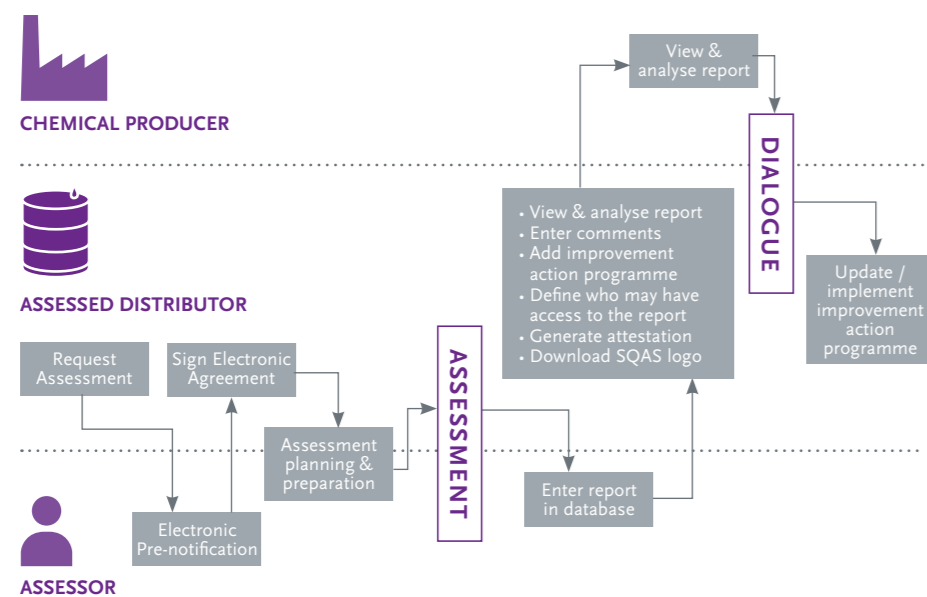## Assessment Process and Use of the Assessment Data

ASSESSMENT PROCESS

- The distributor selects an assessor and prepares an agreement authorizing Cefic to include the report on the database.
- The assessor does the assessment and submits the report to the secured database.
- Upon submission of the report, the distributor has immediate access to his report and has sole access for the first month, during which he can add comments to the report and assign access permissions.
- After a month, the report is accessible by all permitted users of the ESAD Service Group. Access is granted by default to all members but can be specified otherwise by the assessed distributor.
- Based on dialogue with producers, the distributor can compile an Improvement Action Programme and update it on the system, during the entire lifetime of the report.
- An assessment report remains valid for 3 years.
- Cefic administers the system.

GETTING STARTED TO DO AN SQAS DISTRIBUTOR/ESAD ASSESSMENT
Distributors who consider undertaking an assessment are advised to familiarize themselves with the applicable questionnaires and the associated guidelines. Then they need to choose an assessor from the list of Accredited Assessors and jointly plan and prepare the assignment and fulfill the required administration.

An important element in the preparation is the definition of the scope at each of the assessable sites. The distributor shall agree with the assessor(s) at which sites to conduct the assessment(s), and which questionnaire parts to apply for each site. The assessment process is explained in further detail (in various languages) in the guidelines, and can be downloaded under the link «questionnaires» on **www.sqas.org**.

CHEMICAL PRODUCER

ASSESSED DISTRIBUTOR

ASSESSOR

View & analyse report

DIALOGUE

- View & analyse report
- Enter comments
- Add improvement action programme
- Define who may have access to the report
- Generate attestation
- Download SQAS logo

Update / implement improvement action programme

Request Assessment — Sign Electronic Agreement

ASSESSMENT

Assessment planning & preparation

Enter report in database

Electronic Pre-notification

USE OF THE ASSESSMENT DATA

User type	Who is user?	Purpose
Assessed Distributor		Analyze own report
Users from Chemical Producers	ESAD Service Group	Evaluate the performance of partner distributors
Industry Associations	Defined persons in Associations	Analyze statistics and trends accross reports

SQAS Distributor/ESAD Database
www.sqas.org

- The assessment report remains the "intellectual property" of the assessed distributor who manages the access to their report.
- The members of the ESAD Service Group can analyze the report, using various lists, queries and template facilities. The results can be graphically visualized to review the strengths and weaknesses of the assessed company in each section of the report.
- The concerned industry associations do not have access to the individual reports, but can extract statistics and trend analyses across reports.
- Currently, the "Logistics & Distributors User Group" do NOT have access to assessments of other Distributors. They only have access to reports of logistics partners when these companies have authorized them.
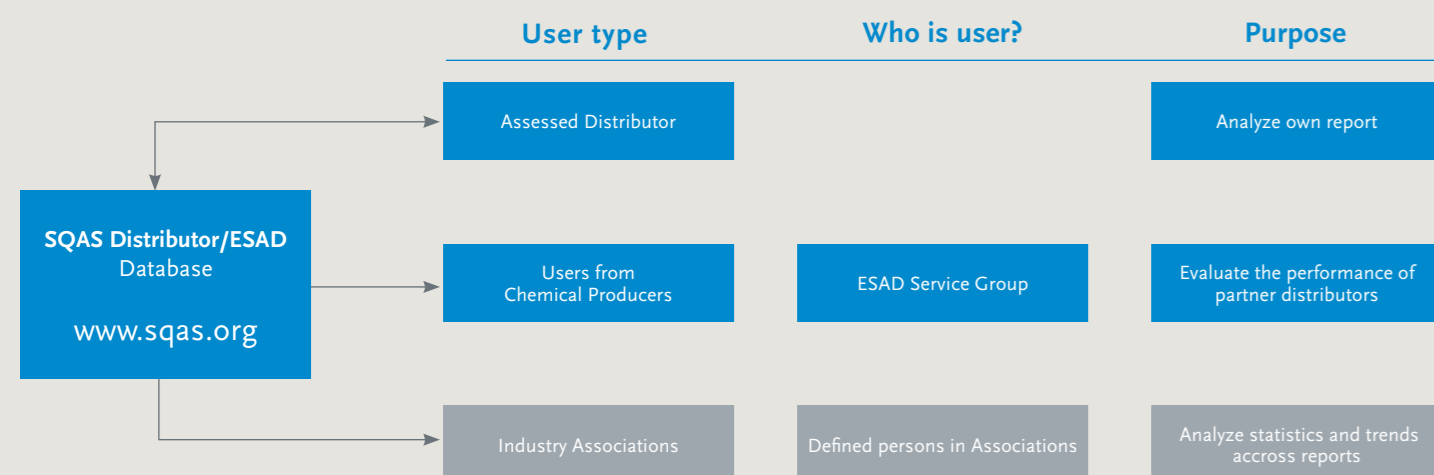

How to join the ESAD Service Group?

Should you be interested, as a chemical producer, to access the assessment reports of your Distributors, please join the ESAD Service Group. You will be asked to complete a form to provide your company details, the name of a contact person and the names of the database users. Each user will receive a user-id and a password to access the database.

For more information on SQAS Distributor / ESAD.
See the DISTRIBUTOR/ESAD module on **www.sqas.org**

SQAS
Safety and Quality Assessment System

Responsible Care

SQAS Distributor / ESAD for Chemical Distributors

As part of their commitment to **Responsible Care®**, chemical producers want to ensure that their partner distributors handle chemical products safely, with care for the environment and in full accordance with regulations and industry codes of best practice. Similarly, the chemical distributors want to demonstrate their compliance with **Responsible Care®**.

This brochure describes the joint voluntary initiative of chemical producers and distributors, to assess and evaluate the performance of the chemical distribution chain.

cefic

Fecc
EUROPEAN ASSOCIATION OF CHEMICAL DISTRIBUTORS

What is SQAS Distributor / ESAD ?

ESAD, the European Single Assessment Document, was created to provide a voluntary assessment system to evaluate the quality, safety, security and environmental performance of Chemical Distributors in a uniform manner through single assessments, carried out by independent assessors using a standard questionnaire.

An upgrade of ESAD, often referred to as ESAD-II, improved the structure of the questionnaire and the guidelines, and added two new sections. At the same time, ESAD has been fully integrated in Cefic's SQAS scheme with separate modules for all elements in the supply chain. Therefore, it is now generally referred to as SQAS Distributor / ESAD.

An SQAS assessment does not lead to a certificate, but offers a detailed factual report which each user needs to evaluate according to his own requirements.

It must be noted that the choice of a service provider by chemical producers is based entirely on the individual decision making of each chemical company. This is based on their own criteria that may or may not include an SQAS assessment.

Objectives and Benefits of SQAS Distributor / ESAD

FOR DISTRIBUTORS
- It avoids multiple assessments by individual chemical suppliers /producers,
- It offers a tool for assessing the health, safety and environmental standards of their operations, whilst simultaneously providing a third party assessment system for the distributors' compliance to their Responsible Care programme,
- It offers a mechanism for dialogue about continuous improvement, in partnership with the suppliers.

FOR PRODUCERS
- It avoids multiple assessments of distributors,
- It offers an independent and uniform assessment of their distributors.

FOR THE CHEMICAL INDUSTRY AT LARGE
- It is a tool for risk management as it encourages adoption of quality standards and good practices,
- It contributes to the sustainability of the sector, as it enhances society's confidence in chemical products.

Management Structure and Funding

JOINT CEFIC/FECC STEERING COMMITTEE
A Steering Committee, representing both distributors (FECC) and producers (Cefic) maintains the database system, the questionnaires and the guidelines and manages, in cooperation with the overall SQAS Technical & Accreditation Committee the training, the accreditation and the quality monitoring of the assessors.

ESAD SERVICE GROUP
The ESAD Service Group assembles chemical producers who fund the management and the maintenance of the system to ensure its ongoing and sustainable operation. Based on operational costs and the number of members, a yearly fee is determined and agreed by the ESAD Service Group's General Assembly. Producers who are not a member of Cefic can also join the Service Group as "participating company" and will be asked a reasonable extra fee to compensate for Cefic's initial investment in ESAD.

The members and participating companies of the ESAD Service Group can access the password restricted online database containing the assessment reports of the Chemical Distributors and perform a quick analysis and comparison of the assessment results by using queries and templates.

The current list of members of the ESAD Service Group is available on the SQAS website.

ASSESSED DISTRIBUTOR COMPANY
The distributor appoints an accredited assessor and pays for the cost of the assessment. Distributors who are not a member of FECC or one of the FECC National Associations, will be asked to pay a reasonable extra fee to compensate for FECC's investments in ESAD.

LOGISTICS & DISTRIBUTORS USER GROUP
The User Group "Logistics & Distributors" has been created for logistics companies and chemical distributors, who need access to other SQAS reports of interest, allowing them to evaluate their respective business partners, like transport companies, packaged warehouses and cleaning stations.

Any logistics company or chemical distributor, who have performed an assessment at their own facilities, can become a member of this User Group for which they pay a yearly administrative fee. Only one corporate registration is required for a multi-site or global company. One central contact person can appoint multiple users within the organization. These users have access to all assessment reports of partner assessed companies who have authorized them.

For more information on SQAS in Logistics, see the brochure **"SQAS for Logistics Service Providers"** or consult the website **www.sqas.org**.
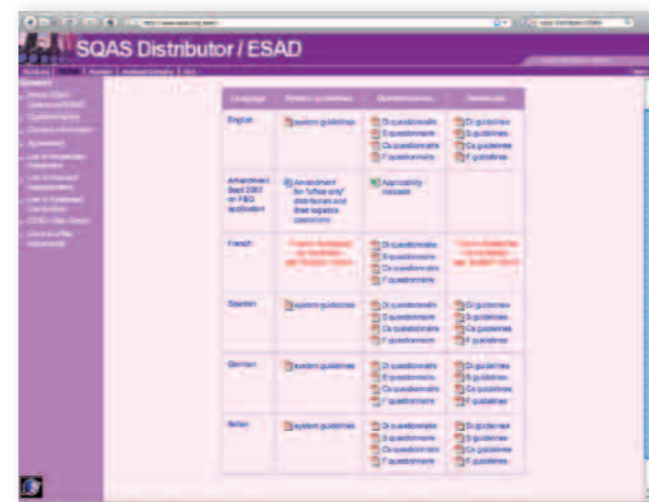
http://www.sqas.org

Questionnaire and Guidelines

The SQAS Distributor / ESAD assessment questionnaire covers the management systems and the site operations, facilities, and processes.

The questionnaire consists of 5 parts :
- Distributor Standard Activities (**Di**)
- Site Assessment (**S**)
- Chlorinated Solvents (**Cs**)
- Food, Cosmetic or/and Pharma (**F**)
- GTDP - Good Trade and Distribution Practices for Pharmaceutical excipients (**G**)

General Systems Guidelines describe the system and the assessment process. Each of the above questionnaires is supported by a detailed guideline explaining each question. All documents can be downloaded in various languages from the website **www.sqas.org**.

The 8 guiding principles of RC

1. Legal requirements
2. Management of risk
3. Policies and documentation
4. Provision of information
5. Training
6. Emergency response
7. Ongoing improvements
8. Community interaction

Responsible Care

The "Distributor Standard Activities (Di)" questionnaire is structured around the 8 principles of Responsible Care®. The results can be used and reported by the distributor as a measure of his commitment to Responsible Care®.

A distributor who operates a physical site will normally conduct parts Di and S, and add the other parts Cs, F and G optionally when he handles these respective products.

An "office-only" distributor will typically conduct the Di part and may add F and G when applicable.
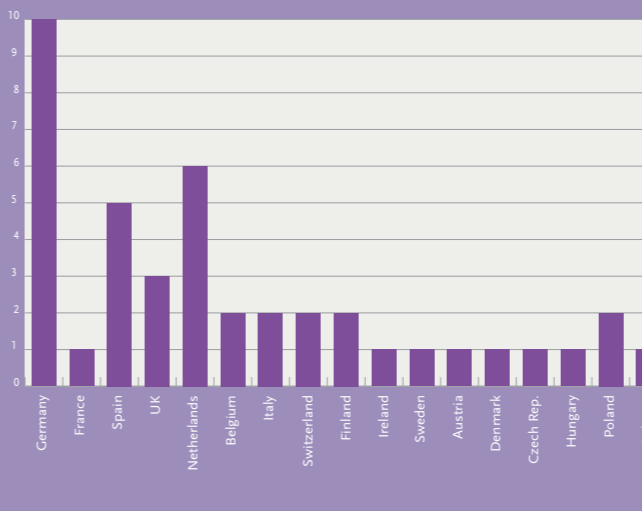
The list of assessments shows which parts have been assessed (see example).

Accredited Assessors

The assessments are carried out by professional auditors who are selected, trained and accredited by Cefic for each type of assessment. Their performance is closely monitored by Cefic to ensure a continuous high and uniform quality of work across Europe. The current number of assessors per country is shown in the table.

The list of Accredited Assessors is available on **www.sqas.org**. Distributors can contact them and engage them to perform their assessment. Assessors are free to work in any country, provided they have the required knowledge on legislation and standards, as well as the necessary language skills.

NUMBER OF ACCREDITED ASSESSORS PER COUNTRY FOR SQAS DISTRIBUTOR / ESAD (Status on 31 july 2008)

Electronic Database of Assessment Reports

The assessment reports are stored in a central database on www.sqas.org split per module. The electronic database allows good accessibility, transparency and easy analysis of the assessment results. It is secured to provide access to authorized persons only.
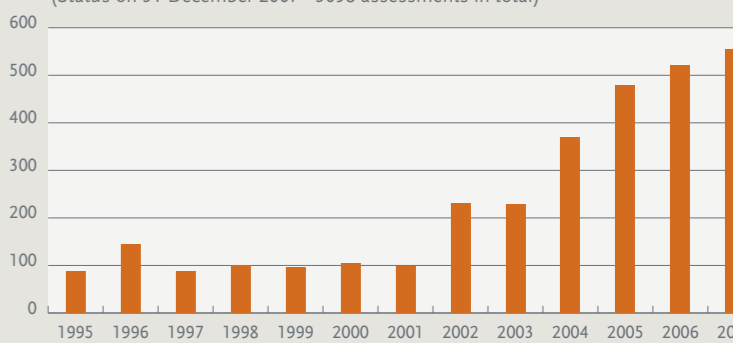
Chemical producers use the assessment reports of their partner distributors for risk management in support of their product stewardship activities. The reports provide information on the strengths and weaknesses observed during the assessment. The distributors have access to their own reports to evaluate their own performance, to generate improvement plans and to measure their compliance to their Responsible Care objectives.

Both chemical producers and distributors (when members of the Logistics & Distributor User Group) may use the reports in their selection of new service providers, for their ongoing evaluation of the quality, safety, security and environmental performance of their existing partner companies, and for their dialogue with these companies, leading to continuous improvement.

The charts below demonstrate the growth of SQAS over time, and more specifically, the number of assessments for each module, stored on the electronic database. To date, approximately 1,500 Logistics Service providers and 200 Chemical Distributors have been assessed. The statistics below include the repeat assessments.

TOTAL NUMBER OF SQAS ASSESSMENTS PER YEAR
(Status on 31 December 2007 - 3098 assessments in total)

NUMBER OF SQAS ASSESSMENTS ON THE DATABASE PER MODULE / PER YEAR
(Status on 31 December 2007)

- Transport
- Cleaning
- Rail
- Packaged Warehouse
- ESAD