

A GLOBAL GREEN STANDARD

Management in the U.S. chemical industry reached an epiphany this year. Having approached the ISO 9000 quality standard series as a kind of protectionist time bomb planted by the solidifying European Community, it now speaks primarily of the internal benefits of registration. Improved quality, increased cost efficiency, and a reduction in the time and money spent on supplier audits are among the positive results cited by newly registered companies. After picking up 384 of the nearly 2,000 registrations in the U.S., the chemical industry has learned to stop worrying and love the bomb.

There is, however, another slate of international standards in the making at the Geneva-based International Organization for Standardization. ISO's newly formed technical committee 207 (TC 207) is negotiating an international standard for environmental management that might or might not be linked in its final version

to the existing ISO 9000 quality regime. Sources agree that the implications of TC 207 are staggering and could affect environmental law, international trade, and voluntary environment, health, and safety (EHS) programs such as Responsible Care.

According to John Master, international affairs committee chairman at the Chemical Manufacturers Association, the U.S. chemical industry is taking a far more active position on TC 207 than it did on the quality standard. "We decided late last year that we couldn't afford to sit back and see TC 207 as European driven, something that will stay on the other side of the Atlantic," says Master. "This time, instead of having to catch up, we decided to participate." He says CMA, with representatives in leadership roles on several TC 207 subcommittees, may be the most active U.S. industry association negotiating the standard.

Chemical Week's ISO update will examine the



forthcoming program as well as industry's new understanding of the 9000 series. Coverage from recent *CW* conferences will examine ISO 9000 within the evolving EC regulatory landscape as well as frontline efforts at combining quality and the environment in Europe (pp. 42, 65). A review of changes under way in the soon-to-be-published first revision of the 9000 series (p. 46) is followed by the results of a chemical industry survey that illustrates priorities and costs involved in gaining registration (p. 48). Other highlights include a look at ISO 9000's role in supplier auditing (p. 49) and in the establishment of automated document management systems (p. 57).

GIVING ORDER TO CHAOS

Negotiating a nonprescriptive approach

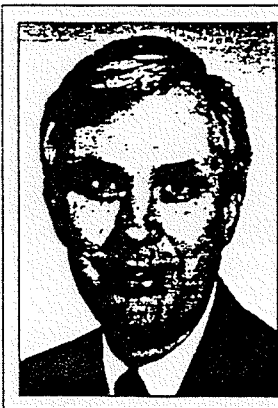
Just as ISO 9000 was driven by customer demand around the world, the ISO protocol now being negotiated for environmental management, is likely to be adopted globally within a short time. The speed with which environmental management is moving through the usually drawn-out process of standard writing in Geneva is an early indication of the momentum behind international norms in this area (box, p. 40).

However, the driving force behind ISO's Technical Committee 207 (TC207), which is developing the new standard, is not customer demand. It is the social and regulatory pressures surrounding environmental stewardship and accountability. This basic difference between the 9000 series on quality and the upcoming environmental standards is cause for great concern within the chemical industry—concern that centers largely on auditing, the cornerstone of the ISO process.

The popular view is that two bad things could happen as the standard is completed. The first—an auditing regime separate from and in addition to

the ISO 9000 quality audit—is virtually inevitable in the short term, given the different skills needed for quality and environmental audits. The standard might also prescribe third party-auditing that goes beyond regulatory requirements or discretionary programs. Chemical Manufacturers Association representatives negotiating the standard say they are calling for consolidation of quality and environmental initiatives and a flexible mix of internal and third-party audits, allowing registrants to determine the appropriate level of disclosure.

Among other concerns is that a highly prescriptive standard could result in trade barriers that exclude countries not culturally in sync with the spirit of the standard's directives. John Master, international affairs committee chairman at CMA, says the industry is pushing a performance-based approach that remains flexible on im-



Master: Time crunch.

plementation of management systems. Such an approach may be necessary in establishing the type of auditing scheme favored by the chemical industry.

Despite the immediate skittishness prompted by environmental audits, industry is largely receptive to the idea of an international standard in the environmental arena.

W. Ross Stevens, manager/corporate issues at DuPont and a member of the environmental performance evaluation committee for TC 207, describes the standard's potential to create order out of chaos by providing global unanimity on environmental benchmarking. "Concerns over the environment and a company's impact on it are an inescapable aspect of corporate perfor-

mance," says Stevens. "We have no choice but to take some approach to dealing with these concerns and getting in line with our stakeholders. ISO would give us a structure to do this uniformly around the world."

U.S. industry concerns are similar to those elsewhere. At *Chemical Week's* Quality in the Environment conference in London last month (*CW*, Oct. 27, p. 25), there was a general call for an end to the proliferation of management standards and an expansion of

the ISO 9000 series to form the basis for standard setting in environmental management systems. Some of the problems inherent in accomplishing this, however, are reflected in the U.K.'s experience with BS 7750, the British Standards Institute's (BSI) environmental management standard.

Rick Kelly, consultant and adviser to BSI, points out that sufficient technical differences in environmental management and quality management warranted writing a separate standard from BS 5750, the U.K. equivalent to ISO 9000. "ISO 9000 is a contract between supplier and customer," says Kelly. "When a third party, such as regulatory authorities, enters the field, you do get ambiguity."

STILL WRITING. Nevertheless, BSI Quality Assurance (BSIQA; Milton Keynes, U.K.), the U.K.'s largest BS 5750 certifying group, says it will audit and register companies to BS 5750 and BS 7750 simultaneously if it is granted scope to handle BS 7750. The government has yet to decide which organization will be responsible for accrediting certification groups for BS 7750. National standards similar to BS 7750 are being written in Canada, France, Ireland, and South Africa.

Sources agree that ISO's environmental standard will also have to harmonize with voluntary initiatives, the most important being Responsible Care.

Again, the standard could hurt or help, depending on how it is written. It could provide the long-sought mechanism for compliance verification, or it could codify practices in such a way that the focus shifts from the voluntary effort to the ISO standard. Sources, however, are optimistic that an ISO standard has the potential to complement voluntary programs.

Monsanto (St. Louis) has no objection to ISO moving into environment, health, and safety standards, says John Henshaw, director of quality and compliance assurance. It would help, he says, by addressing concerns not included in Responsible Care, thus broadening EH&S efforts. He also points to the virtue of third-party auditing under ISO in light of the debate over outside auditing of Responsible Care. He adds that here, as well, the industry has voluntary efforts under way, such as the Environmental Audit Roundtable, a 10-year-old organization of chemical, auto, and waste management companies that has established guidelines and practices for environmental audits. Henshaw would like ISO to incorporate the group's principles.

Another voluntary initiative from industry, cited by Ron Pingle, director of environmental affairs at Dow Chemical, is the Environmental Self Assessment Program (ESAP) sponsored by the Global Environment Management Ini-

tiative, a group of 21 U.S. corporations. ESAP emerged as a means of applying the International Chamber of Commerce's 16 principles of sustainable development to an internal environmental auditing system. "It's intended as a road map for assessing your performance," says Pingle. "Kind of like Responsible Care." Pingle says Dow has done a lot of work correlating the 16 principles with the CMA program.

Dow is not alone in seeking correlations between environment and quality initiatives. CMA recently published the first in what may be a series of matrices illustrating the direct synergies between programs such as ISO 9000, Responsible Care, Total Quality Management, and the Occupational Safety and Health Administration's process safety code (CMA, Sept. 22, p. 39). The first matrix is based on the process safety code of Responsible Care.

PUBLIC VIEW. J. Roger Hirl, president and CEO of OxyChem and chairman of CMA, sees an ISO standard offering an alternative to publicly sharing data that companies use to monitor and measure their own environmental performance. In a recent speech at CMA's Chemical Industry Conference in Atlanta, Hirl said, "To have a facility's environmental, health, and safety management system certified by a third party may satisfy some of the need for public accountability. We see the potential need for those in the global industry who want to remain competitive to become ISO certified."

CMA's Master, former director of environment, health, and safety at Arco Chemical (Newtown Square, PA), says that despite the rapid work on TC 207—he sees what would normally be a five-year process getting done in 18 months—there is still a serious time crunch, largely because the European Community's environmental auditing regulation goes into effect in early 1995. If ISO's environmental audit is not complete by then, the European Committee for Standardization (CEN) will be forced to come up with a system for the EC, says Master. CEN is hoping to adopt an ISO standard as the framework for the European regulation.

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