
GEMI Survey

Global EHS Regulations

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Carl Wirdak
Occidental Petroleum Corporation
GEMI Benchmarking Chair



GEMI

Outline

- Survey Recap
- Context
- Regulation Tracking
- Development of Company Standards
- EHS Program/Implementation
- Next Steps



Survey overview

- Response rate was just above 70%

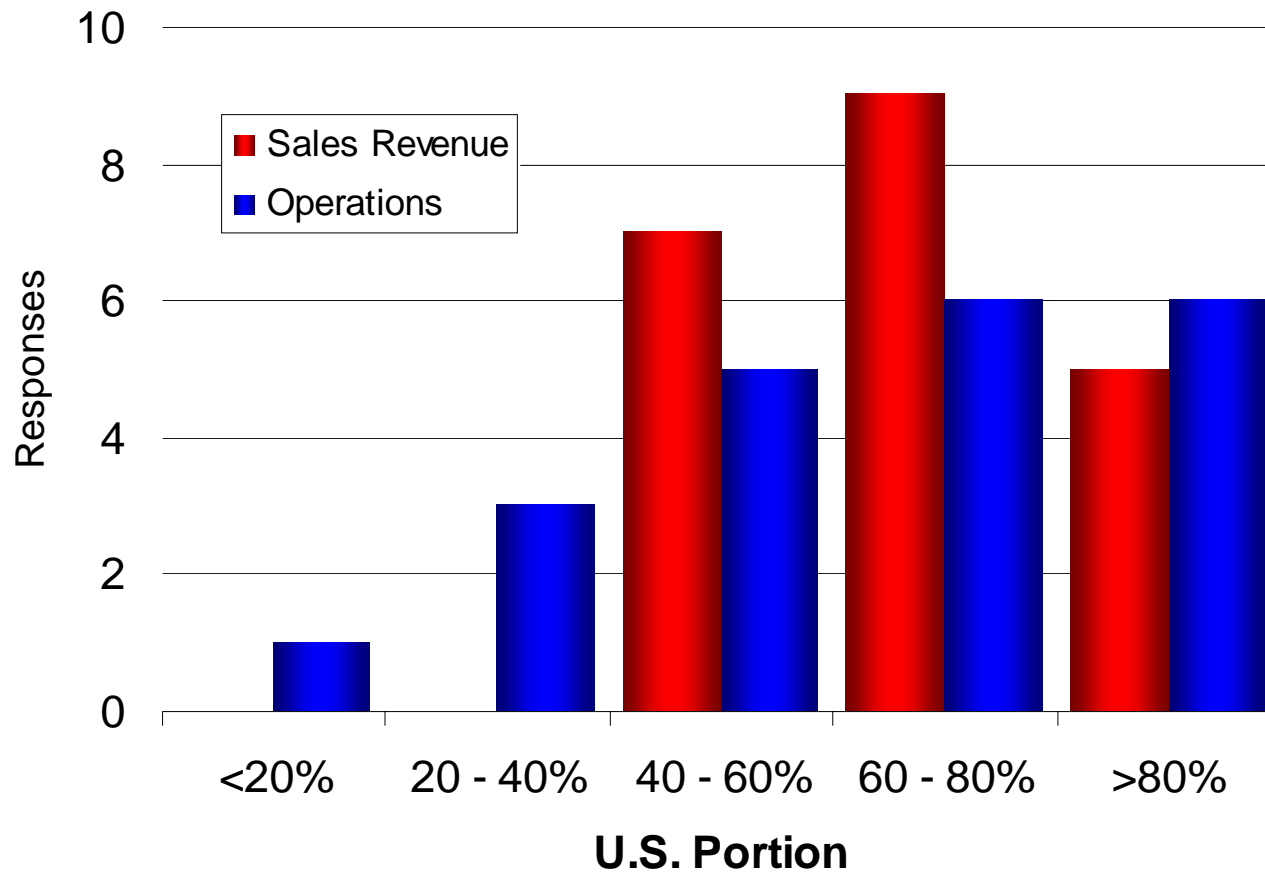
Outstanding!

Not all companies completed all questions

- There was good coverage across the sectors represented in GEMI
- Thank you to all participants!



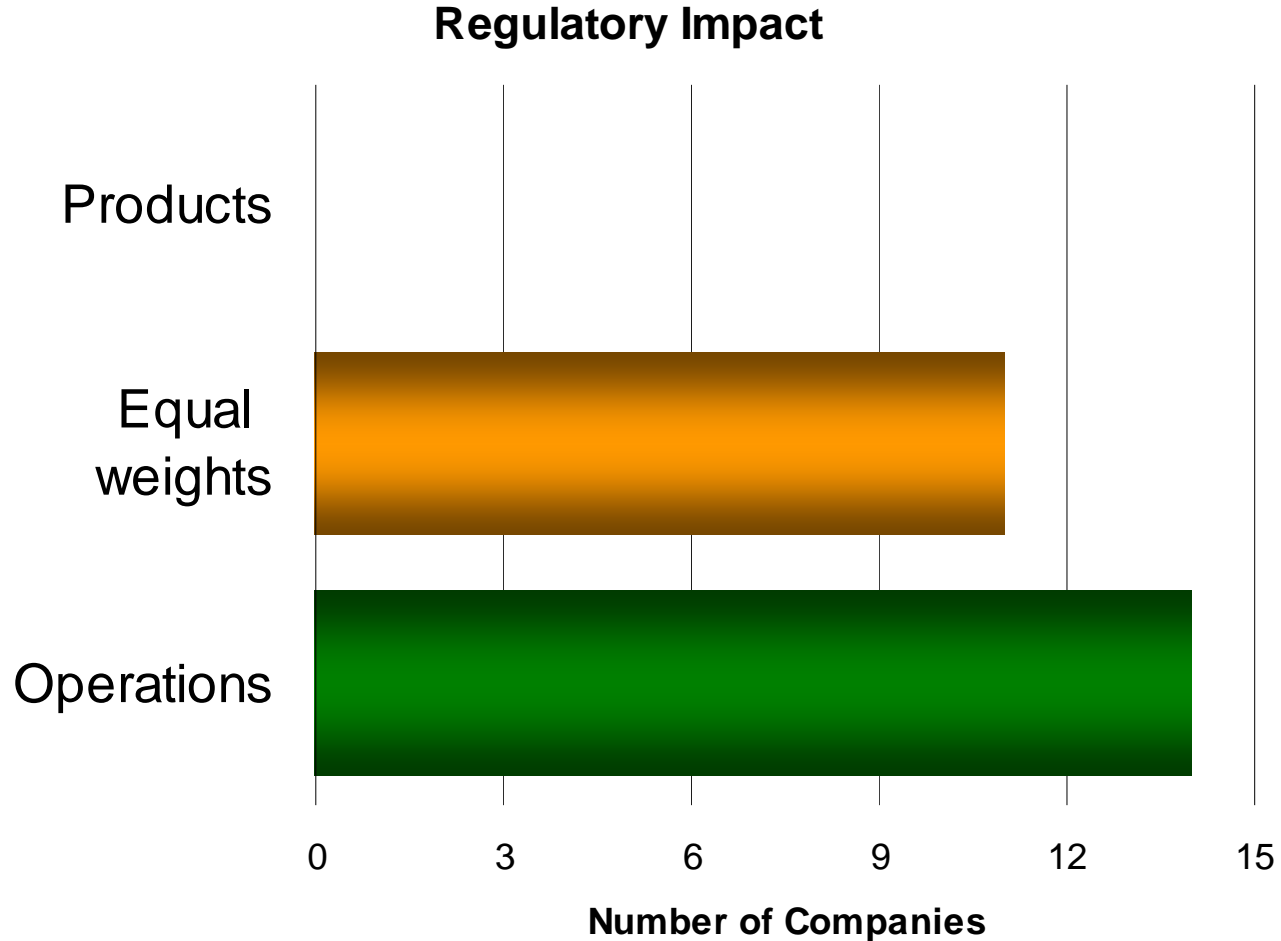
Context



Only 2 firms with non-U.S. headquarters provided responses to survey



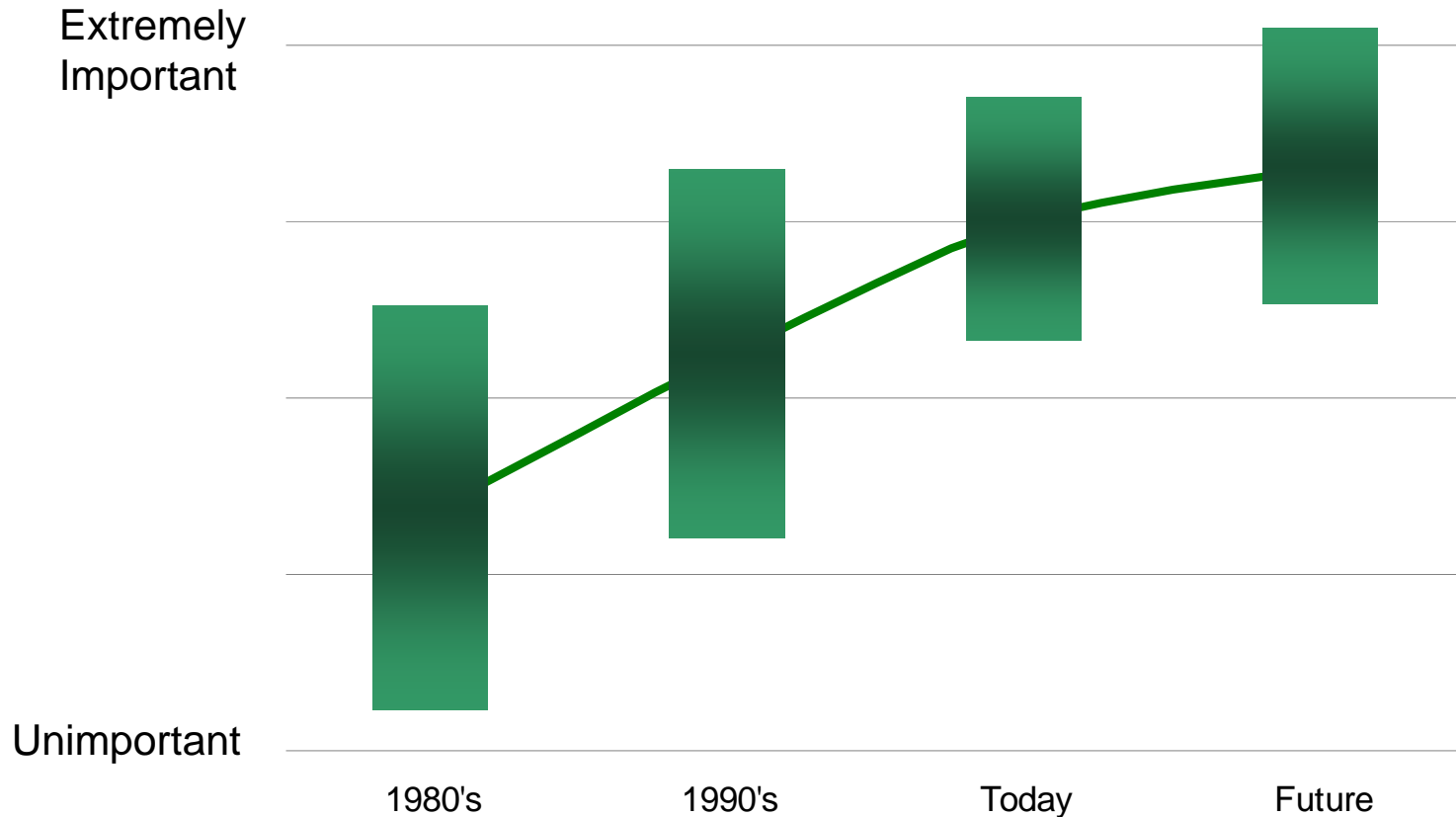
What frames company EHS focus?



Company EHS focus is generally driven by issues related to operations

EHS performance and reputation link

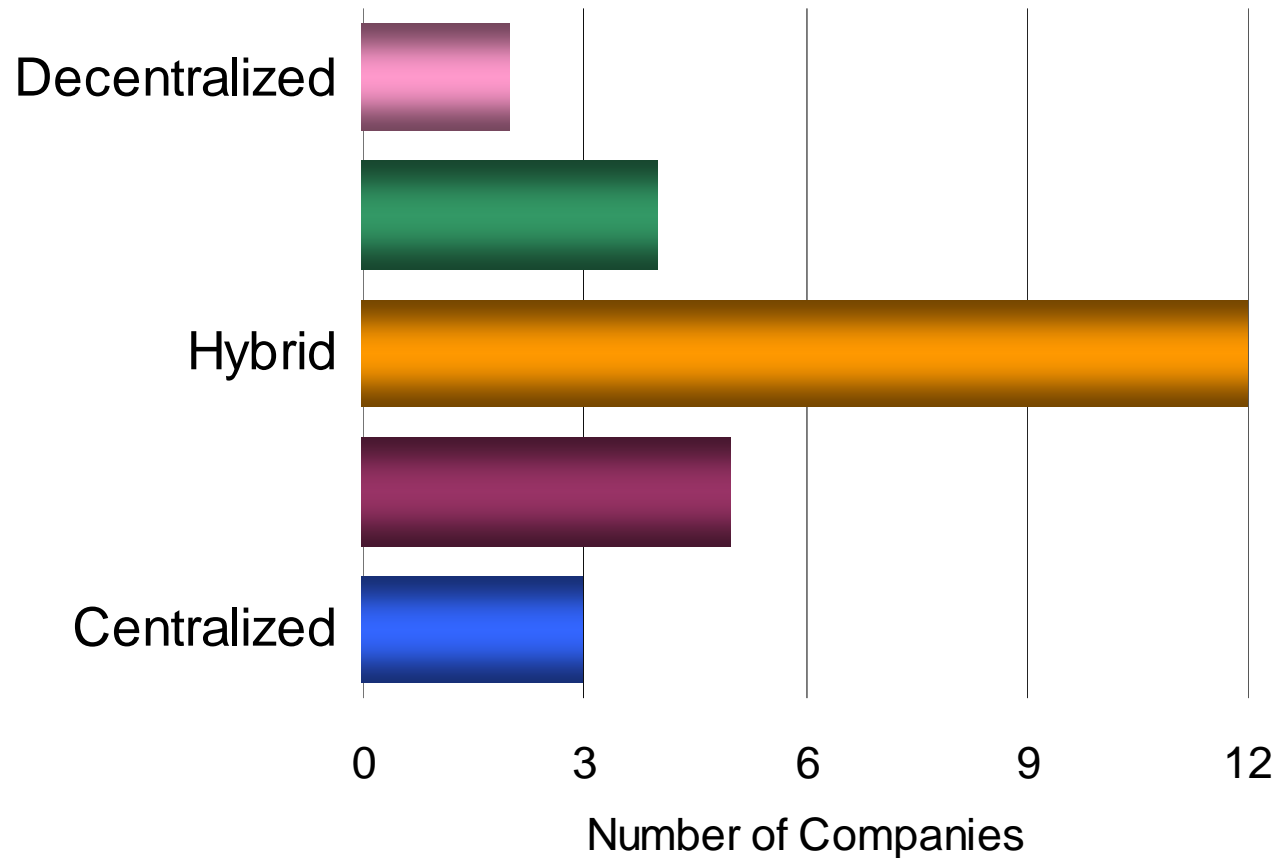
Importance of EHS Performance



The importance of EHS performance on company reputation has increased



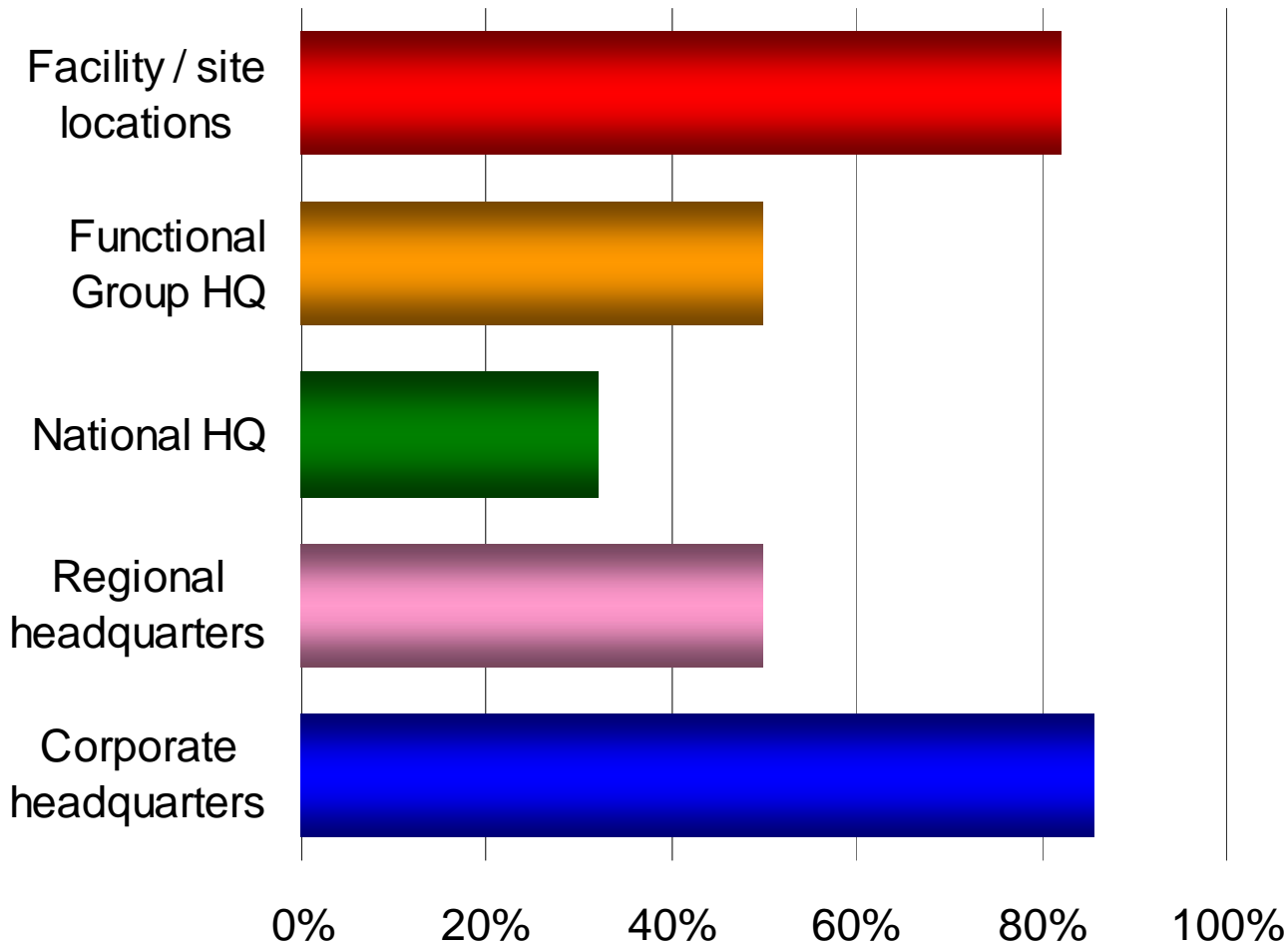
Company EHS Structure



Local or shared (with corporate) decision-making is the norm for survey respondents



Regulatory tracking



Responsibility is shared between site locations and corporate, which conforms with the norm of shared decision-making



Regulatory tracking tools

- Variety of useful approaches
- Companies typically employ more than one
- Knowledgeable company staff is the most important
- Trade associations play significant role



Regulatory tracking efficiency techniques

- Reliance on trade associations
 - Is “sweat” equity keeping up with demands?
- IT to the rescue?
- Can we push more responsibility down (to locations) or out (to 3rd parties)?
- Can you really eliminate the function?

Rely more on trade associations

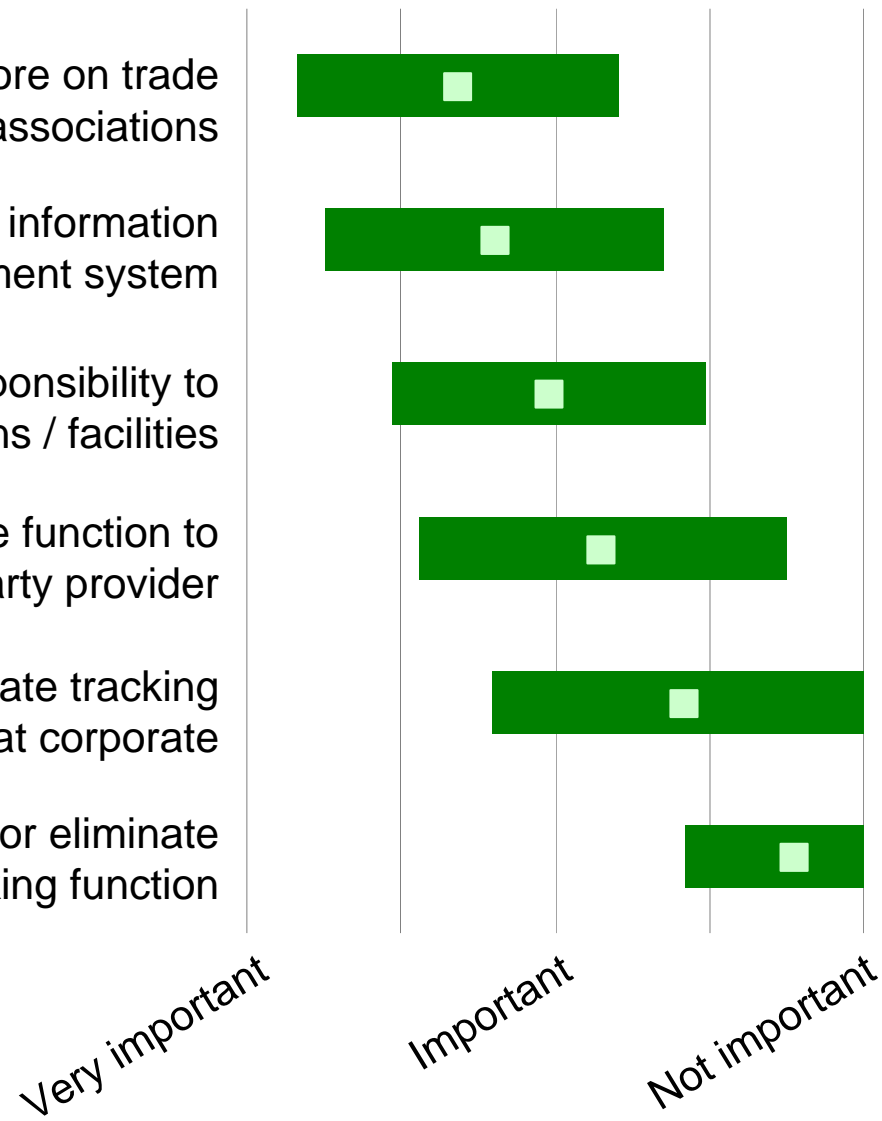
Implement information management system

Transfer responsibility to locations / facilities

Outsource function to 3rd party provider

Consolidate tracking function at corporate

Reduce or eliminate tracking function



Other efficiency ideas

- Corporate tracks U.S. / EU regulation and general EHS management trends, with country (ex-U.S.) and state developments tracked at the division and facility level
- Global expertise centers or media/topic/geographic teams leverage regulatory management and allow sites to focus on locally specific regulations and effective implementation
- Representatives from business groups who are responsible for regulatory matters share information on best practices and discuss emerging issues
- New EHS management system has integrated efforts and allows more emphasis on strategic planning / new product development
- Global subscription to the Bureau of National Affairs (BNA) EHS Library allows locations to determine regulatory impact



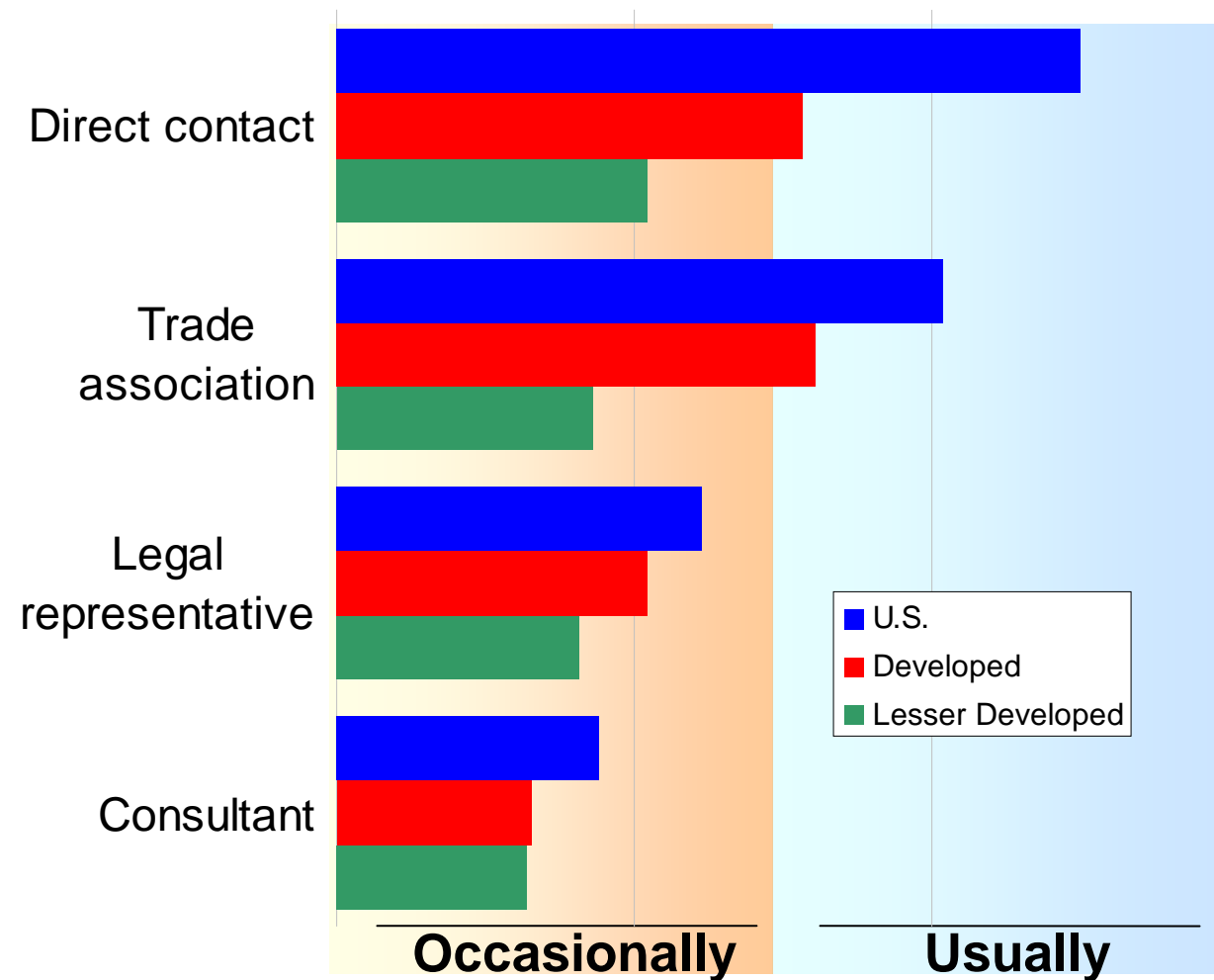
Regulatory development

Does the company participate in the regulatory development process in the listed countries?

	Yes	No
U.S.	24	3
EU	13	14
UK	5	22
Germany	5	22
Japan	5	22
Canada	4	23



Regulatory development representatives

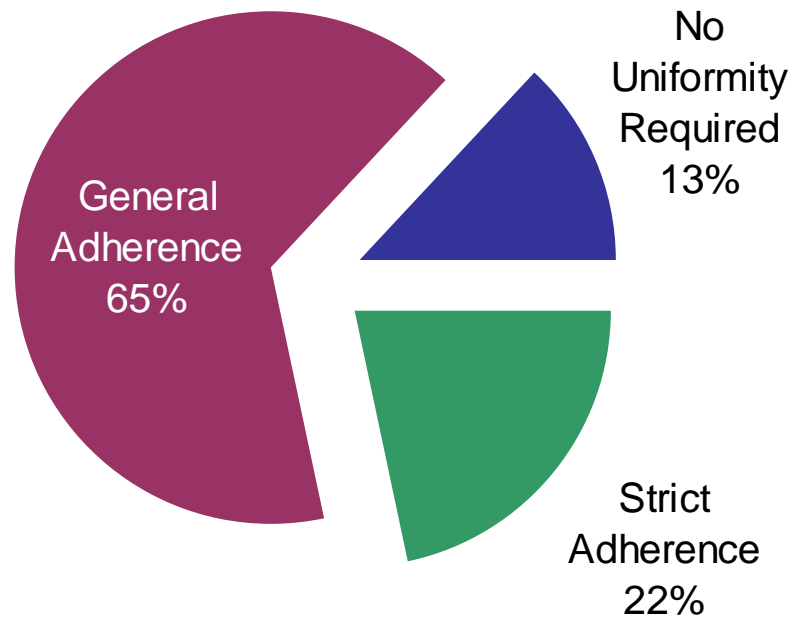


- **Direct contact of company staff with regulatory agencies is norm**
 - Location staff is primary
 - Corp is back-up
- **Trade associations play a significant role in developed countries**
- **Difficult to engage in less developed regions**

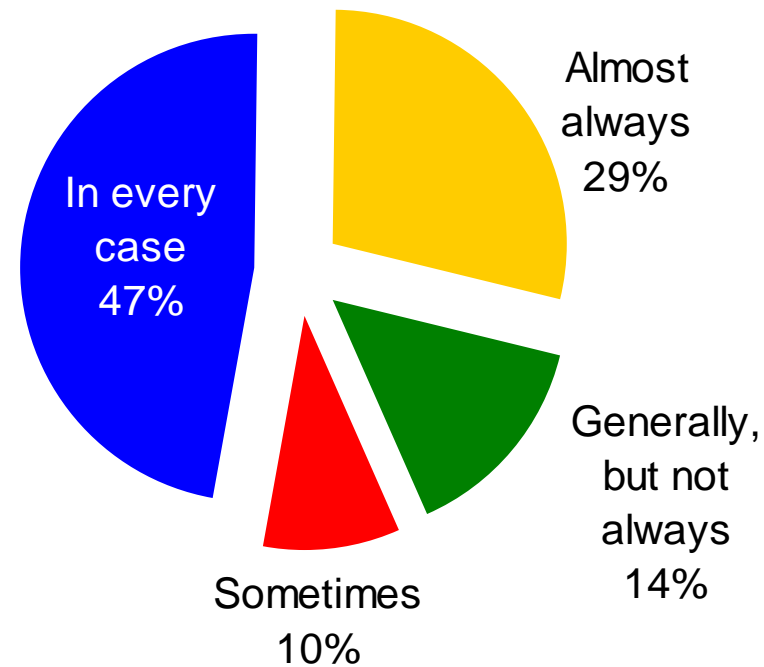


Global application of EHS mgmt system

Does the company require strict adherence to a uniform EHS management system worldwide?



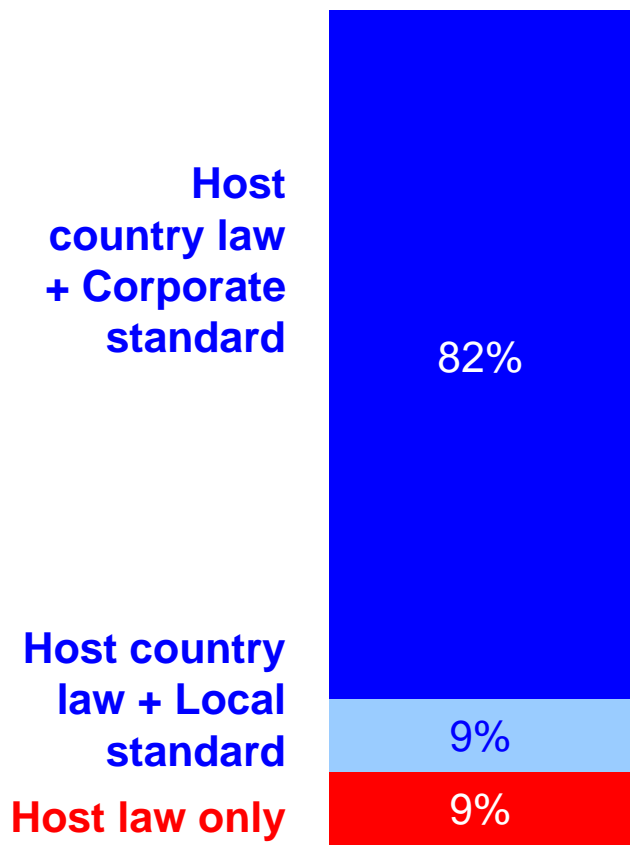
Are more robust self-developed EHS performance standards established in less developed countries?



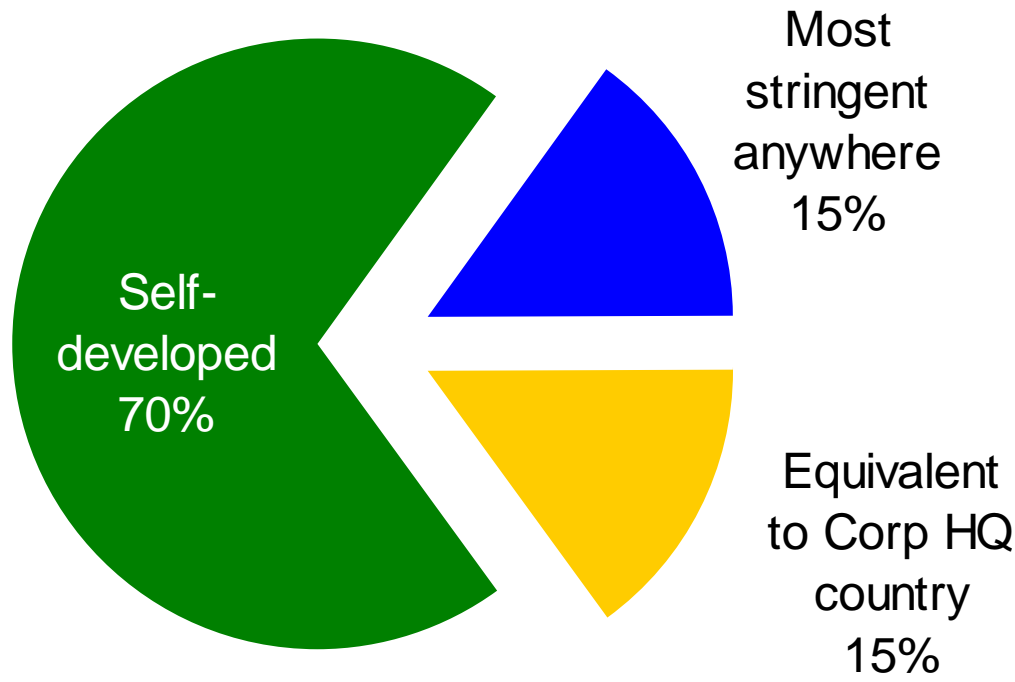
Typically, individual locations / operations can tailor the EHS management system to meet local needs

Global EHS performance standard

Minimum standard



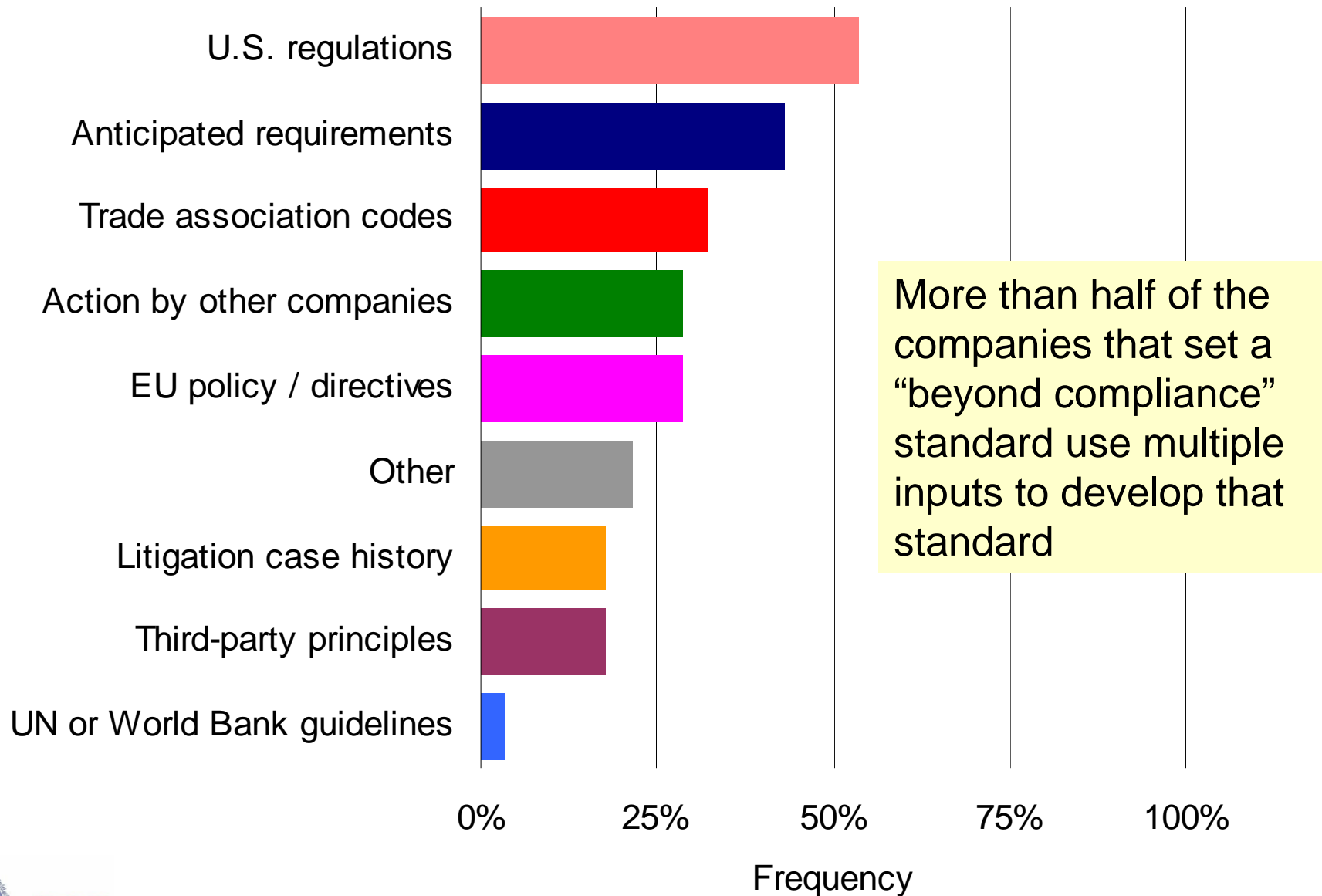
Derivation of self-imposed standards



Companies do more than just comply with local law
“Beyond compliance” standard is self-developed



Basis for “beyond compliance” standard



Forms of “beyond compliance” standards

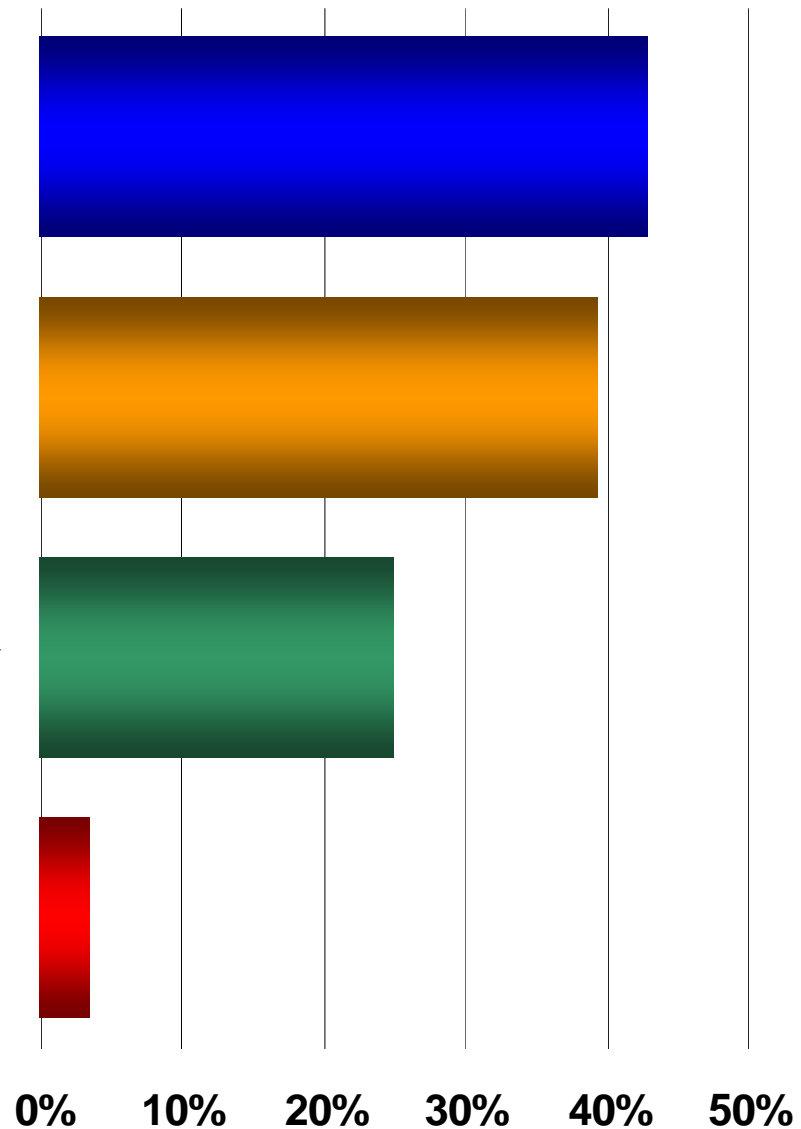
Emission / exposure limits
(absolute mass or concentration
values)

Emission / exposure control
performance requirements
(percent reduction)

Minimum acceptable technology

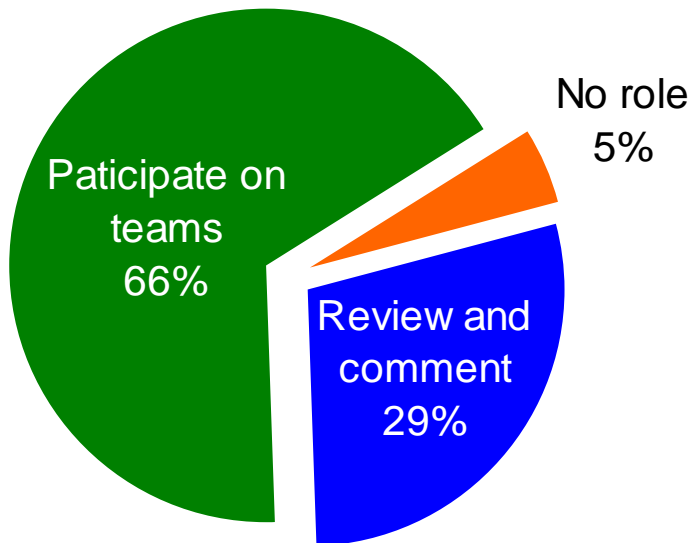
These kinds of
standards are
real and
measurable

Other

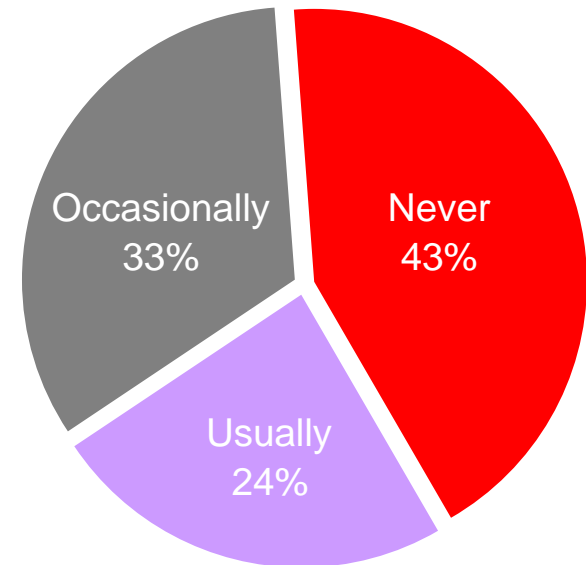


Accommodations for local operations

Role of local operations in setting corporate performance standards

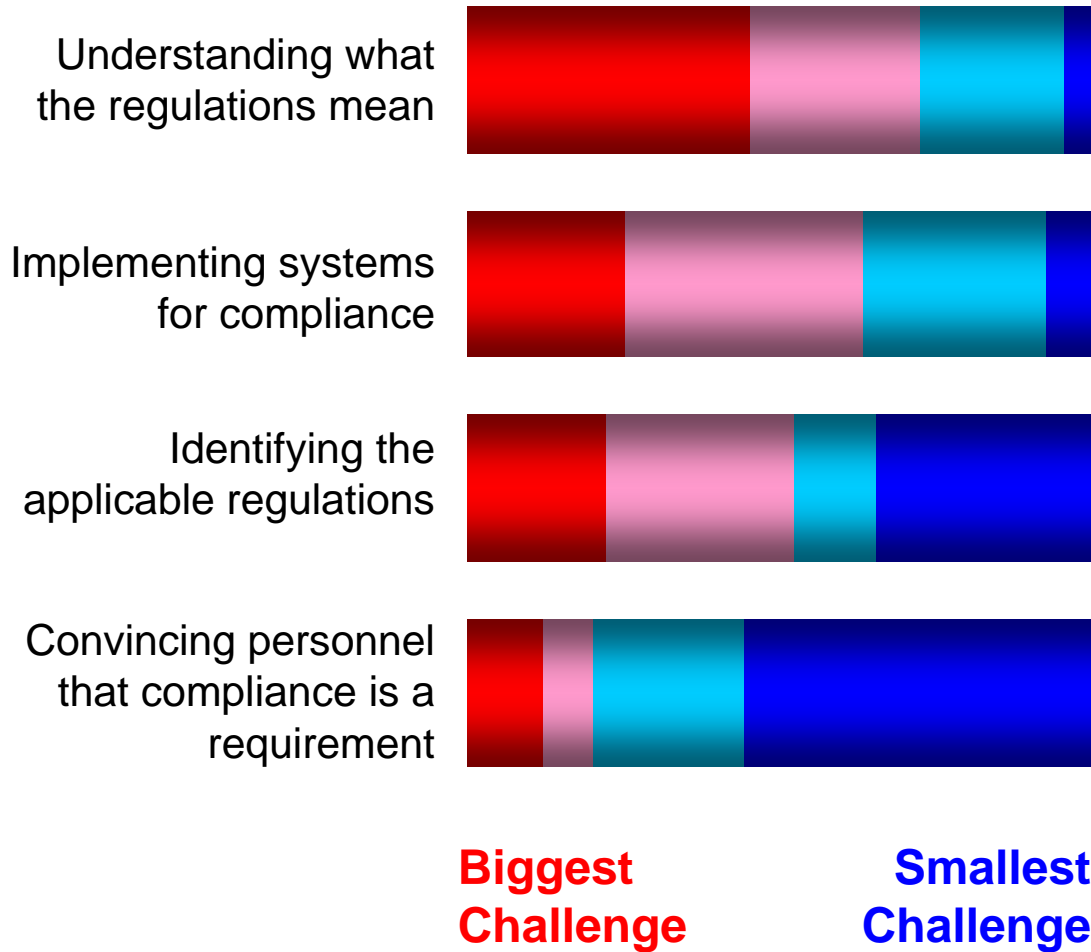


Corporate translation of company's EHS performance standards



Local operations clearly help shape corporate standards
Translating corporate standards is a facility responsibility

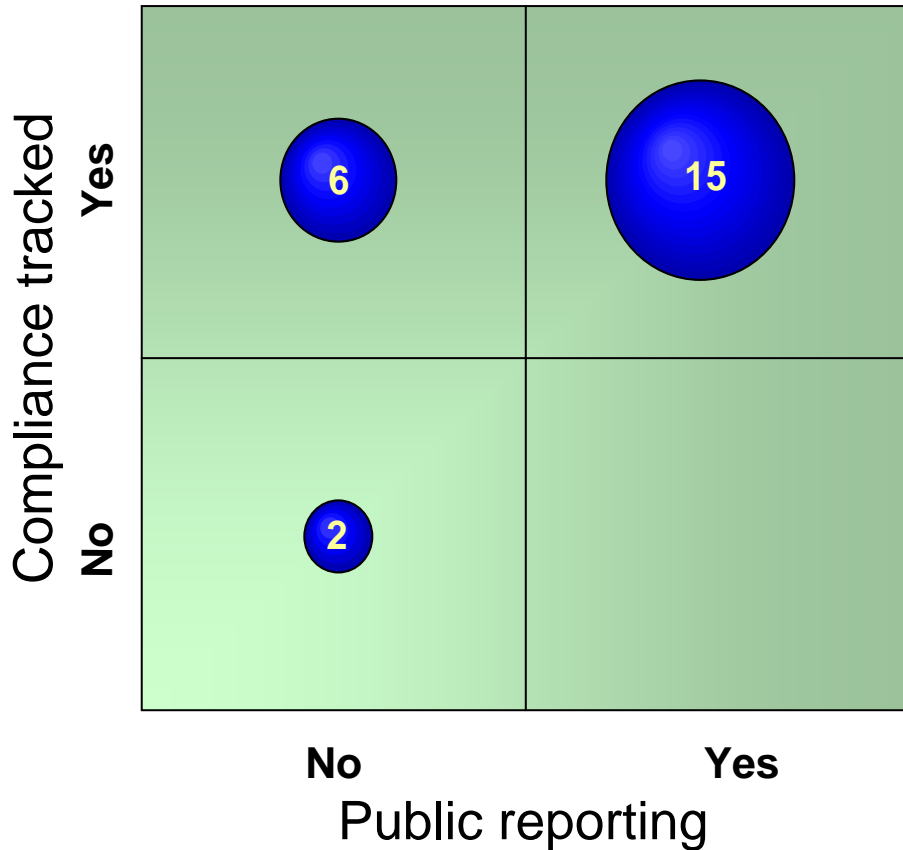
Non-U.S. regulatory compliance challenges



- The order is likely to be the same for operations covered by U.S. law / regulations
- Regulatory identification has symmetry – is this an opportunity for best practices sharing?

Global compliance follow-through

Tracking and Reporting of Compliance Performance



U.S. vs. non-U.S. Auditing Process

- No differences for
 - Audit prep
 - Frequency
 - # on team
 - Duration
 - Compliance subjects
 - Company standards
 - but...
- Language barriers are a problem area

Potential issues & discussion topics

- **Identifying global EHS standards**
 - Locating environmental regulations (translations)
 - Leveraging tracking of worldwide EHS regulations
 - Lesser developed countries
- **Influencing standards and regulations development**
- **Developing global standards for company operations**
 - Linking business value/benefits to global company standards and deciding which standards best achieve this
 - Benchmarking compliance tools and systems for best practice
- **Disseminating / implementing global company standards and performance metrics**
- **Finding local EHS resources to help local staffs**
- **Auditing against the company's global standards**



Schedule for 2004

Membership Benchmarking

- 2Q SD Practices and Performance
- 3Q (tbd)
- 4Q SD/EHS Reporting (tentative)

Other Member Surveys

- None identified



Future benchmarking ideas

EHS and the Supply Chain

Expectations and current practices, alignment with suppliers, international challenges

EHS Integration

How EHS gets integrated into business, development of corporate-wide practices and standards

Enterprise EHS Risk Management

Definition of current state-of-the-art, documentation issues, relationship to auditing

External Stakeholder Identification

How this gets done, partnerships with external entities, metrics

Water

Issues, management processes and challenges

EHS Workforce Issues

Staffing levels, outsourcing, employee demographics, training

Security

EHS role change (if any) post 9/11, product stewardship, site security

Green Purchasing

EHS preference purchasing practices, business case



Closing Comments

- General discussion
- Any comments on [SurveyMonkey.com](https://www.surveymonkey.com)

