



GOOD CHEMICAL PROCUREMENT PRACTICES

November 2017

LEARNING OUTCOME & RESOURCES



Learning Outcome



- Understanding of good chemical procurement practices, including guidance on how to develop chemical procurement policies.
- Knowledge on assessing a facility's chemical purchasing practices ensuring that all regulatory requirements are met. Learning key policies and how these can be composed.

Resources

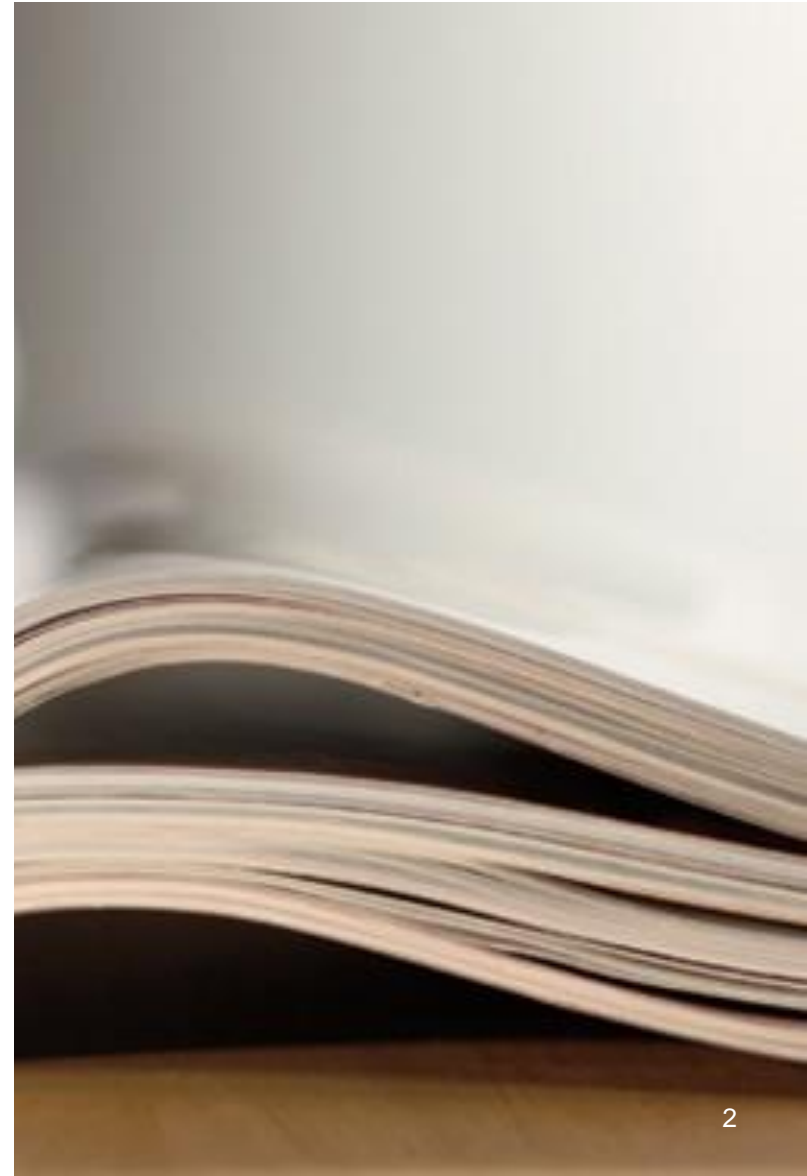


- REMC Company Handbook.
- ZDHC Chemical Management Systems Guidance Manual.

Workbook



Refer to complimentary excercises in your workbook.





ZDHC REQUIREMENTS

ZDHC CMS 2.3.1 – Chemical Purchasing Policy

Chemical Purchasing Policy.

ZDHC CMS 2.3.2 – Identify Chemical suppliers

- Chemical Inventory with Chemical Suppliers.

ZDHC CMS 2.3.3 – Identify Chemical suppliers

- SOP for Supplier Approval and Removal.





What problems in relation to hazardous chemicals can arise if procurement personnel have not been trained on them?



Brainstorm as a group and make notes in your workbook, exercise (9-1).

Good Chemical Procurement Practices



GOOD CHEMICAL PROCUREMENT PRACTICES (1/2)

- All chemicals **adhere to regulatory requirements.**
- Chemical is on the facility system's list of approved chemicals and **checked against any MRSL/RSL** in effect in Your Facility.
- Personnel is **trained to assess chemical hazards.**
- Personnel is **trained to recognise requests for non-essential chemicals.**
- All chemicals should **follow with Safety Data Sheet (SDS) and Technical Data Sheet (TDS).**
- Chemical supplier ensures **correct labelling as per GHS** for chemical containers.
- Chemical supplier is **knowledgeable of hazardous chemicals** and can be consulted.





GOOD CHEMICAL PROCUREMENT PRACTICES (2/2)

- A **risk assessment** is conducted for each chemical.
- **Chemical inventory** is in place.
- Chemicals are **stored as required according to SDS**.
- **No excess stock**.
- Facility is **appropriately equipped** for the use of the chemical.
- **Appropriate Personal Protective Equipment (PPE)** is available for safe use.
- Waste can **be stored / disposed as required**.
- Hazardous **waste is managed/ disposed according to legal requirements**.





Which benefits have good chemical procurement practices for Your facility?



BENEFITS FROM GOOD CHEMICAL PROCUREMENT



Validation that formulations meet all possible regulations



Compliant product



Credible risk assessment of chemicals before they are ordered



Reduction of negative impacts on people and planet



CHEMICAL PROCUREMENT POLICY CONSIDERATIONS (1/2)

- **Tighten purchasing controls:** Buy only what you need. Do not buy extra chemicals in bulk for anticipated savings.
- **Consider disposal cost at time of purchase:** Disposal costs may exceed chemical costs by 20-50 times.
- **Consider handling and disposal requirements:** Ensure you have adequate storage and try to use non-hazardous chemicals whenever possible.



CHEMICAL PROCUREMENT POLICY CONSIDERATIONS (2/2)

- **Reduce expired stock:** Negotiate expiration dates of chemicals with suppliers and order reagents only in quantities needed.
- **Use older stock first:** First in, first out policy.
- **Avoid chemical donations:** Do not accept donated chemicals and free samples.

STEPS TO DEVELOPING A CHEMICAL PROCUREMENT POLICY (1/2)



Identify a Procurement Coordinator, who:

- Can oversee budget issues.
- Can approve purchases from all departments.
- Has an understanding of chemical issues.
- Procures chemicals on a facility level.

Identify Department Representatives to participate in the review process, who:

- Have the requisite skills.
- Have the authority to review their department's purchase requests.

STEPS TO DEVELOPING A CHEMICAL PROCUREMENT POLICY (2/2)



Review Current Procurement Procedures:

- Identify current procurement practices.
- Explore opportunities to integrate the chemical procurement request into the current procurement system.

Assess Chemical Inventory System:

- Initiate the development of a facility-wide chemical procurement system to enable department to screen orders against what is already in stock.



EXAMPLE CHEMICAL PROCUREMENT POLICY

Company XYZ procures textile dyes & chemicals with a particular focus on their environmental, health and safety as well as global ecological impacts to ensure business is done in an environmentally sustainable manner. The responsible team of company XYZ will look out for innovations in chemical applications and continuously search for and assess safer chemicals. For the implementation of this policy, company XYZ will adhere to the relevant national rules and regulations. Furthermore, the company will comply with xxx (e.g. REACH, EPA,...) standards as well as conform to requirements of (*ZDHC/Detox/bluesign*) MRSL and its buyers' restricted substances lists in the selection of chemicals.



REFLECTION

Take notes.

Workbook, exercise
(9-2).

Review your MAP.

Which of your improvement areas relate to
chemical procurement?

Note down your first ideas on effective
management action.

Assessing Your Chemical Procurement Practices



MEET ALL REGULATORY REQUIREMENTS

Some important regulations in your territory might include:

- The amount of chemicals that can be stored at the facility.
- Worker safety protocols and engineering controls.
- Storage requirements.
- Effluent, sludge, or hazardous waste storage and disposal rules.

Check your regulatory requirements inventory and ensure you adhere to all aspects when procuring chemicals.

MAINTAINING INVENTORY OF REGULATORY REQUIREMENTS

No.	Title	Descriptions	Applicable to		Are Applied
			Company	Contractor / Supplier	
01	Environment Conservation Act 1996 (section xx)	Provides for the control of air pollution from stationary sources and motor vehicles. Also enables promulgation of regulations	✓	✓	Air emission plant (e.g. generators, excavators, vehicles),
02	Environment Conservation Act 1996 (section xx)	Provides for the control of water pollution, including reference to specific discharge standards	✓		Discharge water from production sources in company
03	Sludge ordinance	Provides for the control of management and disposal of treatment sludge	✓		Disposal of treatment from ETP

KNOW YOUR CHEMICAL SUPPLIERS AND ESTABLISH AN APPROVAL / REMOVAL PROCESS



- **Identify and document suppliers** for each of the chemicals listed in the chemical inventory.
- For urgent technical support or other emergencies, **document their relevant contact information** such as point-of-contact name, phone number and address.
- Establish, document and implement a **process for using preferred suppliers and also for removing them**.
- Minimum Requirements on suppliers: Provide **SDS in local language** in line with **GHS Labelling** standard in order to **adhere to relevant regulations**.



CHEMICAL PURCHASE FROM APPROVED SUPPLIER



Supplier approval criteria:

- Service possibility.
- Ability to provide MSDS, TDS, COA and test reports.
- Credible quality control system.
- Provision of chemicals in various packaging sizes with standard packaging.
- Capacity to perform root cause analysis in case of failure.
- Commitment to follow-up on the failure resolution process.





What is a chemical conformity declaration?



CHEMICAL CONFORMITY DECLARATION

- Required for **certifying conformity** with MRSL and/or your customers' RSL.
- **Verify who has issued/signed the declaration** (e.g. stewardship department, upper manager representative).
- **If in doubt, ask for possible additional documentation** from your chemical supplier:
 - Test reports from third-party accredited laboratories.
 - Certificates.





DISCUSSION

Take notes in your workbook, exercise (9-3).

Partner with the person next to you, and in pairs discuss:

- How are you currently working with your Chemical suppliers?
- How can you improve your current ways of working?

Open To Questions

SUMMARY



Every participant to feedback with one key learning from the session.



Take notes in your workbook, exercise (9-4).



