



Chemistry Industry Association of Canada (CIAC)

## National Advisory Panel

February 24, 2022, 1:00-4:30 pm ET; via zoom

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### Attendance

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#### National Advisory Panel

Christopher Hilkene  
Jane Lister  
Nadine Blaney  
Ron Ormson  
Pat McLean

#### CIAC Staff

Bob Masterson  
Christa Seaman  
Christine Nahas  
Daniella Muhanzi  
Danielle Morrison  
Isabelle Des Chênes  
Jeff Stevens  
Kara Edwards  
Shannon Watt  
Shawna Bruce (Facilitator)

### 1. Welcome Remarks

Shawna welcomed all participating members of the National Advisory Panel (NAP).

Isabelle provided a personal welcome from CIAC, thanking the NAP for their support and noting that the recent situation in downtown Ottawa has been stressful for some CIAC staff living in the area, however things are slowly getting back to normal. In fact, CIAC is looking at potential return to the workplace in early April and has been busy these past few months with regulatory submissions.

Bob also shared that it has been an exciting time for the chemistry industry, especially due to new developments related to net-zero and the circular economy for plastics. The panel was encouraged to take a look at CIAC's 2021 Year in Review report, which highlights seven investment proposals related to net-zero in Alberta alone. There has also been some less positive news, with Olin Canada – one of CIAC's longest serving members – departing the CIAC membership. This was a corporate decision by their head office to reduce costs. With this decision, this means two chlorine companies in Canada are not members of Responsible Care®, which is unfortunate as Responsible Care® is the glue that holds the industry and association together. Finally, the panel congratulated Bob and CIAC for being a "Great Place to Work®" for 2022.

Shawna motioned to accept the October 2021 NAP agenda; Ron moved; Christopher seconded.  
Shawna motioned to accept the May 2021 NAP Minutes; Nadine B. moved; Ron seconded.

Shawna shared a Responsible Care® (RC) Moment, presenting the Eastway Tank Explosion in Ottawa on January 13<sup>th</sup>, 2022 – one of Ottawa's worst industrial incidents in decades. The incident left six Eastway Tank employees dead, and a seventh worker was taken to hospital and has been moved to a rehabilitation centre for people recovering from life-changing injuries. There are multiple investigations underway at this time. Once the investigative reports are reviewed, Shawna suggested that CIAC may wish to share the outcomes

and key findings with our members if appropriate, to serve as a reminder of why we have adopted the principles and ethics of RC.

## 2. Review of 2021 NAP Survey Results

Shawna shared the results of the 2021 NAP survey, with similar results as last year. In general, NAP members enjoy the pre-meeting get togethers to discuss the agenda and feel that Shawna facilitates virtual meetings with skill and professionalism. Suggestions for improvement include: encouraging more critical discussions to challenge and advance CIAC actions and impact; including more small breakout discussions; and further support by CIAC in agenda-setting.

Other comments

- Include more environmental non-governmental organization (ENGO) voices on the NAP and include more agenda items that are about sustainable transformation of the industry (e.g., green chemistry, circular economy, community health and toxicity, bioplastics, etc.)
- If the NAP is no longer centrally focused on the “DNA” of the CIAC (i.e., Responsible Care®), then the dilution of that mandate will not be wise over the long run.

Of note, a member of the NAP pointed out that the two “other comments” contradict each other. The NAP mandate goes beyond RC, and this is positive as more feedback can be provided in several key areas. By having diverse members with different interests, this brings in benefits to RC and other advocacy-focused areas. The general suggestion from NAP members was to pull back discussions to RC considerations while continuing to discuss a number of files of importance to CIAC.

## 3. Community Engagement Strategy

### a) Overview of Community Engagement Project

Daniella Muhanzi presented an introduction to CIAC’s community engagement project, which falls within the 2022 strategic priorities for Responsible Care®. Specifically, conversations and interviews with CIAC members and members of the NAP identified the need to provide additional support in this area. The goal of this project is to develop modern tools and guidance documents to support members’ commitment to community engagement through Responsible Care® and continuous improvement.

Key project items include:

- Working with the American Chemistry Council (ACC) to share resources
- Hosting a World Café with verifiers, the NAP, and CAP members
- Sharing best practices with CIAC members

### b) World Café Proposal

Shawna presented a proposal to host a “World Café” (i.e., a conversation about community engagement). A World Café links ideas within a larger group to access the “collective intelligence” of the participants and to understand/learn from multiple points of view. The focus is on exploring/innovating on themes rather than on problem-solving. The format is principally designed as a forum for creative/open thinking and not suited to scenarios where there is a predetermined answer/solution.

## Proposal

- Online facilitators: CIAC staff
- Online participants: inclusive approach
  - NAP members
  - Current/past CAP members from across Canada
  - CAP members from other industries
  - Verifiers
- Questions
  - Describe what a safe community means to you?
  - How can CIAC members best engage and inform residents during emergencies?
  - How can company members sustain public engagement and dialogue in their operating communities?
  - Do CAPs remain an effective model for dialogue between communities and companies?
  - How can companies refresh or reinvigorated existing CAPs? Note: Questions have been refined by CIAC for presentation at the World Café.
- Process
  - Participants are broken into diverse groups
  - A question is posed to the group
  - People speak openly and provide inputs
  - Participants move around the platform
  - Feedback is collected on a virtual whiteboard
  - Themes are identified and highlighted
  - Next steps are developed
- Findings: the findings from the World Café will support the larger Community Engagement Strategy that CIAC has initiated. By providing valuable insights and inputs into the research phase of the project, feedback from the World Café will support the creation of tools, resources and best practices for CIAC member companies.

NAP members welcomed the proposal, and one suggested to use the “Mural” platform. Some NAP members indicated that they had done a World Café before, but in person. Another panel member indicated that there are similar discussions in the Industrial Heartland right now – the Life in the Heartland collaborative partnership is setting up a panel to re-invigorate discussion on a regional basis.

## 4. Equity, Diversity, and Inclusion (EDI) Update

Jeff Stevens shared a progress update on EDI code development. Phase one is now complete, which included updating the Responsible Care® principle, developing Operations Code elements, and developing an approach to definitions of equity, diversity and inclusion. Phase two is now underway. In terms of progress, the Operations Code language has been edited, however there is still work to do on review of the Stewardship and Accountability Codes and updating Appendix “A”. See topic summary included in the meeting pre-read material for more information.

## Next steps

- Solicit and incorporate feedback from Verifiers and Leadership Groups
- Approval in principle of phase two from the Board (February 2022)

- Final approval from Board (by October 2022)
- Engage external experts to:
  - Analyze benchmarking and collective expectations
    - Demonstrating industry EDI performance
  - Best practices/sharing mechanisms
    - Determining mechanisms for sharing best practices and potentially providing a forum for smaller companies that have limited resources
  - Guidance documents

**Comment:** A panel member shared that the material presented looked reasonable and that the language is clear. They also shared that codes need to be “test driven” for a while and tweaks may be needed after implementation.

**Question:** A panel member shared that they were not sold on the word stakeholders. Multiple members also noted that they did not see any specific elements related to internal stakeholders (i.e., employees). Are there EDI Codes for staffing/internal operations?

- Jeff responded that the Operations Codes cover what members have direct control over in their day-to-day ops, with Human Resources being an example that relates to staffing and contractors. The Accountability codes are more focused on external components and community engagement.

## 5. Advocacy Update

### a) Climate Change and Air Quality

Christine Nahas provided an update on climate change and air quality advocacy. CIAC has submitted comments on a number of consultations in the past few months, including:

- a consultation paper on amendments to the Output-Based Pricing System (OBPS) Regulation, which sets out the rules for the federal industrial carbon pricing system;
- a consultation on the government’s intention to explore the potential of Border Carbon Adjustments (BCAs);
- a consultation process for Canada's 2030 Emissions Reduction Plan (ERP) as part of the Net-Zero Emissions Accountability Act, ECCC released; and
- An industry wide recommendation, led by CIAC, to the Canadian Council of Ministers of the Environment (CCME) regarding the Canadian Ambient Air Quality Standards (CAAQS) and provincial jurisdictions.

Below is a summary of the key messages from these consultations:

- Achieving the federal government commitments to the goal of net-zero carbon emissions for all of Canada by 2050 will require chemistry-based solutions. Our industry is a solutions-provider to the world’s most challenging problems.
- The chemistry industry believes climate change is an urgent issue and we are committed to working with governments to ensure that it is effectively addressed.
  - The federal government should provide effective and meaningful collaboration with industry in developing solutions to net-zero with sufficient timeframes for industry input.
- CIAC members are actively exploring decarbonization pathways and new investments.
  - Several of our members have made emission reduction and net-zero commitments.

- Raise the profile of Responsible Care®. Our commitment to its ethic and principles means that we are focused on the betterment of society, the environment and the economy and that we do the right thing and are seen to do the right thing.

Next steps:

- CIAC to advocate for plastics and chemistry-based solutions in the government's pathways to net-zero and 2030 ERP and as the foundation to the delivery of broader sectoral net-zero strategies.
- CIAC to engage on the key initiatives of the 2030 ERP, including transitioning to a net-zero emitting electricity grid by 2035 and capping emissions from the oil and gas sector.
- CIAC will continue engagement on the Review of the federal OBPS and continue to advocate for recycling of carbon compliance funds back to industry for investment in carbon reduction, which will help to efficiently decarbonize existing industry in Canada, while protecting jobs in the manufacturing sector.
- CIAC will continue to engage in consultations on Border Carbon Adjustments federally and provincially. Carbon leakage protection measures for energy-intensive, trade-exposed industries (including chemicals) are critical and must be part of Canada's climate policy to maintain competitiveness of Canadian manufacturers.
- CIAC will co-chair the federal government's Hydrogen User Group to help shape government's hydrogen and climate strategies. Additionally, CIAC will support provincial hydrogen strategies and programs ensuring they link to federal initiatives.

**Question:** A panel member noted that there are intersections between climate change and the circular economy for plastics. Are there any specific areas in your climate change and air quality advocacy where there is a correlation?

- CIAC is aware of this overlap and developed the following [policy paper](#) which addressed the intersection between climate change and the circular economy for plastics. Our approach with the government is that plastics and chemistry are here to help the transition to net-zero, and this can't be done without us.

b) CEPA Modernization

Danielle Morrison provided an update on the review of the *Canadian Environment Protection Act, 1999* (CEPA), beginning with a brief overview of the Act and legislative history before providing an update on the recently introduced Bill S-5.

**Bill S-5, *Strengthening Environmental Protection for a Healthier Canada Act***

On February 9, 2022, Minister Guilbeault and Minister Duclos introduced Bill S-5 in the Senate. Tabling a bill in the Senate first rather than the House is not unusual though it is rare. The bill was introduced in the Senate to move it forward as the House focuses on achieving the Liberals' [100-day commitments](#).

Bill S-5 focuses particularly on recognizing a right to a healthy environment as provided under the Act and strengthening Canada's chemicals management regime. The Bill was initially introduced in the 43rd Parliament in April 2021 as Bill C-28 but died on the Order Paper when Parliament was dissolved on August 15, 2021. Bill S-5 is identical to Bill C-28, which was tabled in the House of Commons last April, with two exceptions:

- 1) Two additional items are listed at the end of Schedule 1, part 2. These are items that were added to Schedule 1 after Bill C-28 was introduced.

- 2) Minor changes to the formal introductory elements of the bill due to its introduction in the Senate rather than the House.

Danielle provided some details on key amendments in the Bill (see meeting material for more information), as well as external perspectives from various political parties and environmental non-governmental organizations (ENGOS).

In terms of legislative process, this Bill will go through a slightly different process than Bill C-28, or any other House of Commons Bill would have. There are five steps a Bill takes on its way through the Senate (First and Second Reading, committee study, report, Third Reading). The legislative process requires both the Senate and the House of Commons to pass the same Bill prior to Royal Assent, so the Bill must be sent to the House of Commons after Third Reading in the Senate.

#### Next steps

- CIAC will continue to engage in the legislative process and has started its outreach to Senate Leadership and members of the Senate Standing Committee on Energy, Environment and Natural Resources.
- A bilingual letter has been sent to the Senate outlining our position.
- A set of talking points will be circulated to Senators to allow them to get acquainted with CEPA and its gold standard Chemicals Management Plan.
- A formal submission to the Senate is being prepared and will be reviewed by the Technical Management Committee and other relevant CIAC committees.
- CIAC will continue to collaborate with other industry partners and, where possible, ENGOS to achieve risk-based and pragmatic amendments

**Comment:** A panel member highlighted the importance of harmonization, especially if other jurisdictions flag a chemical, and ensuring standards are met for imports in our globalized world.

- CIAC noted that CEPA does contain triggers for re-assessment of a chemical if there is evidence of harm, however there is no reverse trigger to re-assess a chemical that is already listed on Schedule 1 where there is new scientific information that disproves the listing. This is something CIAC is advocating for, along with exporting the North American risk-based approach to other jurisdictions to ensure importers are held to the same standards as companies who manufacture products in Canada.

**Question:** As part of advocacy, is there going to be education for elected officials to understand overlap with provincial levels?

- Yes, this is a big focus when it comes to air quality. Our recommendation is to ensure that air quality management continues to be coordinated through the Canadian Council of the Ministers of the Environment and the successful multi-stakeholder Air Quality Management System, which has been lauded by industry, ENGO stakeholders and federal and provincial officials alike.

**Question:** Does CEPA speak to exposure to multiple chemicals at a time?

- Yes, Bill S-5 contains an amendment to the preamble to recognize the importance of considering vulnerable populations in risk assessments and of minimizing the risks posed by the cumulative effects of toxic substance. With regards to this amendment, CIAC feels that CEPA should continue to take an enabling approach rather than becoming overly prescriptive. CIAC supports allowing expert assessors to use their judgement regarding the incorporation of cumulative

effects into a risk assessment. Codifying such risk assessment attributes into the Act could risk freezing the Act in time while New Approach Methodologies (NAMs) continue to evolve.

c) Plastics

Christa Seaman provided a series of updates on the Plastics Division's advocacy efforts, including consultations and the Circular Plastics Innovation and Infrastructure Fund, as well as Implementation of Operation Clean Sweep®.

### Consultations Update

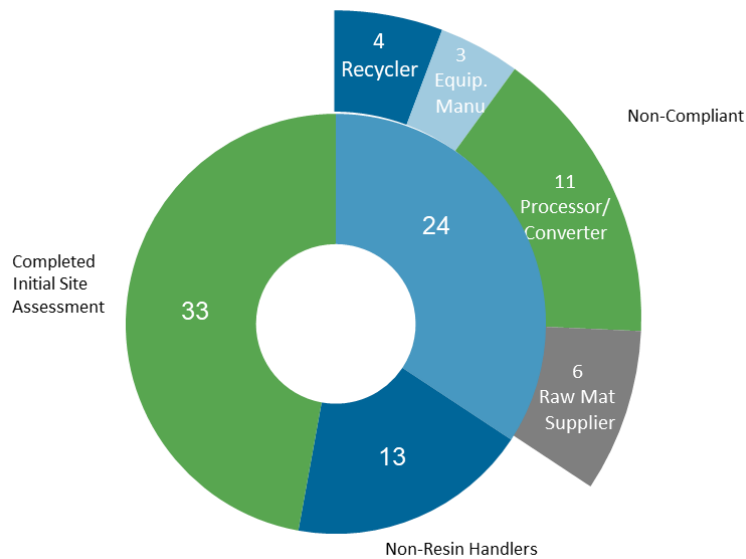
Current Consultations	Anticipated Consultations
<ul style="list-style-type: none"> <li>• Draft single-use plastics prohibition regulations</li> <li>• Response to Guidelines for Plastic Alternatives</li> <li>• Notice of Objection and Request of a Board of Review</li> <li>• Ontario Advanced Recycling Consultation</li> <li>• Quebec Extended Producer Responsibility Program</li> <li>• Recycled Content Minimum Requirements in Some Products</li> </ul>	<ul style="list-style-type: none"> <li>• Labelling</li> <li>• National standard on certification and traceability of recycled plastics in products</li> </ul>

### Circular Plastics Innovation and Infrastructure Fund Update

- Statement of Interest (SOI) was submitted to the Strategic Innovation Fund (SIF) at end of Aug 2021, supplemental information provided Nov 2021
- Following extensive CIAC advocacy:
  - Liberal Party Fall 2021 election campaign platform included \$100M recycling fund
  - Dec 2021 mandate letters for Minister Champagne and Minister Guilbeault included commitment to establishing a recycling fund
- Ongoing engagement with Federal government to confirm their commitment in Spring Budget 2022
- Exploring opportunity for independent third-party organization to be a partner as the delivery agent for the fund
- Preliminary discussions with Circular Materials (Ontario Producer Responsibility Organization for Brand Owners) – keen interest in supporting this initiative

### Operation Clean Sweep: Implementation Update

Christa provided an update on, Operation Clean Sweep, an industry-led environmental stewardship program to prevent plastic pellets, flakes and powders from entering the environment during business and transportation processes. OCS implementation is a condition of membership in the CIAC Plastics Division. See below for a breakdown of implementation status.



### CIAC Submission on Single Use Plastics Bans

Christa provided a summary of CIAC's comments related to SUP bans based on the following themes (see meeting material for more information):

- Extended Producer Responsibility Programs Address Many Concerns about Post-Use Management of Single-Use Plastics
- Expansion of Scope of the Prohibitions Beyond What was Included in October 2020 Consultations
- Innovative Technologies and Processes Already Exist to Effectively Manage Many Items Identified in the Draft Regulations
- Business and Economic Considerations Were Significantly Underestimated and Downplayed
- Strategic Environmental Assessment Ignores Critical Lifecycle Analyses of Items and Overstates Downstream Impacts
- Cost Benefit Analysis Provides Over-emphasis on Subjective Non-monetized Benefits Delivered Through Increased Enjoyment of Ecosystem Goods and Services
- Test to Determine Single-use Plastics not Based on Science or Environmental Performance
- Coming into Force
- Taking Action and Delivering Innovation to Address Plastic Waste

#### Question: Who else is supporting your recommendations?

- CIAC indicated that they collaborate with other associations and provincial governments to share concerns and gain support for our recommendations. There is a Plastics Sustainability Coalition that holds meetings every two weeks to share submissions, presentations, etc. The American Chemistry Council (ACC) have also been helpful partners and have mobilized a number of associations to provide a coordinated voice.

#### Question: Can you provide more information on the BNQ certification program?

- The Standards Council of Canada, ECCC, and CIAC are funding and participating in the development of a national standard for the certification and traceability of recycled plastics in products. This work will be led by the BNQ, a national standard setting organization in Canada. A Technical Committee has been formed to deliver against a two-year workplan, with a mandate to establish methods to calculate the recycled content as a percentage of the resulting products; determine how the plastic



recyclate used in the resulting products will be traced through the supply chain; and to inform labelling requirements on products. The committee has representation across three categories:

- **Suppliers:** Sorting center operator, post-consumer plastic collection operator, recyclers, traders, chemical processors/manufacturers of resin with recycled feedstock.
- **Users:** Converters, plastic injection, blow molding, thermoforming, extrusion, brand owners, etc.
- **General interest:** Regulatory authorities (Fed, Prov), Environmental Promotion Group, Industry Association.

**Comment:** A panel member commented on the guidance for selecting alternatives to SUPs document, focusing on the need to factor in energy input differences during substitution.

## 6. In-Person Meeting Draft Agenda

As members have been hard hit by Omicron, a number of companies have not yet opened up to visitors and it has been recommended that an in-person NAP meeting take place in September rather than May. CIAC shared a potential draft agenda for an in-person meeting in Sarnia on September 28 and 29<sup>th</sup> that could coincide with the Fall Ontario West Leadership Group meeting on day two. As a number of Board members also sit on these Leadership Groups, this would also be an opportunity to feed into the Board of Directors and have important discussions with executive contacts. All participating NAP members agreed with this proposed plan.

## 7. Next Meeting and Roundtable

Prior to the September in-person meeting, a virtual meeting is tentatively planned for May 2022. To wrap up the February meeting, panel members were invited to share some key takeaways and updates on their own work.

**Ron:** Shared that he is gearing up for the provincial election due to occur this summer in Ontario as well as municipal elections.

**Jane:** Highlighted the recent disruptions in B.C. – i.e., summer wildfires, supply chain disruptions due to COVID-19 with many ships from port of LA coming to Vancouver instead, and the major storm cutting off all access to Vancouver (rail and highway).

**Chris:** Preparing for provincial election in Ontario and budget release before the end of March. The Ontario government is also working on the creation of a regulation around pellets getting into the environment. Non-CIAC Plastics Division members are not committed to Operation Clean Sweep (OCS), so trying to get minimum requirements for companies working with plastic pellets and recognition for OCS as a regulatory equivalent. Chris is also working on the Great Lakes Plastics Clean Up – expanding into the US and finding more locations on Canadian side (look for opportunity in Eastern Canada for next site). Finally, Pollution Probe is working on an exciting project at the Toronto Zoo – replacing traditional asphalt with recycled plastic, turned into plastic pathway and allowing visitors to walk through the value chain of plastics at stop at various educational stations along the way to showcase pros/cons and solutions. The asphalt was supplied by CIAC member, GreenMantra.

There be no further business, the meeting was adjourned at 4:30 pm ET.