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CHEMICAL MANUFACTURERS ASSOCIATION

EXECUTIVE COMMITTEE
3:00 p.m., Monday, January 13, 1992
Board Conference Room, CMA Offices
Washington, D.C.

AGENDA

			TAB
3:00 p.m.	1.	Call to Order and Approval of Minutes of October 27, 1991 Meeting -- Frank P. Popoff Chairman	12
3:00-3:45	2.	Board Action Items (Those requiring Executive Committee review and action): Summary Presentations (unless additional detail is requested).	
		a. Trade and the Environment -- Nancie S. Johnson, E.I. du Pont de Nemours & Co.; Chairman, International Trade Committee	4
		b. Responsible Care® Employee Health and Safety Code -- Stephen B. Kemp, Occidental Chemical Corporation; Chairman, Code Drafting Group	5
		c. OSHA Reauthorization -- Thomas F. Evans, Monsanto Company; Chairman, Ad Hoc OSHA Reform Group	7
		d. Environmental Audits -- Charles D. Malloch, Monsanto Company, Chairman, Environmental Management Committee; R.M. Julie Archuleta, Occidental Chemical Corporation; Chairman, FGRC Audit Task Group and David F. Zoll, CMA General Counsel	8
3:45-4:10	3.	Executive Committee Action or Discussion Items	
		a. 1991/92 Budget Amendments -- Robert A. Roland	2
		c. International Harmonization of Hazard Classification -- Claudette M. Cofta, CMA Associate Director, Health Programs	13

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4:10-4:40	4.	New Business and Related Discussions	
4:40-4:50	5.	Association Activities	
		a. Treasurer's Report -- Gary C. Herrman	10
		b. Committee Nominations -- Charles W. Van Vlack	14
		c. President's Report -- Robert A. Roland	11
4:50-5:00	6.	Optional Review of Other Board Agenda Items (CMA Staff will respond to any questions raised on these issues)	
		o Product Stewardship Code Preview	6
		o Trade Negotiations Report	3
		o Public Outreach Report	
		o Nominating Committee	1
		o Tax Issues	9
5:00 p.m.	7.	Adjourn	

CMA
1/13/92

CHEMICAL MANUFACTURERS ASSOCIATION

EXECUTIVE COMMITTEE MEETING
Monday, January 13, 1992
CMA Offices, Washington, D.C.

Minutes of Meeting

1. The meeting was called to order at 3:00 p.m. by Chairman Popoff. There were present:

Members:	Frank P. Popoff, Chairman	Peter R. Heinze
	Elwood P. Blanchard, Jr.	J. Roger Hirl
	J.A. "Fred" Brothers	Robert D. Kennedy
	Earnest W. Deavenport, Jr.	John E. Peppercorn
	Ernest W. Drew	Robert A. Roland
	Michael H. Gràsley	M. Whitson Sadler
	Earle H. Harbison	J. Lawrence Wilson

Secretary: Charles W. Van Vlack
Treasurer: Gary C. Herrman
General Counsel: David F. Zoll

By Invitation:
*Charles A. Aldag, Sherex Chemical Company, Inc./CMA
R. M. Julie Archuleta, Occidental Chemical Corporation
Robert D. Bradford, Olin Corporation
Kenneth E. Davis, Rohm and Haas Company
J. Brian Ferguson, Eastman Chemical Company
Clyde H. Greenert, Union Carbide Corporation
Charles B. Hargett, BASF Corporation
*Nancie S. Johnson, E.I. du Pont de Nemours & Co.
Jon C. Holtzman, CMA
*Stephen B. Kemp, Occidental Chemical Company
*Charles D. Malloch, Monsanto Company
James D. McIntire, CMA
Morton L. Mullins, CMA
Michael A. Pierle, Monsanto Company
William M. Stover, CMA
Gordon D. Strickland, CMA
Ben Woodhouse, The Dow Chemical Company

* Part time only

2. Minutes of Last Meeting. The minutes of the October 27, 1991, meeting were approved as distributed.

3. Trade and the Environment. Ms. Johnson presented the proposed policy on trade and the environment which had been jointly developed by the International Trade and International Affairs Committees. Key events linking trade and the environment were being driven by NAFTA, UNCED, OECD and GATT/MTN negotiations and Senator Baucus's call for a "Green Round" of negotiations under the GATT. After discussion of the positions of other major business organizations, it was agreed to

approve and recommend for Board concurrence the proposed policy (Exhibit A), but with the request that the two committees clarify the language and intent in bullet point No. 6 relating to "highest applicable and appropriate environmental standard".

4. Responsible Care® Employee Health and Safety Code. Mr. Kemp presented the proposed code for final action and highlighted the following key areas: contractor safety, employee participation, inclusion of site "visitors", occupational injury and illness reporting, job safety analysis, and entry/exit of personnel materials.

The Executive Committee approved and recommended for Board concurrence the proposed Responsible Care® Employee Health and Safety Code as set forth in Exhibit B-1 as further defined by the self evaluation form (Exhibit B-2), the Question and Answer Paper (Exhibit B-3) and as further clarified that "work site" in Management Practice No. 15 was intended to include the entire facility, not just the immediate work area.

5. OSHA Reform Policy. Mr. Evans presented the proposed policy on OSHA reform (including some revisions). He reviewed coalition efforts under way in the business community which were designed to result in a more unified, proactive approach through CMA's early leadership. Mr. Evans reported that the basic policy and the 17 supporting positions on individual issues had been developed to be consistent with the Responsible Care® Employee Health and Safety Code.

The Executive Committee approved and recommended for Board concurrence the proposed policy (Exhibit C) on OSHA Reform including the clarification suggested to Position No. 17 on Victim's Rights.

6. Environmental Audits. Mr. Malloch introduced the audits issue and indicated that approval was being sought for both the proposed principles and the advocacy position. He also reviewed the multi-committee development and review process which had resulted in the proposal being presented.

a. Legislative Report. Ms. Archuleta presented the status of House and Senate activity on environmental audits and environmental crimes legislation. On behalf of the Federal Government Relations Committee (FGRC), she requested authority to use the proposed advocacy position at the appropriate time in the debate. She also suggested several changes to the proposals on behalf of the FGRC.

b. Proposed Principles and Advocacy Positions. Mr. Zoll presented the proposed principles and advocacy positions and identified three key issues:

- Relationship of this issue to Responsible Care® and the need to preserve confidentiality to protect audits as a management tool.
- More documentation of this type may well lead to more litigation and criminal suits.

- The international ratcheting effect of these type of requirements, using the example of the pending European Community requirements.

Following discussion of several aspects of this issue, the Executive Committee approved and recommended for Board concurrence the proposed Environmental Health and Safety Auditing Principles and Advocacy Positions (Exhibit D) including the clarifying changes recommended by the FGRC.

7. Budget Amendments.

a. PCB Advocacy. The Executive Committee approved an amendment to the 1991/92 budget to authorize increasing the budget by $50,000 for PCB advocacy. (Exhibit E)

b. Insurance Industry Litigation Expenses. The Executive Committee approved and recommended for Board concurrence an amendment (Exhibit F) to the 1991/92 budget to authorize increasing the budget by $325,000 to provide legal services in connection with insurance litigation. The Executive Committee also suggested that if this activity continues at these levels into future years that a CHEMSTAR panel be considered as an alternate funding mechanism.

8. Hazard Classification Harmonization. Ms. Cofta presented proposed principles and activities in pursuit of international harmonization of hazard classification systems. These were approved as set forth in Exhibit G. Ms. Cofta indicated that any final proposal in this area will be brought back to the Board for approval once it is fully developed.

9. New Business. The Executive Committee discussed the lack of adequate participation based upon solicitations to date for the nascent CHEMSTAR Atmospheric Research Council. It was the sense of several Executive Committee members that this program deserved broader support from individual member companies to insure that the chemical industry remains a player in the global warming debate in defense of its unique interests. Therefore the Executive Committee agreed to another solicitation of the Board and other members for broader participation in a base level program ($300,000 per year) to maintain a role in public policy development.

10. Treasurer's Report. Mr. Herrman reported that through the six months ending November 30, 1991, the Association had received revenue of $30,422,800 and had incurred expenses of $15,347,700, with variances within anticipated ranges. He indicated that requests for 1991 chemical sales reports had been sent out with a January 24 requested return date and that the Finance Committee (at the Membership Committee's request) was moving to eliminate exclusion No. 5 from the Chemical Sales Definition. The chemical sales request reflected this proposed change which would be brought forward for final action in March and April.

11. Committee Appointments. Mr. Van Vlack presented appointments (Exhibit H) to several CMA standing and special committees which were approved.

12. Product Stewardship Code. The Executive Committee discussed the Product Stewardship Code and the provisions relating to distributors in particular. The Code Drafting Group was asked to increase its efforts to identify the impediments to consensus to these provisions so that the Executive Committee and Board could facilitate their resolution in the months ahead in ways that preserve the integrity of the code drafting process.

* * * * * * *

The meeting was adjourned at 5:15 p.m.

Charles W. Van Vlack
Vice President-Secretary

EXHIBIT A

CHEMICAL MANUFACTURERS ASSOCIATION
PROPOSED POLICY ON
TRADE AND THE ENVIRONMENT

BACKGROUND

The trade impact of environmental policies, and the environmental impact of trade policies, are increasingly in the public eye. Trade and environmental policies are closely linked to economic and developmental growth; it is widely recognized that broader coordination and balancing of the potential tensions is necessary to assure open markets and policies protective of natural and human resources.

Concern has been expressed that the proliferation of trade agreements -- bilateral or multilateral -- will encourage industries to take advantage of "weaker" environmental laws in other countries. Some predict that industry will simply relocate to take advantage of lax environmental enforcement and/or low wage rates. Conversely, some in industry fear that the growing number and stringency of national, regional and international environmental laws will strangle international trade.

The overriding concern from a chemical industry perspective is whether environmental regulatory mechanisms impose barriers to free trade. These barriers may appear as tariff or non-tariff trade measures, as export controls, or in impacts on the industry's "competitiveness." In each of these cases, there is a range of options for mitigating any perceived negative impacts. Countries may unilaterally adopt retaliatory measures to compensate for the adverse effects of a trade or environmental policy, or efforts may be made to harmonize differing approaches to an agreed-upon international level.

A number of intergovernmental organizations are addressing the critical issues at the intersection of trade policy and environmental regulation. The Organization for Economic Cooperation and Development (OECD) is working toward an agreement -- which would be applicable in all OECD countries -- on measures necessary to coordinate trade and environmental policies. Several national governments, U.S. Congressmen, and the Director General of the General Agreement on Tariffs and Trade (GATT) have called for the next round of multilateral trade negotiations to focus on "green" issues. A GATT Environment Working Group is poised to take the first steps toward an "environmental standards code" to discipline international use of environmental measures having trade effects. The U.N. Conference on Environment and Development (UNCED), to be held in Rio de Janeiro in 1992, will focus on "sustainable development," which looks to integrate trade and environmental policies. From the Agency for International Development to the World Bank, trade and environment issues are likely to dominate both the national and international agenda.

A CMA position on the issues raised in the intersection between trade and environmental policies is necessary to give direction to the comprehensive advocacy efforts being conducted in both areas. The proposed position is consistent with previous CMA positions which call for regulatory mechanisms that fairly address health, safety and environmental concerns arising from international trade in chemicals.

RECOMMENDED POSITION

It is the position of CMA to promote appropriate coordination of trade and environmental policies at the national, regional, and international levels. CMA therefore supports measures which:

- Recognize that open, fair trade and environmental protection are not inconsistent objectives. Free trade and investment should be promoted as a mechanism for enhancing and improving environmental protection and intergovernmental coordination through economic progress.

- Promote non-discrimination and national treatment, and ensure that environmental regulations do not impose artificial or disguised barriers to trade.

- Integrate private sector initiatives into the overall matrix of governmental approaches to assure coordination between trade promotion policies and environmental regulation.

- Avoid unilateral approaches to global environmental problems. Multilateral solutions to global environmental issues can help assure that the policies are completely integrated into international trade disciplines.

- Encourage market-oriented solutions to promote environmental goals.

- Promote effective compliance with the highest applicable and appropriate environmental standard.

- Recognize that convergence in international standards (or efforts to achieve comparability of standards) may be a useful mechanism to address the potential trade-distorting influence of environmental policies. Convergence in any case does not mean the adoption of an identical standard, but tailors the regulatory response to take account of essential goals and resources.

- Address environmental problems in parallel to trade policy developments. Parallel initiatives are better suited to target and deliver the specialized assistance that may be necessary to enhance national regulatory and enforcement mechanisms.

ACTION REQUIRED

Approval of recommended position.

CMA
EC - 1/13/92
BD - 1/14/92

EXHIBIT B-1

DRAFT
November 11, 1991

RESPONSIBLE CARE®

EMPLOYEE HEALTH AND SAFETY CODE OF MANAGEMENT PRACTICES

Purpose

The goal of the Employee Health and Safety Code of Management Practices is to protect and promote the health and safety of people working at or visiting member company work sites.

To achieve this goal, the code provides management practices designed to continuously improve work site health and safety. These practices provide a multidisciplinary means to identify and assess hazards, prevent unsafe acts and conditions, maintain and improve employee health, and foster communication on health and safety issues.

Implementation of the Employee Health and Safety Code, together with other codes of management practices, can enable member companies to operate in a manner that further protects and promotes the health and safety of employees, contractors, and the public, and protects the environment.

Relationship To Guiding Principles

Implementation of the Code helps achieve several of the Responsible Care® Guiding Principles:

- To recognize and respond to community concerns about chemicals and our operations.
- To make health, safety, and environmental considerations a priority in our planning for all existing and new products and processes.
- To operate our plants and facilities in a manner that protects the environment and the health and safety of our employees and the public.
- To extend knowledge by conducting or supporting research on the health, safety, and environmental effects of our products, processes, and waste materials.

MANAGEMENT PRACTICES

Each member company shall have an ongoing occupational health and safety program that includes:

Program Management

1. Commitment by all levels of management to protecting and promoting the health and safety of people working at or visiting member company work sites, through: published policies; accountability for implementation; and provision of sufficient resources, including qualified health and safety personnel.

2. Opportunities for employees to participate in developing, implementing and reviewing health and safety programs.

3. Provisions, including selection criteria, to confirm that on-site contractors' programs are consistent with applicable management practices of this code.

4. Written, up-to-date health and safety programs and procedures appropriate to the facility.

5. Means to verify that health and safety programs and procedures are effective and that actual practices are consistent with these programs and procedures.

6. Systems for maintaining records and analyzing data to evaluate health and safety performance, determine trends, and identify areas for improvement.

Identification and Evaluation

7. Methods to identify and evaluate potential health and safety hazards in planned or existing facilities, including facilities to be modified.

8. Exposure assessments and job safety analyses to evaluate health and safety hazards to employees from processes; equipment; potentially hazardous chemical, physical or biological agents; or other work site conditions.

9. Health assessments to determine employee medical fitness for specific job tasks.

10. Employee occupational medical surveillance programs tailored to work site hazards.

Prevention and Control

11. Mechanisms for reviewing the design and modification of facilities and job tasks, taking into account the following hierarchy of controls: inherent safe design, material substitution, engineering controls, administrative controls, and personal protective equipment.

12. Systems to verify that health and safety equipment is properly selected, maintained and used.

13. Preventive maintenance and housekeeping programs to maintain the safety of facilities, tools and equipment.

14. Timely investigation of work site illnesses, injuries and incidents; corrective actions to prevent recurrence; and evaluation of the effectiveness of corrective actions taken.

15. Security procedures and systems to control entry and exit of personnel and materials at the work site and restricted areas.

16. Provisions for emergency medical assistance for people at work sites.

Communications and Training

17. Communication of health and safety information that is relevant to specific job tasks and the work site.

18. Health and safety training programs, including documentation of these programs, and methods to evaluate the effectiveness of both training and communications activities.

Industry Trend Data

To identify industry trends, each company shall report to CMA, or its designated agent, occupational injuries and illnesses, as specified in CMA's Occupational Injury and Illness Reporting Program.

Relationship To Other Codes Of Management Practices

This code complements, and should be implemented in conjunction with, current and future codes of management practices, especially those elements of the CAER Code involving emergency response, the Process Safety Code involving training of employees in their job functions, and the Product Stewardship code involving health, safety and environmental information, and employee education and product use feedback.

Member Self-Evaluation

Each member company shall report annually to CMA, or its designated agent, the implementation category attained for each Management Practice in this code. The reports should be submitted on the member self-evaluation form provided.

Resource Guide

A separate resource guide is available to assist member companies in implementing this code.

RESPONSIBLE CARE®

QUESTIONS AND ANSWERS
ABOUT THE
EMPLOYEE HEALTH AND SAFETY CODE OF MANAGEMENT PRACTICES

The following are frequently asked questions about the Employee Health and Safety (EHS) Code of Management Practices:

1. **Does the EHS Code cover all aspects of an employee's health and safety?**

   Answer: The EHS Code is restricted to those aspects of an employee's health and safety that are affected by his or her employment in the chemical industry. The EHS Code addresses occupational health and safety and does not address employee "wellness" or "off-the-job" safety.

2. **Does the EHS Code include visitors and all contractor operations?**

   Answer: The EHS Code covers all visitors and contractor employees who enter a member company's work site. Visitors should be protected from hazards they may encounter while on the work site. All contract employers should have health and safety programs for their employees that are appropriate for the hazards encountered in their contracted job tasks and that are consistent with applicable management practices of the EHS Code. Contract manufacturers, or tollers, are addressed in the Product Stewardship Code.

3. **Does the EHS Code require employee participation at work sites at which employees are represented by a union?**

   Answer: The objective of the EHS Code is to encourage member companies to fully involve employees in safety and health activities. However, at facilities at which employees are represented by a union, negotiations concerning such employee participation may be required. In the contract negotiation process, member companies should make a good-faith effort to address opportunities for employee participation.

4. **What is CMA's Occupational Injury and Illness Reporting (OIIR) Program?**

   Answer: CMA's OIIR Program serves as a basis for awarding the annual Lammot Du Pont Safety Awards recognizing sustained achievement by CMA member companies in reducing workplace injury and illness rates. Each participating company submits its injury and illness data, as reported on the OSHA Form 200, based on guidelines issued by the US Bureau of Labor Statistics (BLS).

5. **Are contractor employees included in the OIIR Program?**

   Answer: At this time, contractor employees are not included in the CMA OIIR Program. Current US BLS guidelines require reporting of occupational injuries and illnesses by individual employers based on Standard Industrial Classification (SIC) codes. Both CMA and OSHA are considering revisions to the reporting guidelines that would consolidate the reporting of occupational injuries and illnesses for a single work site, without regard to the SIC code of the employer.

6. **Does the EHS Code address substance abuse in the workplace as part of assessing medical fitness for specific job tasks?**

   Answer: Substance abuse is addressed by the Process Safety Code in Management Practice 21: "Programs designed to assure that employees in safety critical jobs are fit for duty and are not compromised by external influences, including alcohol and drug abuse."

7. **Does the EHS Code require each job task to be evaluated for its physical requirements?**

   Answer: Each job task should be evaluated to determine the specific physical abilities associated with the task. An employee's abilities should be evaluated using medical criteria before being assigned to a job task with specific physical requirements. For example, employees should be medically evaluated to determine their ability to wear a respirator before being assigned to job tasks requiring the use of a respirator.

8. **Does the EHS Code require member companies to provide annual medical examinations to all employees as part of an occupational medical surveillance program?**

   Answer: Occupational medical surveillance programs should provide appropriate, targeted medical assessments to those employees exposed to specific hazards. For example, regular spirometry examinations to assess lung function should be offered to employees exposed to an agent known to affect lung function.

9. **Does the EHS Code require member companies to assess the affect of exposures to chronic hazards on the health of employees?**

   Answer: As a part of maintaining records and analyzing data for trends, member companies should assess the long-term health experience of their employees in relationship to exposures to chronic hazards. Chronic hazards include, for example, long term exposures to carcinogens.

EXHIBIT B-3

DRAFT
November 11, 1991

EMPLOYEE HEALTH AND SAFETY CODE

MEMBER SELF-EVALUATION FORM

Instructions for the Company Responsible Care® Coordinator:

1. This form is to be submitted annually to CMA by each member company. Please submit directly to:

   Dr. Edward J. Heiden
   Heiden Associates, Inc.
   2100 M Street, N.W.
   Suite 300
   Washington, D.C. 20037

2. Indicate on page 1 the number of your member company's facilities that are subject to the Code. Each company must report the implementation stage for all facilities subject to the Employee Health and Safety Code on this form.

3. For each Management Practice on the following pages, indicate the number of facilities that have attained each implementation category. Each facility should appear in only one implementation category per Management Practice. Identify the current implementation category for each of your facilities at the time you complete the form.

4. For the Industry Trend Data, report the previous calendar year's cumulative occupational injuries and illnesses. Occupational injuries and illnesses should be reported on a company-wide basis as specified by CMA's Occupational Injury and Illness Reporting (OIIR) Program.

5. Only subject facilities owned or operated as of the reporting date should be included.

6. The implementation categories are:

   Category NA - No action. If no action taken because the management practice is not applicable, please explain.
   Category EV - Evaluating existing company practices against the Management Practice.
   Category DP - Developing plan to implement Management Practice.
   Category IA - Implementing action plan
   Category PP - Management Practice in place.
   Category RI - Reassessing Management Practice implementation.

   If any facilities are shown in Category NA, please add any pertinent remarks to the space marked "comments."

CMA 063775

EMPLOYEE HEALTH AND SAFETY
CODE OF MANAGEMENT PRACTICES

Management Practices	Categories					
	NA	EV	DP	IA	PP	RI
1. Commitment by all levels of management to protecting and promoting the health and safety of people working at or visiting member company sites, through: published policies; accountability for implementation; and provision of sufficient resources, including qualified health and safety personnel. Comments on Category NA:____________						
2. Opportunities for employees to participate in developing, implementing and reviewing health and safety programs. Comments on Category NA:____________						
3. Provisions, including selection criteria, to confirm that on-site contractors' programs are consistent with applicable management practices of this code. Comments on Category NA:____________						
4. Written, up-to-date health and safety programs and procedures appropriate to the facility. Comments on Category NA:____________						
5. Means to verify that health and safety programs and procedures are effective and that actual practices are consistent with these programs and procedures. Comments on Category NA:____________						

Category NA - **No action. If no action taken because the management practice is not applicable, please explain.**
Category EV - **Evaluating existing company practices against the Management Practice.**
Category DP - **Developing plan to implement Management Practice.**
Category IA - **Implementing action plan**
Category PP - **Management Practice in place.**
Category RI - **Reassessing Management Practice implementation.**

	Categories					
	NA	EV	DP	IA	PP	R
6. Systems for maintaining records and analyzing data to evaluate health and safety performance, determine trends, and identify areas for improvement. Comments on Category NA: ____________						
7. Methods to identify and evaluate potential health and safety hazards in planned or existing facilities, including facilities to be modified. Comments on Category NA: ____________						
8. Exposure assessments and job safety analyses to evaluate health and safety hazards to employees from processes; equipment; potentially hazardous chemical, physical or biological agents; or other work site conditions. Comments on Category NA: ____________						
9. Health assessments to determine employee medical fitness for specific job tasks. Comments on Category NA: ____________						
10. Employee occupational medical surveillance programs tailored to work site hazards. Comments on Category NA: ____________						

Category NA - No action. If no action taken because the management practice is not applicable, please explain.
Category EV - Evaluating existing company practices against the Management Practice.
Category DP - Developing plan to implement Management Practice.
Category IA - Implementing action plan
Category PP - Management Practice in place.
Category RI - Reassessing Management Practice implementation.

	Categories					
	NA	EV	DP	IA	PP	RI
11. Mechanisms for reviewing the design and modification of facilities and job tasks, taking into account the following hierarchy of controls: inherent safe design, material substitution, engineering controls, administrative controls, and personal protective equipment. Comments on Category NA:____________						
12. Systems to verify that health and safety equipment is properly selected, maintained and used. Comments on Category NA:____________						
13. Preventive maintenance and housekeeping programs to maintain the safety of facilities, tools and equipment. Comments on Category NA:____________						
14. Timely investigation of work site illnesses, injuries and incidents; corrective actions to prevent recurrence; and evaluation of the effectiveness of corrective actions taken. Comments on Category NA:____________						
15. Security procedures and systems to control entry and exit of personnel and materials at the work site and restricted areas. Comments on Category NA:____________						

Category NA - No action. If no action taken because the management practice is not applicable, please explain.
Category EV - Evaluating existing company practices against the Management Practice.
Category DP - Developing plan to implement Management Practice.
Category IA - Implementing action plan
Category PP - Management Practice in place.
Category RI - Reassessing Management Practice implementation.

	Categories					
	NA	EV	DP	IA	PP	RI
16. Provisions for emergency medical assistance for people at work sites. Comments on Category NA: ______						
17. Communication of health and safety information that is relevant to specific job tasks and the work site. Comments on Category NA: ______						
18. Health and safety training programs, including documentation of these programs, and methods to evaluate the effectiveness of both training and communications activities. Comments on Category NA: ______						
INDUSTRY TREND DATA Occupational injuries and illnesses for the previous calendar year were reported as specified in CMA's Occupational Injury and Illness Reporting Program. Comments on Category NA: ______						

Category NA - **No action. If no action taken because the management practice is not applicable, please explain.**
Category EV - **Evaluating existing company practices against the Management Practice.**
Category DP - **Developing plan to implement Management Practice.**
Category IA - **Implementing action plan**
Category PP - **Management Practice in place.**
Category RI - **Reassessing Management Practice implementation.**

EXHIBIT C

OCCUPATIONAL SAFETY AND HEALTH (OSH) ACT REFORM PROPOSED POLICY

BACKGROUND

Legislation was introduced earlier this year to attempt the first major changes to the Occupational Safety and Health (OSH) Act since its creation in 1970. The proposed legislation (called the Comprehensive Occupational Safety and Health Reform Act), as introduced, would bring about substantial changes in the law and in the agency that administers it. The legislation as introduced is broad in scope and goes beyond traditional questions of health and safety, addressing numerous labor law reform issues as well. In CMA's view, major portions of the pending bills would not be an improvement over current law and, most important, would do little to raise the level of safety and health protection in American workplaces.

Since CMA's last comprehensive review of the Occupational Safety and Health Administration (OSHA) prepared during the transition to the Bush Administration, CMA has maintained there is no need for a massive overhaul of the OSH Act. In the more than 20 years the law has been in force, it has proved to be effective and flexible in addressing workplace safety and health issues. At the same time the law has become more understood and its goals held in high regard.

However, CMA has also maintained that OSHA can be improved -- and that improvements could be accomplished either administratively or by routine regulatory procedures. In recent years, there have been numerous instances when OSHA has improved its performance using both these methods, including development of voluntary programs; enhancement of state training and consultation initiatives; and issuance of generic, performance-based regulations such as the Hazard Communication Standard.

CMA is committed to continually improving the safety and health of all chemical industry employees, contractors and visitors in the workplace, as evidenced by our Responsible Care® program and its codes of management practices. Furthermore, the Association and its members are committed to working with the Occupational Safety and Health Administration to accomplish this goal. Although agency performance has improved in recent years, CMA believes there is room for further improvement. In addition, public perception of the state of workplace health and safety is supportive of changes in the law, presenting the opportunity for CMA to be a part of a critical review of the OSH Act.

PROPOSED CMA POLICY

CMA believes the existing Occupational Safety and Health (OSH) Act of 1970 has contributed significantly to the health and safety of American workers. CMA also believes the law and the Occupational

Safety and Health Administration (OSHA) can be improved and strengthened resulting in better safety and health protection in the workplace.

CMA supports changes in the existing law that will improve health and safety. In addition, CMA believes that there are some improvements that can be made effectively through legislative action as well as others through administrative and regulatory initiatives.

CMA does not support the proposed Comprehensive Occupational Safety and Health Reform Act (COSHRA), H.R. 3160 and S. 1622, in their current form. The measures will not bring about further improvements in workplace health and safety protection. In addition, they address labor law issues unrelated to health and safety protection.

CMA believes there are a number of workplace health and safety issues that should be addressed on their merits, and that they should be examined carefully. In our view, this examination should be done in partnership with the Administration, Congress, organized labor and the rest of the business community. The mutual goal should be to promote real improvements in occupational safety and health for American workers. To that end, CMA will actively participate in deliberations with the goal of achieving legislative reform that truly promotes safety and health protection.

Detailed positions on individual issues embodied in the proposed COSHRA legislation are referenced in the attached Exhibit A. The basis for these individual positions are rooted in the proposed legislative policy and previously approved policies.

ACTION REQUESTED

Approval of proposed OSHA reform policy and positions on individual issues as set forth in Exhibit A.

CMA
EC-1/13/92
BD-1/14/92

EXHIBIT A

PROPOSED POSITIONS ON INDIVIDUAL ISSUES
CONTAINED IN H.R. 3160/S. 1622

1. Issue: Mandated written safety and health programs

Position: 1.1 Support inclusion of a written safety and health program with a non-mandatory list of elements.
1.2 Oppose mandated list of specific program elements.

2. Issue: Mandated joint labor management committees by legislation or regulation

Position: 2.1 Oppose mandated committees and specific list of duties, make-up, and selection of members.
2.2 Support the requirement that employers create the opportunity for employees to participate in workplace safety and health program activities but allow employers flexibility to design and implement methods appropriate to their specific workplace.

3. Issue: Mandated training of employees and annual training of committee representatives

Position: 3.1 Support health and safety training of employees.
3.2 Oppose mandating training specifics through legislation.

4. Issue: Employee Pay

Position: Do not oppose pay for time employees are trained or working on safety and health program activities as presently legislated and regulated.

5. Issue: Coverage

Position: 5.1 Oppose elimination of the proven standard of federal agency preemption contained in the existing law.
5.2 Support extension of coverage to governmental employees, but only if preemption is unchanged.
5.3 Oppose as unnecessary the provision addressing federal nuclear facilities.

6. Issue: General Duty Clause

Position: 6.1 Support making a site owner responsible for: providing a safe workplace; informing employees and contractor employees of workplace hazards and precautions required for safe work related to site specific operations; and controlling hazards accordingly.
6.2 Oppose making a site owner responsible for contractor employees, and for safety and health conditions beyond the control of the site owner.

7. **Issue:** Standards setting process and public disclosure of all written or verbal communications regarding promulgation of standards.

Position:

7.1 Oppose legislation of a list of specific standards to be promulgated by OSHA as well as the specific timetables for completion.

7.2 Oppose the imposition of timetables and mechanisms for OSHA to respond to petitions from "interested persons" regarding OSHA standards; the present provisions of the Act are adequate.

7.3 Support OSHA's authority and responsibility under the current Act to establish its own priorities and promulgate occupational safety and health standards as they determine the need.

7.4 Oppose change in public disclosure of communications by OSHA as existing law is adequate.

7.5 Oppose re-definition of Occupational Safety and Health Standard that eliminates the need for cost benefit analysis.

8. **Issue:** Recording of work-related illnesses

Position: Oppose recording of suspected work related illnesses.

9. **Issue:** Enforcement

Position:

9.1 Support the concept that the current OSH Act recognizes consideration of complaints to OSHA from any source.

9.2 Support Agency establishing its own priorities in addressing complaints.

9.3 Oppose redefinition of serious incident requiring OSHA inspection.

10. **Issue:** Abatement

Position:

10.1 Oppose requirement to abate alleged hazard citation while under legal challenge by the employer.

10.2 Do not oppose requirement that the employer verify abatement of hazards that are not contested; OSHA has existing authority to require such an employer response.

11. **Issue:** Employee participation in settlement process

Position:

11.1 Oppose the authorization of employees and employee representatives to file contest of citation for more than reasonableness of the abatement period.

11.2 Oppose authorization of employee representatives to participate as parties to hearings and other proceedings which includes settlement discussions between employer and Agency.

12. **Issue:** Imminent Danger and Work Refusal

Position: Oppose any change in definition of imminent danger from conditions that could be expected to cause death or serious physical harm; support maintaining current procedure requiring OSHA to seek temporary restraining order to either shut down or remove employees from work area.

13. **Issue:** Penalties

Position: 13.1 Oppose changes to the penalty structure including the addition of criminal penalties.
13.2 Oppose personalizing fines; allow company assets to support individual employee.

14. **Issue:** Whistleblowing

Position: 14.1 The existing Act provides for protection of an employee from discrimination based on complaints or testimony given relative to safety and health matters in the workplace; oppose any broadening of these provisions.
14.2 Oppose further definition of conditions that will allow employees to refuse to perform hazardous work without fear of reprisals; employees already have the right to refuse hazardous work under court decisions and the current Act.

15. **Issue:** NIOSH

Position: 15.1 Support maintenance of NIOSH in CDC.
15.2 Oppose giving NIOSH authority to force OSHA to justify nonacceptance of regulatory recommendations.
15.3 Oppose mandating that NIOSH contractors or designees have authorization to inspect facilities and question employees; oppose authorizing NIOSH to investigate accidents.
15.4 Oppose NIOSH communication of increased risk of disease directly to employees.
Support employee notification of increased risk by employer under jurisdiction of OSHA Hazard Communication.
Support employer determination of medical surveillance needs.
Oppose mandated generic medical removal provisions.

16. **Issue:** State Plans

Position: Do not oppose increased oversight of state plans by federal OSHA.

PROPOSED OSHA REFORM POLICY (TAB 7)
AMENDED VERSION OF LAST PAGE (P.4)

17. **Issue:** **Victims' Rights**

Position: 17.1 Do not oppose communication with victims and their families

17.2 Oppose mandatory victim and victim family participation in OSHA decisions, proceedings and settlement negotiations.

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EXHIBIT D

PROPOSED ENVIRONMENTAL HEALTH AND SAFETY AUDITING PRINCIPLES

"Environmental audits" are applied to a wide range of health, safety and/or environmental programs. Such audits should be preserved as a voluntary management tool because they provide objective, internal assessments to management on the implementation of these programs. Accordingly, CMA supports the use of voluntary environmental audit programs based upon recognized, generally accepted principles, which promote candid and confidential exchanges for information. To achieve maximum utility of audits, CMA supports the creation of strong incentives or mechanisms for encouraging environmental audits. These incentives and mechanisms fall into two areas: promoting environmental audit principles and limitations on use of audit results in federal and state civil and criminal enforcement actions.

I. Goals of Advocacy Efforts

A. Be responsive to public concerns and the public's need for information about company operations.

B. Be consistent with and supportive of Responsible Care®. Identify and encourage disclosure of the role of auditing as a management tool.

C. Formulate policies regarding expanded criminalization of environmental laws and related penalties.

D. Strive for national uniformity in whatever the government does in the audits arena.

E. Consider global environmental audit developments in addressing domestic issues and international economic competitiveness.

F. Protect trade secret and confidential business information.

II. Environmental Auditing Advocacy Principles

A. Encourage companies to develop and improve environmental audit programs as internal management tools in order to evaluate and improve environmental performance, both as to legal compliance and compliance with company or local practices.

B. Educate policymakers regarding environmental audits.

C. Preserve open and candid flow of information internally among auditees and auditors.

D. Encourage the appropriate documentation and response to findings discover d during audits.

Coordinating CMA participation in international discussions on harmonization. These discussions have been held under the auspices of the IPCS, the ILO, the OECD and, within the industry, the ICCA (a discussion of these organizations and their roles in harmonization is attached).

Preparation of presentation materials for use in discussion with other groups. Among the materials on which work is already begun are the following:

Comparisons of acute hazard criteria under the main classification systems.

Examples of how chemicals are classified and labeled under different systems;

Advantages of harmonization;

Disadvantages of harmonization, including major impacts on existing systems;

International harmonization activities;

Principles of advocacy in harmonization.

The Health and Safety and International Affairs Committees are expected to approve these advocacy principles at their December meetings. The Distribution Committee is in the process of analyzing this issue and the proposed issue and the proposed strawman to form their position. Potential disadvantages of harmonization to be considered are a possible expansion of the universe of regulated chemicals under some systems (such as transportation) and the cost of converting to a single, harmonized system.

III. PRINCIPLES TO GUIDE EXPLORATION OF HARMONIZATION

CMA will use the following principles in its exploration of international harmonization activities:

- o Harmonization has maximum value if accepted in all the major systems for industrial chemical hazard classification.

- o No country should be compelled to reduce protection of its population in a meaningful way by adoption of a harmonized classification system for industrial chemicals.

- o While a uniform classification system offers significant advantages, expanding the universe of specific materials to which current standards apply through changes in hazard categories may be inappropriate. Care must therefore be taken to ensure that harmonization does not result in unwarranted extension of standards or regulations. For example, the transport systems may wish to continue regulating for only the acute hazards as they are defined under the harmonized system, because chronic exposures do not occur in transportation.

- o Harmonization must begin with the classification of hazard categories, including the criteria and endpoints for the hazard classes, taking note of the work already done in the international transportation arena. Harmonization of labels, data sheets and related documents will be considered at a future date.

- o The harmonization process can begin by addressing acute health and physical hazards. The incorporation of some chronic hazards for which a scientific consensus is lacking may need to be deferred until these hazards are better understood.

- o Development of a harmonized system for acute and physical hazards should be prepared as a package; a fragmented approach of a single category at a time would be excessively disruptive. While the initial harmonized system will address acute and physical hazards, it must be able to accommodate chronic hazards as they are defined.

- o The transition period for implementation should be relatively long, to permit organized and orderly replacement with as little cost and disruption as possible.

- o Testing data generated under existing systems must be utilized in the harmonized system through bridging protocols or other mechanisms. A harmonized system is not intended to require new testing.

IV. PROPOSED PROGRAM ACTIVITIES

CMA will continue to participate actively in international discussions on harmonization. The next significant meetings on the subject include an IPCS harmonization coordinating committee April 2-3, 1992 and an OECD consultation April 6-8. CMA will encourage strong communication and coordination among all of the international organizations addressing this issue.

Input will be solicited from the Health and Safety Committee, the Distribution Committee, the Environmental Management Committee and International Affairs Committee in developing a CMA position regarding harmonization prior to external advocacy.

V. ACTION REQUESTED

Endorsement of proposed principles and program to explore harmonization. Any final proposal would be brought back to the Executive Committee and Board for action.

International Activities to Harmonize Hazard Communication

Organization for Economic Cooperation and Development (OECD)

OECD consists of the 24 leading industrial economies of the world and, as such, are responsible for the vast majority of world chemical production and trade. For this reason agreement in OECD is likely to precede global harmonization. An OECD workshop on November 19-20, 1991 concluded that harmonization was desirable and achievable, at least for acute and environmental hazards. Consultations between key players such as the EC and the U.S. are planned for February 1992, and the full membership will meet again April 6-8, 1991.

UN Conference on Environment and Development (UNCED)

UNCED, scheduled for June, 1992, in Rio de Janeiro, will help set the international environmental agenda through the year 2000. UNCED Preparatory Committees have identified harmonization of classification and labelling systems as one of the five major program areas for environmentally sound management of chemicals. UNCED will not discuss the subject in detail, but could lend impetus to further work.

International Labor Organization (ILO)

In June 1991 the ILO Secretariat outlined a work program for harmonizing existing classification systems. An expert group approved this document in a meeting in Geneva November 14-16, 1991. The group recommends that the IPCS act as the coordinating body for UN system efforts to promote harmonization. The ILO Secretariat previously declared that harmonization would require a 10-year effort.

International Program for Chemical Safety (IPCS)

The IPCS is jointly sponsored by the ILO, the UN Environmental Program and the World Health Organization. A meeting on the subject held in April 1991 was restricted to phraseology used in safety data sheet sections on first aid, fire-fighting, storage and handling, and acute toxicity. However, an IPCS Coordinating Committee will meet April 2-5, 1992, under the broader mandate suggested by the ILO experts. In addition to the IPCS sponsors, the OECD and the UN Committee of Experts on the Transport of Dangerous Goods will be active participants.

International Council of Chemical Associations (ICCA)

The ICCA consists of chemical associations in the European Community, the U.S., Canada, Japan and Australia. The October 22-24 meeting of the Technical Affairs Group concluded that harmonization would be desirable, but that resolving differences will require much expert work supported by a political commitment. The ICCA will serve as an important channel of communication for private sector views as harmonization discussions proceed.

December 13, 1991

EXHIBIT H

COMMITTEE APPOINTMENTS

RECOMMENDATION

Appoint the following individuals to the committees and committee offices designated:

Energy Committee

Charles R. Nuckolls, International Specialty Products, term expiring May 31, 1993. (Replacing George Matzke of the same company.)

Federal Government Relations Committee

Robert F. Brothers, Eastman Chemical Company, term expiring May 31, 1992. (Replacing Wells Denyes of the same company.)

International Trade Committee

Allen B. Miles, Eastman Chemical Company, term expiring May 31, 1993. (Replacing Bud G. Pettigrew of the same company.)

Chemical Industry Federation Advisory Council

Carolyn T. Burridge, Executive Director, Chemical Industry Council of Maryland.

Kelli Heartsill, Executive Director, Alabama Chemical Association.

Joseph MacKenzie, Chairman, Louisiana Chemical Association. (Replacing Larry Adcock of the same council.)

Jack Toslosky, Executive Director, Chemical Industry Council of Illinois. (Replacing David Satterfield of the same council.)

Richard M. Zielinski, Chairman, Chemical Industry Council of Illinois. (Replacing George A. Vincent, of the same council.)

Public Outreach Coordinating Group

Mr. Charles A. Aldag, Sherex Chemical Company. (Replacing Ernest F. Ruppe of E. I. du Pont de Nemours.)

Mr. Kenneth E. Davis, Rohm and Haas Company, as a member and as chairman. (Replacing R. Ken Rushin of Eastman Chemical Company.)

Responsible Care® Coordinating Group

Mr. Charles A. Aldag, Sherex Chemical Company, as a member and as chairman. (Replacing Ernest F. Ruppe of E. I. du Pont de Nemours.)

Mr. Thomas T. Brand, Jr., Pfizer, Inc. (Replacing Dr. Percy Kavasmaneck of Union Carbide Corporation.)

ACTION REQUIRED

Approval of recommendation.

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E. Avoid the creation of government disincentives for companies to find and correct problems on their own.

F. Preserve the confidentiality of information identified during audits.

G. Recognize the benefits of voluntary audits to effective environmental management programs.

H. Provide limited use immunity in federal and state enforcement actions for documentation of deficiencies discovered in audits and promptly corrected.

I Provide enforcement agencies incentives for improving compliance rather than incentives for the number of enforcement actions initiated.

J. Create a self-evaluation privilege with results protected against compulsory disclosure.

K. Create appropriate safe harbor protections for audit programs which provide for prompt corrective action.

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ADVOCACY POSITION ON ENVIRONMENTAL AUDITING
AND RELATED CRIMINAL PENALTIES ISSUES

A. Environmental Auditing

"Environmental audits" are applied to a wide range of health safety and/or environmental programs. Significant public debate regarding government involvement in environmental auditing is probable. In conducting all of its advocacy regarding environmental audits, CMA will support the following positions.

1. Internal corporate environmental auditing should be preserved to the maximum extent possible.

2. Audit results should be protected from disclosure (i.e., they should be given safe harbor, self-evaluation privilege and limited use immunity protections).

3. Audits should not cause a company to become subject to new legal liabilities.

We oppose required third party audits. When they are proposed:

4. There should be nationwide uniformity to auditing processes.

5. There should be recognition of the need for a "level playing field" and for industry to be subject to similar government involvement in auditing processes in the global market.

6. In government policies regarding audits, audit requirements should be limited to an appropriately defined regulated community and they should be focused in scope (e.g., upon compliance; upon certification of the audit process).

7. Audits should be conducted according to a set of generally agreed upon principles and by persons chosen by the company audited.

B. Criminal Penalties

Legislation is currently under consideration which incorporates audits in the larger context of enforcement and increased criminalization and increased penalties for so-called "environmental crimes." In this regard, CMA will oppose efforts to inappropriately expand such criminal penalties. CMA will seek to conduct its relevant advocacy by coalitioning with other business and industry interests.

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EXHIBIT E

PROPOSED BUDGET AMENDMENT

Polychlorinated Biphenyls (PCB) Advocacy

BACKGROUND

Since 1981, the CMA Legal Department has provided funding or manpower for outside counsel in support of the PCB Panel's rulemaking activities. Budget constraints have removed this support. Without these funds the Panel will be unable to continue its proactive leadership role within the Industry PCB Consensus Group to influence and shape PCB regulation. The Panel's prime focus is to achieve regulatory approaches protective of health and the environment that are technically achievable in a cost effective manner.

Current efforts focus on new rules for resolving remaining PCB disposal issues: a national policy for old PCB spills, e.g., CERCLA and RCRA sites; standards for PCBs in mixed waste, e.g., RCRA and radioactive wastes; revocation of the PCB "anti-dilution rule" to allow treatment of PCBs based on levels as found; and authorization of alternative disposal methods in lieu of the existing requirement for methods equivalent to PCB incineration for large volume, low concentration media, e.g., soil, sludge, sediment, construction debris. Industry cost benefits alone justify this effort. Typical remediation costs for old PCB spill sites under TSCA, CERCLA and RCRA could be reduced by an order of magnitude. EPA currently estimates that greater than 17% of all known Superfund sites contain PCBs. Most industrial sites requiring remediation contain PCB contamination from electrical and other industrial equipment.

The Panel is also working with the CMA Dioxin Panel in a lead role to address EPA misuse of Toxicity Equivalency Factors (TEFs). CMA members ought to be concerned that TEFs may become yet another basis for chemical regulation in various media and endpoints based upon similarities in structure.

Immediate funding shortfall of $50,000 alone is needed to continue participation in the current ANPR stage. This support is in addition to the recent contribution of $65,000 by the five Panel members to support CMA administration and outside research projects. In addition, the Panel's total expenditure is leveraged by cofunding of projects and total legal expenses for PCB issues by other trade association members of the Industry PCB Consensus Group. Currently the annual CMA PCB Panel expenses, averaging $120,000/year, are currently being matched by both the National Electrical Manufacturers Association and the Utility Solid Waste Activities Group.

The Panel has explored the following alternatives: (1) sunset the Panel when current funds are depleted, around January 1992; (2) seek generic support to fund outside legal costs; or (3) solicit additional members based upon requests to the Panel for comments and information. This last alternative has been unsucessful over the last five years.

RECOMMENDATION

Approve an admendment to the 1991 budget for $50,000 to support outside counsel for PCB Panel activities.

ACTION REQUESTED

Approval of recommendation.

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EXHIBIT G

INTERNATIONAL HARMONIZATION OF HAZARD CLASSIFICATION

Proposed Principles and Activities to Explore Harmonization

I. BACKGROUND

The classification of hazards forms the foundation for an understanding of the product's characteristics and how to safely handle and use it. The classification of the material triggers label information, its description on Material Safety Data Sheets, and packaging, transport and storage requirements.

Classification schemes for hazardous materials are different, however, among U.S. government agencies (OSHA, DOT, CPSC) as well as internationally among nations. Classification schemes also traditionally differ between hazard communication programs for workplace exposure and transportation systems.

The lack of consistency among classification systems creates two significant problems:

- Credibility of hazard warnings is undermined and safety jeopardized by differing classifications for the same material.
- Differing national requirements for classification create practical barriers to trade.

To address this issue, the Health and Safety Committee and International Affairs Committee jointly formed a working group. Its charter is:

> *To define and compare the current status of hazard classification systems worldwide. To develop recommendations on achieving international harmonization of these disparate systems.*

II. THE HARMONIZATION WORKING GROUP

The Working Group on classification harmonization has met 5 times since its creation in March, 1991. Its main accomplishments have been:

> Preparation of a "strawman" proposal for harmonization based on the most widely accepted endpoints for a selected group of acute hazards. This proposal is an initial basis for discussion, not an effort to predetermine the results of negotiation.