

# Environmental Performance Agreements - the next generation of voluntary initiatives in Canada

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Canadian Pollution Prevention  
Roundtable  
Victoria BC  
Wednesday June 1<sup>st</sup>, 2005

# Outline

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- Background → the evolution of voluntary initiatives
- What are Environmental Performance Agreements?
- Summary of signed agreements
- The Future of Environmental Performance Agreements

# Background

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- EC participated in many Voluntary Initiatives (VI) in early 1990s (ARET, MOUs)
- Commissioner of the Environment and Sustainable Development (CESD) review in 1999
- CESD identified some shortcomings of department's approach to VIs
- CESD concluded VIs needed guiding principles and design criteria to become credible risk management tools

# Background

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- Policy Framework for Environmental Performance Agreements:
  - ❖ Developed from 1998 – 2000
  - ❖ Includes principles and design criteria
  - ❖ Satisfied recommendations made by the Commissioner for Environment and Sustainable Development
  - ❖ Subject to multi-stakeholder consultations
  - ❖ Endorsed by Minister of the Environment in June 2001

# Definition

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**An Environmental Performance Agreement is an agreement with core design criteria negotiated between Environment Canada (EC) and other parties to achieve specified environmental results.**

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- An Environmental Performance Agreements is an additional tool to help EC achieve its environmental protection mandate
- Flexibility of this tool also allows EC to promote programs beyond regulations, and outside traditional mandate (EMS implementation, Product stewardship, etc...)

# EPAs - The Basics

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## ➤ Principles

- ❖ effectiveness
- ❖ credibility
- ❖ efficiency
- ❖ transparency & accountability

## ➤ Design Criteria

- ❖ senior commitment
- ❖ clear objectives & measurable results
- ❖ clear roles & responsibilities
- ❖ consultation
- ❖ public reporting
- ❖ verification
- ❖ incentives & consequences
- ❖ continual improvement

# Multi Stakeholder Advisory Committee

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**Chair:**

Don Hames (retired Dow  
Chemical)

**Industry representatives:**

Cdn Manufacturers & Exporters  
Alcan Inc.  
Noranda Falconbridge

**NGO representatives:**

Pollution Probe  
New Brunswick Lung Association  
Canadian Public Health Assoc.  
Storm Coalition

**Government reps:**

Industry Canada  
Health Canada  
Natural Resources Canada  
Alberta Environment  
Environment Canada (ex-officio)

# Signed Agreements

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- Currently there are 5 signed Agreements with:
  - ❖ Dow Chemical Canada
  - ❖ Auto Parts Manufacturing Association (APMA)
  - ❖ Refractory Ceramic Fiber (RCF) industry
  - ❖ Canadian Chemical Producers Association (CCPA)
  - ❖ Specialty Graphic Imaging Association (SGIA)

# Dow Chemical Agreement

- 5-Year emission reduction agreement with 2 Canadian facilities:
  - ❖ Emission reduction goals and milestones for 1,2-dichloroethane
  - ❖ Ambient air monitoring
  - ❖ Annual reporting

# Refractory Ceramic Fibre Industry Agreement

- Data collection and capacity building agreement:
  - ❖ Report annual Refractory Ceramic Fiber emissions
  - ❖ Annual ambient air / stack emission monitoring
  - ❖ Implement maintenance and repair procedures

# Auto Parts Manufacturers Association Agreement

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- 5-year emission reduction and capacity building agreement, participants commit to:
  - ❖ Facility level targets & objectives for priority substances from this sector
  - ❖ ISO 14,001 Certification
  - ❖ Annual reporting

# Current Canadian Chemical Producers' Association Agreement

- Renewal of existing Memorandum of Understanding
  - ❖ Based on the CCPA Responsible Care Program
  - ❖ Continual improvement in management of toxic substances and other substances
  - ❖ 'VOC Annex' to address VOC emissions
  - ❖ Currently under re-negotiation

# Specialty Graphic Imaging Association Agreement

- 5-year agreement, participants commit to:
  - ❖ Facility level targets & objectives for priority substances from this sector
  - ❖ Implementation of an Environmental Management System
  - ❖ Annual reporting (Pollution Prevention Case Studies)

# Results to date

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- MOU with CCPA met its targets for VOCs, also achieved substantial reductions in benzene; ethylene oxide; 1,3 butadiene; acrylonitrile; formaldehyde; acetaldehyde
- Dow Chemical EPA is ahead of schedule in meeting objective
- RCF EPA is being re-negotiated based on lesson learned from first agreement with this sector
- SGIA EPA has already achieved substantial reductions of VOCs
- APMA EPA encountered issues while recruiting facilities to participate (better linkages with provincial programs required)

# Lessons learned

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- Partnership with associations willing to work in voluntary manner provides access to member companies
- Need to develop incentives that are meaningful to industry for participation in a voluntary program
- Program should not be overly time consuming for companies to participate
- Negotiating with a small number of participants that are willing to work with you has proven to be very effective – can get more specific requirements than what is possible through regulatory channels

# The Future

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- Further development of incentives and regulatory backstops
- Increased use of agreements for 'multi-issue' approach
- Delivery of training on Environmental Performance Agreements

# For more information

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