping train 1,760 first responders on how to respond to and prepare for transportation incidents involving dangerous goods. Participants represented a wide range of organizations, including firefighters, police officers, government representatives, and various service providers from the chemistry value chain. These outreach and training sessions were delivered in various formats, including presentations on dangerous goods safety, simulations of real-life incidents supported by props such as dangerous goods training trailers, foam trailers, valve displays, tank cars and live valve repair demonstrations using capping kits. Despite the retirement of the CCPX 911 (the TRANSCAER Safety Train) due to irreparable structural wear and tear, TRANSCAER organizers were dedicated to ensuring the rest of the training calendar proceeded as scheduled by substituting other training props for the Safety Train wherever possible.

Evonik Canada teaches rail transport safety

September 2018, CIAC member Evonik Canada hosted a TRANSCAER training event at its hydrogen peroxide facility in Gibbons, Alberta in cooperation with local emergency response contractors and CN Rail. Instructors led both an in-class training session and a live demonstration of product transfer by rail. Training scenarios involved train derailments and truck collisions requiring offloading vessels into other shipping containers before they could be removed from the scene. This exercise provided a controlled environment for emergency responders to work together in preparing to respond to real-life incidents.

Students learned about potential scenarios, how to handle hydrogen peroxide, use of personal protective equipment and tank cars and pumping equipment. Evonik supplied the railyard, railcar, trailer and other equipment. By using equipment found in real-life transportation incidents and responses, students learned not only how to use the equipment safely, but how to ensure all equipment was functioning as intended.

Transport Emergency Assistance Program (TEAP III)

TEAP III is CIAC’s program that aims to maintain a national emergency response network capable of safely and efficiently mitigating the impacts of a chemical transportation incident anywhere in the country. TEAP III provides a forum for CIAC members, transportation companies, and emergency response service providers to share information and successful practices, and to encourage continuous improvement around chemical transportation emergency preparedness and response.

Through TEAP III, CIAC and its partner organizations have established two standards:

- CIAC’s Transportation Emergency Response Standard sets the minimum criteria that CIAC member-companies must meet for road and rail emergency preparedness and response, including requirements for planning, administration, training, resource utilization and assessment.
- The TEAP III Transportation Emergency Response Service Provider (TERSP) Standard outlines the criteria used by TEAP’s assessment teams to evaluate a service provider’s ability to safely mitigate the impacts of a chemical transportation incident.
Promoting the circular economy

Together with the Canadian Plastics Industry Association, in 2018, CIAC announced ambitious targets that underscore their members’ commitment to a future without plastic pollution: 100 per cent of plastics packaging being recyclable or recoverable by 2030 and 100 per cent of plastics packaging being reused, recycled, or recovered by 2040. Achieving these goals will require significant investment across the value chain in new and upgraded infrastructure and improved packaging design. Our members are committed to ensuring our industry continues to be at the forefront of made-in-Canada solutions to the global issue of reducing the amount of plastics that goes to landfills.
Product stewardship is a pillar of Responsible Care®. All CIAC member-companies must take responsibility for a product throughout its entire life cycle by reducing any environmental, health, or safety risks associated with it.

**RESPONSIBLE DISTRIBUTION**

Through Responsible Distribution, CIAC member-companies work in partnership with the Canadian Association of Chemical Distributors to ensure the sound stewardship of chemical products throughout their distribution networks. The program governs all aspects of a company’s actions as they relate to the distribution of chemicals, chemical products, and chemical services. As part of Responsible Distribution, companies commit to being accountable and to acting in a socially responsible manner at all times.

**WHAT CIAC MEMBERS ARE DOING TO PROMOTE PRODUCT STEWARDSHIP**

Product stewardship is front and centre at all CIAC member-companies. Members develop close working relationships with suppliers, distributors, logistics service-providers and customers. They also implement processes to ensure:

- ongoing evaluation of products, to achieve the most efficient use of resources and to reduce risks associated with raw materials and products;
- employees and the public know and understand the inherent hazards, risks and benefits of each of the company’s products;
- customer procedures and equipment are reviewed prior to the first sale and follow-up reviews are conducted on an ongoing basis;
- sales of chemical products are prohibited unless there is reasonable assurance of the customer or supplier’s intent and ability to properly manage those substances; and
- suppliers’ performance is reviewed regularly, to drive continuous improvement throughout the value-chain.

**Investing in recycling infrastructure to help communities**

In 2018, NOVA Chemicals announced a three-year investment of nearly $2 million to prevent plastic debris from reaching the ocean through Project STOP, a new global initiative to reduce marine plastic pollution especially in countries with high leakage of plastics into oceans. NOVA Chemicals’ investment will support the first city partnership in Muncar, a coastal fishing community located in Banyuwangi, Indonesia. With minimal waste services in place, many citizens are forced to dump their waste directly into the environment.
Community engagement in Sarnia-Lambton

After recurring findings by verifiers, media attention and discussions at CIAC’s National Advisory Panel, CIAC partnered with the Canadian Fuels Association to lead a review of community awareness practices and emergency response communications around the Sarnia-Lambton petrochemical cluster. Local companies, including non-CIAC members, have already put a plan in place to address the concerns that were identified as part of this review, including a reorganization of local community-industry organizations so industry can pro-actively engage with all local stakeholders and ensure residents are well informed and prepared in case of incidents.
Responsible Care® companies believe Canadians — particularly those living in communities where they do business — have the right to understand the risks and benefits of being their neighbours. They also believe the opinions and concerns of community members matter.

To give communities a greater voice, local representatives nominated by the community have the opportunity to serve as full participants in the Responsible Care triennial verification process, passing the ultimate judgment on whether members are meeting their Responsible Care commitments.

WHAT CIAC MEMBERS ARE DOING TO ENGAGE COMMUNITIES
To help CIAC member-companies better understand the community’s concerns, needs and aspirations, as well as their expectations for corporate social responsibility, members foster ongoing community awareness and dialogue by:

• providing proactive information about their operations, products, services, waste, social impacts, benefits, hazards and associated risks, up to and including worst-case scenarios;
• including a formal mechanism for receiving and responding to questions, complaints, concerns or suggestions from the public; and
• providing the community with information about plans to modify operations and allowing for meaningful opportunities to influence those plans before they are implemented.

Northeast Region Community Advisory and Emergency Response (NRCAER)
NRCAER is a mutual aid emergency response association that was formed in 1991 in Fort Saskatchewan, Alberta. Its members include emergency management professionals, pipeline companies, chemical producers and transporters — several of which are Responsible Care companies — and area municipalities. NRCAER trains, plans and shares best practices for emergency response. It has created an update phone line for information on industrial site activities in the region to inform the public on activities that may seem unusual, but in many cases result from regular operations such as: unusual noise or alarms, prolonged flares, smoke or fire, odours, traffic levels and training exercises.

Development of Responsible Care codes for Indigenous communities
Responsible Care dictates that Indigenous Peoples are a distinct group requiring special considerations. In addition to the communication and dialogue expectations set out for operating site communities, in 2018, CIAC created a task group made up of CIAC members and Indigenous communities to develop Responsible Care codes for engaging with Indigenous communities located near or exercising traditional land rights near a member facility. Engagement with Indigenous communities are to be undertaken with an understanding of their unique culture and rights. Those codes are expected to be published in 2019.
Canada Kuwait Petrochemical Corporation's complex

Canada Kuwait Petrochemical Corporation (CKPC) announced it will be moving forward with the construction of a $4.5-billion petrochemical upgrading facility in Sturgeon County, Alberta. CKPC is a joint venture between Pembina Pipeline Corporation and Petrochemical Industries Company K.S.C. of Kuwait and is in the design phase of a world-scale, propane dehydrogenation and polypropylene upgrading complex. The complex will process about 23,000 barrels per day of propane into polypropylene to make products such as food packaging, auto parts and electronics. Construction is expected to start in 2019, with the complex fully operational by mid-2023. The investment is supported by royalty credits from the Alberta Government's Petrochemicals Diversification Program.

NOVA Chemicals invests in Ontario

NOVA Chemicals announced it will invest $2 billion towards a new polyethylene facility and the expansion of its Corunna Site ethylene cracker in Ontario — the single largest business investment in the Sarnia-Lambton region. The Ontario Government contributed $100 million to the project through its Jobs and Prosperity Fund program. The investment will create 2,000 direct and indirect jobs over the first 10 years and will result in a further 25 per cent reduction in GHG emissions intensity from 2016 levels.
Responsible Care® companies are constantly working to foster innovation which creates safer products and processes — products that conserve resources and bring greater value to their customers. The Responsible Care approach also stresses the importance of economic success as a contributor to improved environmental performance.

**WHAT CIAC MEMBERS ARE DOING TO INCREASE INVESTMENT AND FOSTER INNOVATION**

After years of hard work advocating to the federal and provincial governments to ensure the Canadian chemistry sector is set up for success, in 2018, the sector saw several important announcements. Thanks to these announcements, capital investment in the sector is expected to increase by 65 per cent in 2019. This impressive jump in anticipated investment is driven by a number of factors:

- In its Fall Economic Statement, the federal government announced enhancements to the Accelerated Capital Cost Allowance (ACCA) that allows for 100 per cent immediate deductibility for eligible machinery and equipment in the year that it is put into use, levelling the playing field in the very integrated North American chemistry sector.
- The Alberta government has offered a total of $1.1 billion in investment supports for chemistry investments through the Petrochemicals Diversification Program and a further $1 billion in incentives for Petrochemical Feedstock Infrastructure Program to support investments that increase the feedstock supply.
- Ontario has announced a major regulatory burden reduction initiative to streamline and modernize regulatory requirements to improve opportunities to attract major capital investments. Taken together, these factors improve the business case for attracting investment capital to Canada.

The investments brought about by these supports will deliver benefits to communities across Canada by creating more jobs and tax revenue and providing environmental improvements through the use of newer, more efficient processes and technologies.

**Inter Pipeline’s Heartland Petrochemical Complex**

In late 2017, Inter Pipeline announced it will invest $3.5 billion towards the construction of a world-scale integrated propane dehydrogenation and polypropylene plant in Alberta. The investment is supported by a $200 million royalty credit from the Government of Alberta’s Petrochemicals Diversification Program and a $49 million investment from the federal government’s Strategic Innovation Fund. The new “Heartland Petrochemical Complex” will use the abundant, low carbon, natural gas resources and a low-carbon energy grid, will create 13,000 direct and indirect jobs over the first four years and represents the single largest capital investment in Inter Pipeline’s history.
Arkema Canada Inc.
ARLANXEO Canada Inc.
BASF Canada Inc.
Canada Kuwait Petrochemical Corporation
CCC Sulphur Products
The Chemours Canada Company
Chemtrade Logistics
Dow Chemical Canada ULC
ERCO Worldwide
Evonik Canada Inc.
Evonik Oil Additives Canada Inc.
H.L. Blachford Ltd.
Imperial Oil
INEOS Canada Partnership
INEOS Styrolution Canada Ltd.
Inter Pipeline Ltd.
Jungbunzlauer Canada
KRONOS Canada, Inc.
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MEGlobal Canada ULC
Methanex Corporation
National Silicates Limited
NorFalco Sales, GLENCORE Canada
Nouryon
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