

National Association of Chemical Distributors

Responsible Distribution Code of Management Practice

Each member company shall have an active program designed to continuously improve safety and reduce incidents. This Code does not impose upon member companies any obligation to guarantee compliance by third parties, i.e., parties over whom the member companies have no control. This program shall include:

I. Risk Management

- A. Senior management's commitment through communication of policy, implementation of procedures, and the allocation of resources to ongoing improvements in chemical distribution safety, education, health, and security.
- B. Regular review with suppliers of the hazards of materials, revising policy and/or procedures as necessary.
- C. Identification and implementation of risk reduction measures.

II. Compliance Review and Training

- A. A process for monitoring regulations and industry practices for the application to chemical distribution activities.
- B. A process for implementing applicable regulations and industry practices that apply to chemical distribution activities.
- C. Training for all employees in the implementation of applicable regulations, as well as member company's specific requirements.
- D. A process for reviewing employee compliance with applicable regulations and member company's requirements, as well as outside contractor and re-seller compliance.

III. Carrier Selection

- A. A process for selecting carriers to transport chemicals that includes carrier safety and fitness, security, regulatory compliance, and performance review.

IV. Handling and Storage

- A. Procedures for ensuring that containers are appropriate for the chemical being shipped, comply with regulatory requirements, and are free from leaks and visible defects.
- B. Criteria for the inspection, cleaning, and re-use of transportation equipment and chemical containers, and the proper disposal of cleaning residues.
- C. Procedures for loading and unloading chemicals at the member company's facilities that result in protection of personnel, a reduction in emissions to the environment, and an increased awareness of hazards from mixing incompatible chemicals.
- D. A process for providing manufacturer/supplier guidance and information to customers, warehouses, terminals, and/or carriers on procedures for loading, unloading, and/or storing chemicals, and a process to increase awareness of hazards from mixing incompatible chemicals.
- E. A process for selecting owned and contracted facilities and sites for chemical storage or handling that emphasizes safety, fitness, and security including regular/periodic reviews.
- F. Documentation of current operating procedures for handling and storing chemicals.
- G. Facility design, construction, maintenance, inspection, and security practices that promote facility integrity, consistent with recognized codes and regulations.
- H. Develop a process for addressing chemical site and chemical transportation security to include conducting a security vulnerability assessment.
- I. Provisions for control of processes and equipment during emergencies resulting from natural events, utility disruptions, and other external conditions.
- J. Procedures to properly label and mark packages and containers.

V. Job Procedures and Training

- A. Identification of the skills and knowledge necessary to perform each job.
- B. Establishment of procedures and work practices for safe operating and maintenance activities.
- C. Training for all personnel to reach and maintain proficiency in safe work and security practices and the skills and knowledge necessary to perform their job, including confirmation of competence.

- D. Programs designed to assure that personnel in safety critical jobs are fit for duty and are not compromised by external influences.
- E. Members shall have a process in place to inform contractors of the known hazards and the emergency and/or evacuation plan.

VI. Waste Management and Conservation Practices

- A. Procedures to ensure that all self-generated waste and empty containers are disposed of in a responsible manner and in accordance with existing regulations.
- B. A clear commitment by senior management through policy communications, resources, and programs to ongoing waste reductions and pollution prevention at each member facility.
- C. A commitment to institute resource conservation measures.

VII. Emergency Response and Public Preparedness

- A. Recognition & Prevention. Processes, policies, and/or procedures that address recognizing the potential for and preventing incidents and chemical releases resulting from man-made or natural events such as spills/leaks, fire, natural disasters, terrorism, etc., involving the member company's facility or chemicals.
- B. Notification, Reporting & Response. Processes, policies, and/or procedures that provide for notification, reporting, and response actions by member company's personnel and/or contractors involving chemical releases and other potential incidents.
- C. Preplanning & Coordination. Processes, policies, and/or procedures communicating potential hazards to response agencies about the member company's facility and physical/chemical hazards as well as pre-planning for appropriate response to such hazards.
- D Training. Processes, policies, and/or procedures to ensure appropriate training of personnel for emergency response and that their response actions are appropriate based on their level of training.
- E. Investigation and Corrective Action. A process for investigating incidents, including near-misses, that resulted or could have resulted in chemical releases, and the implementation of appropriate preventive measures and/or corrective actions.
- F. Annual Review, Testing, and/or Assessment. Operability of the member company's written emergency action and fire prevention plan and/or emergency response plan.

- G. Facility Tours. Promoting initial and periodic facility tours for first responders to promote emergency preparedness and to provide current knowledge of facility operations.
- H. Participation. Coordination with Local Emergency Planning Committee's process or other community organization involved with emergency preparedness and planning functions.

VIII. Community Outreach

- A. Interaction with organizations, associations, government officials, and/or the public on behalf of NACD's Responsible Distribution.
- B. Information and updates for employees on Responsible Distribution to encourage key employees to become involved in community outreach efforts.
- C. Advocacy of responsible public policies and regulations for chemical distribution.

IX. Product Stewardship

- A. A process to qualify customers as prescribed by governmental regulation.
- B. Member companies should work with stakeholders to foster appropriate dissemination of information on the proper use, handling, and disposal of products commensurate with product risk.

X. Internal Audits

- A. Member companies shall establish documented procedures for regularly scheduled internal audits that verify the implementation of policies and procedures supporting the Responsible Distribution Code of Management Practice. The audits shall be conducted on a yearly basis at each member company location used for the distribution of chemicals to evaluate the effectiveness of the policies and procedures.
- B. Audits shall be recorded and results brought to the attention of appropriate management personnel who must take timely corrective or preventive action. Annual audit results should be retained until the next third-party on-site verification is completed.

XI. Corrective and Preventive Action

- A. Member companies shall establish a corrective and preventative action system for Responsible Distribution-related issues. This system should permit the identification and communication of inadequacies or improvements in each member company's implementation of Responsible Distribution.

- B. Member companies shall establish and maintain procedures for implementing corrective action and preventive actions arising from internal and external audits or other sources. Any corrective or preventive action taken to resolve the cause or Responsible Distribution implementation inadequacy shall be appropriate, as determined by member company management, to the magnitude of the cause or inadequacy and commensurate with the risk involved.

XII. Document and Records Control

- A. Member companies shall establish and maintain a documented system to control all policies, procedures, and records supporting Responsible Distribution.
- B. A master list or functionally equivalent document control system identifying the current version of each document shall be established and be readily available to preclude the use of invalid and/or obsolete documents. Documented procedures shall be legible and identifiable and be appropriate for member company and contracted sites. There shall be provisions for review and approval of any new or revised policies and procedures by the authorized personnel within the member company. Changes to documents and data shall be reviewed and approved by the same function/organization that performed the original review and approval, unless specifically designated otherwise. Functions/organizations shall have access to pertinent background information upon which to base their review and approval, and, where practical, the nature of the change shall be identified in the document or appropriate attachments.