ECTA CONFERENCE 2009

Implementing the ECTA Responsible Care Scheme in the European Chemical Land Transport Industry
Responsible Care in European Chemical Distribution

Hendrik Abma
Director General

European Association of Chemical Distributors (FECC)

ECTA Conference – 13 February 2009
Chemical Distribution & Responsible Care
- An International Perspective

Partnership in the Chemical Supply Chain
- Agreements between our Associations

Responsible Care in FECC
  - Implementation of RC in Europe
  - FECC European RC Programme

Conclusion & Outlook
**Chemical Distribution Internationally**

### GLOBAL MARKET
(2006 Total: 89 Billion Euros)

- **Europe**: 39% (1.128 distributors, 30 Billion € turnover, 33,000 employees, 1,483 sites, 6 shipments)
- **U.S**: 34% (1.549 distributors, 58 Billion € turnover, 67,757 employees, 3,504 sites, 12 shipments)
- **Rest of the World**: 27% (1.128 distributors, 30 Billion € turnover, 33,000 employees, 1,483 sites, 6 shipments)

Source: Chemagility (Farnham, UK)

### Table:

<table>
<thead>
<tr>
<th></th>
<th>Europe</th>
<th>Europe + Americas*</th>
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<tbody>
<tr>
<td>No. distributors</td>
<td>1.128</td>
<td>1.549</td>
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<tr>
<td>Turnover (Billion €)</td>
<td>30</td>
<td>58</td>
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<tr>
<td>No. employees</td>
<td>33,000</td>
<td>67,757</td>
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<tr>
<td>No. sites</td>
<td>1,483</td>
<td>3,504</td>
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<tr>
<td>No. shipments (in Millions)</td>
<td>6</td>
<td>12</td>
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Source: FECC statistics 2008

*US, CAN, MEX, BR*
International Council of Chemical Trade Associations

- Members:
  - 17 European NAs & FECC – Responsible Care
  - 4 American NAs (US, Can, BR, Mex) - Responsible Distribution

- Objectives:
  - Representation at international level (UN, WHO, WTO, ICCA etc.)
  - Promotion of Responsible Care / Responsible Distribution
Joint RC/RD Programme (2005)

- Covers Responsible Care & Responsible Distribution

- Milestones:
  - Annual collection of KPIs from 100% of RC member companies by the year 2009
  - Membership of the RD/RC Programme condition of membership
  - Introducing Mandatory Third Party Verification (TPV) by the year 2009
Partnership in the supply chain

- ICCA/RCLG - ICCTA MoU 2009 (to be signed)

- Cefic-FECC RC partnership agreement (1999) – 10 years anniversary!
  - Partnerships at national level

- Cefic-FECC jointly developed SQAS Distributor/ESAD (2004) - A measurement of the commitment of distributors to RC
Responsible Care in FECC

National Associations 17

(Including Switzerland and Norway)
## Responsible Care in FECC

### Company Members 32

<table>
<thead>
<tr>
<th>ALGOL OY AB</th>
<th>HSH Chemical Distribution Group</th>
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<tbody>
<tr>
<td>AVANTEC</td>
<td>IMCD Group</td>
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<td>AZELIS</td>
<td>KRAHN CHEMIE GmbH</td>
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<tr>
<td>BANG &amp; BONSOMER</td>
<td>NORDMANN RASSMANN GmbH</td>
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<tr>
<td>BIESTERFELD</td>
<td>OMYA (Schweiz) AG</td>
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<td>BRENNTAG HOLDING GmbH</td>
<td>ORKA d.o.o</td>
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<td>BTC Europe</td>
<td>PENTA CHEMIKALIEN GmbH</td>
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<tr>
<td>CALDIC CHEMIE BV</td>
<td>QUIMIDROGA S.A.</td>
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<td>CAMPI Y JOVE</td>
<td>QUIMITECNICA.COM</td>
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<td>C.H. ERBSLÖH KG</td>
<td>R2 Group</td>
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<tr>
<td>DIPOL Chemical International Inc</td>
<td>SAFECECHEM EUROPE GmbH</td>
</tr>
<tr>
<td>EIGENMANN &amp; VERONELLI SpA</td>
<td>TENNANTS DISTRIBUTION Ltd.</td>
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<tr>
<td>GROLMAN GROUP</td>
<td>TER HELL Group</td>
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<tr>
<td>HARKE GROUP</td>
<td>UNIVAR Europe Ltd</td>
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<tr>
<td>Aug. HEDINGER GmbH &amp; Co. KG</td>
<td>WARWICK INTERNATIONAL GROUP</td>
</tr>
<tr>
<td>NEOCHIMIKI S.A.</td>
<td>WELDING GmbH &amp; Co. KG</td>
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</table>
At national level, the FECC NAs developed national RC programmes in line with ICCTA.

In order to obtain the right to use RC logo, NA must:
- Comply with the Guidelines
- Sign partnership agreement with local chemical producers association, endorsed by FECC & CEFIC

FECC RC Committee
- Coordination & promotion of RC
- Yearly collection and review of KPIs
- Annual RC seminar / workshop
Implementation of RC in Europe

- **2007 Data National Associations**
  - RC as condition of membership (5 NA of 17)
  - Mandatory Third Party Verification (6 NA of 17)
  - Companies committed to RC (40% - 456 of 1.128)
  - RC companies submitted KPIs (78% - 353 of 456)
  - Sites RC Members (50% - 737 of 1.483)
  - Employees RC Members (64% - 21.464 of 33.368)

- **Conclusion**: Substantial differences in progress in Europe, advancement in Americas
- **Outcome of Review of RC in FECC** (Nov 2007)
  - FECC to play a larger role in RC
  - Increase resources - RC Manager
  - Tailor-made RC for Chemical Distribution required

- **FECC European RC Programme** (Nov 2008)
  - Distributors in countries where no NA is present
  - NAs needing support with RC implementation (e.g. NA applying manufactures’ RC programme)
  - Distributors operating in several European countries
Reasons for FECC European RC Programme

- Companies operating in countries with no NA
- Chemical Distributors using manufactures’ programme
- Little progress & need to improve credibility of RC
- Recognition by customers & suppliers
- Harmonisation of National RC Programme
- Take advantage of rapid growth of SQAS/ESAD
FECC European RC Programme

- In line with the ICCTA Joint RC/RD Programme
- National Programmes fully integrated
  (If company is RC in one NAs, this company is on equal footing with FECC RC Programme in that country)

Requirements

- The CEO letter of commitment
- Annual reporting of KPIs
- Mandatory Third Party Verification
- Improvement Action Plan
- Regular exchange of views and experiences on RC
Third Party Verification

- Every 3 years in the controlling office / HQ site and, where applicable, at least one sample operational centre (with rotation system):
  - Each country of operation in case of multinational
  - The country where the company is applying for the logo
- TPV will be carried out using SQAS Distributor / ESAD or a similar system
No. SQAS Distributor/ESAD assessments
(accumulated, as of 29 December 2008)

Launch of ESAD II
2004
No. of SQAS Distributor/ESAD Assessments
(per country, as of 29 December 2008)
Conclusion & Outlook

FECC welcomes ECTA RC Programme for chemical transport companies!
- Similarities with FECC RC Programme
- SQAS excellent tool for RC - TPV

Outlook

- How to adapt to consolidation in industry (Pan-European & Global)?
- Externally: “Our commitment to sustainability”
- Internally: Business Benefits of RC
Hilton Kalastajatorppa, Helsinki
22/24 June 2009

"REACH-ing excellence in the supply chain"

Key Note Speaker: Geert Dancet, Executive Director, European Chemical Agency (ECHA)

High Level speakers from industry incl. Jerome Burtin, Norbert Dentressangle

www.fecc-congress.com
Thank you for your attention!

www.fecc.org