

Promoting a safe and sustainable petrochemical and chemical industry in China Petrochemical and Chemical OHSE Forum

Keynote Speech by Ms. Constance Thomas
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**Mr. Chairman,
Distinguished guests and experts,
Ladies and Gentlemen,**

I am honored to be here today to attend this important Petrochemical and Chemical Occupational Health, Safety and Environment Forum on behalf of the International Labour Organization in the dynamic city of Shanghai. I would like to express my appreciation to the Forum's organizer.

The Forum's theme "Occupational Health, Safety and Environment" reflects the people-centred approach to safe development as outlined in the Government's 11th Five-Year Plan of National Social and Economic Development and embodied in China's goal of building a harmonious society. It also connects with the global interest in an approach to sustainable development in which social, economic and environmental dimensions come together. This convergence is clearly expressed in the world of work because sustainable development must be based on productive work that also respects people, wherever they work, their lives and the environment. The promotion and achievement of *Decent work for all* is very relevant to tackling the challenges of sustainable development.

Safety and health at work remains an integral part of the ILO's Decent Work Agenda, which is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity. Decent work sums up the aspirations of people in their working lives. Men and women want to be safe at work in the same way that they want work that delivers a fair income. They want security in the workplace and social protection for families, better prospects for personal development, equal opportunity and treatment and social integration. Working people want freedom to express their concerns, organize and participate in the decisions that affect their lives.

Taking this opportunity, I would like to provide you with an international perspective in addressing occupational safety and health and the environment issues from the following three aspects: first is on challenges we are facing; second on the ILO instruments and responses to the challenges, and third on international cooperation frameworks on chemical safety.

Challenges of OHSE

Nearly 90 years ago the protection of workers' lives and health was set out as a key objective in the founding charter of the ILO. Today, rapid technological change and a fast-paced and globalized economy bring new challenges and pressures for all areas of the world of work.

Millions of work related accidents, injury and disease annually take their toll on human lives, businesses, the economy and the environment. The ILO estimates that globally, about 2.2 million women and men die every year from work-related accidents and diseases, while some 270 million suffer serious injuries and another 160 million fall ill as a result of their work.

In economic terms it is estimated that roughly four percent of the annual global Gross Domestic Product, or US\$1.25 trillion, is paid out by direct and indirect costs of work-related accidents and diseases such as lost working time, workers' compensation, the interruption of production and medical expenses.

Chemicals have provided enormous benefits to the world community and are an indispensable part of daily life. However, while benefiting human beings, chemicals, especially hazardous chemicals may pose a serious threat to occupational and public health and safety and to the environment in the course of their production, handling, storage, transport as well as in the disposal or treatment of waste chemicals if they are not properly managed and controlled.

The ILO estimated that nearly 440,000 people throughout the world died as a result of occupational exposure to hazardous chemicals in 2005.

In addition, hazardous chemicals may cause serious consequences in the event of an uncontrolled release. Industrial disasters, such as the 1984 Bhopal incident in India and the Jilin chemical plant explosion of 2005 in China, illustrate the catastrophic capabilities of hazardous chemicals when necessary preventive and protective measures and safety and health management controls are not implemented properly.

Recently we have all become more aware that the world has been growing at the expense of environmental quality. There is a growing awareness that low-quality growth is becoming unsustainable—both socially and environmentally; and ultimately economically, when the social, environmental, economic and political costs eventually come together.

Studies to date have attempted to quantify only some of the highly visible environmental problems such as air and water pollution while many other environmental risks remain to be yet fully quantified. The impact of climate change, energy production and use, and environmental management and protection are increasingly considered challenges that should also be tackled within the labour-management and work related context.

The petrochemical and chemical industry is on a frontline to respond to the call from the Chinese government on “energy conservation and emission reduction”. I believe that the industry has a great potential to produce needed products in a cost/energy efficient and environmental friendly way through technology innovation, and green and low carbon production so as to contribute to the global climate protection.

The links between decent work, safe work and environmental protection are now being taken up in a new programme of the ILO called green jobs.

ILO instruments and responses

The ILO brings together governments, employers and workers of its 183 member States in common action to promote decent work throughout the world, mainly through its international standards setting and technical co-operation activities.

International labour standards on OSH provide essential tools for governments, employers and workers to regulate the main principles and the essential means and methods to deal with occupational hazards and risks and to set minimum requirements to protect workers’ safety and health.

General frameworks on OSH are established in the Occupational Safety and Health Convention, 1981 (No. 155) and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187). Both are essential to the development of a policy framework and plan of action to address hazardous chemicals at both national and enterprise levels. (China ratified C. 155 last year)

Among the 23 Conventions and 27 Recommendations dealing with OSH, 8 Conventions and 10 Recommendations are specific to hazardous chemicals. Further guidance is provided by an array of codes of practice on OSH, a significant number of which deal either specifically or partially with the management of hazardous chemicals.

These standards reflect that there is a strong need to ensure that each chemical product comes to market only after it has been properly identified, an in-depth assessment of any possible hazardous properties has been carried out, and safe-handling methods have been developed to avoid, or at least reduce risks. Following these standards avoids the risk of exposure of workers and the general population due to poorly managed industries, contaminated sites and chemical accidents, etc.).

The ILO Convention No.170 Concerning Safety in the Use of Chemicals at Work is the most relevant to the Forum’s topic. It provides for a comprehensive national framework for the sound management of chemicals, including the formulation, implementation and periodic review of a coherent policy, in consultation with employers’ and workers’ organizations.

A very important feature of the Convention is its provisions on chemical hazard communication designed to ensure that information on hazards and related preventive and protective measures flows from manufacturers and importers to the users. In the workplace, the employer is required to ensure that all chemicals are identified and that adequate information is available through labeling and chemical safety data sheets (CSDS), as well as to take all the necessary measures to eliminate, minimize or control exposure. It also provides for identification and exposure characterization, risk assessment and characterization, and the implementation of risk-management measures.

The importance of cooperation between employers and workers is also underlined and workers' duties and rights are defined. The responsibilities of exporting States are also clarified. The accompanying Recommendation (No.177) and the ILO Code of Practice on Safety in the Use of Chemicals at Work provide further practical guidance.

To deal with the major industrial accidents, Convention No, 174 concerning Prevention of Major Industrial Accidents calls for a national policy on the protection of workers, the public and the environment against major industrial accidents to be formulated, implemented and periodically reviewed. The aim is to prevent major industrial accidents involving hazardous substances as well as to mitigate the consequences of such accidents where they do occur. It sets out the systematic identification of major hazard installations, and their control measures, responsibilities of the employers, competent authorities and the rights and responsibilities of workers. Its accompanying Recommendation on Prevention of Major Industrial Accidents (No.181) and the Code of Practice on the Prevention of Major Industrial Accidents provide detailed guidance on national policy, national system and preventive measures to manage and control major industrial accidents.

Importance of these standards illustrated by the unfortunate tragedy unfolding in Sichuan where the earthquake caused mass destruction including release of many chemicals into the environment. My sympathies are with all those touched by this terrible disaster. The ILO along with the UN system stands ready to provide technical assistance and relief and recovery programmes to support the good efforts of the Government.

International cooperation framework

Amid growing concerns for human and environmental health, the past two decades have seen unprecedented international efforts to develop and implement globally coordinated and harmonized regulatory and technical management tools for the safe production, handling, use and disposal of hazardous chemicals. A number of major international conferences, to which the ILO contributed very significantly, adopted a number of principles and objectives which are still the basis for most of the current worldwide work on chemical safety.

The United Nations Conference on Environment and Development held in Rio de Janeiro in 1992, adopted Agenda 21, Chapter 19 of which highlights the importance of the global harmonization of the tools to assess, classify and label hazardous chemicals, and dissemination of information on preventive and protective measures.

As a follow up to the Earth Summit, an Inter-Organization Programme for the Sound Management of Chemicals (IOMC) was created in 1995 to improve coordination of international efforts with the participation of FAO, ILO, OECD, UNEP, UNIDO, UNITAR and WHO.

The ILO initiated the Globally Harmonized System for the Classification and Labeling of Chemicals (GHS) as a follow-up to the adoption of the Chemicals Convention No.170. The GHS has been designed to cover all chemicals including pure substances and mixtures, with the exception of pharmaceutical products, and to provide for the chemical hazard communication requirements of the workplace, transport of dangerous goods, consumers and the environment. As such it is a truly harmonized and universal technical standard that is already starting to have a far-reaching impact on all national and international chemical safety regulatory and technical standards.

Recently, the International Conference on Chemicals Management (ICCM) held in February 2006 in Dubai adopted the Strategic Approach to International Chemicals Management (SAICM), which is a voluntary initiative that aims to respond to the urgent need to assess and manage chemicals more effectively in order to achieve the 2020 goal for the sound management of chemicals throughout their life cycle. The Strategic Approach adopted is comprised of the Dubai Declaration on International Chemicals Management, the Overarching Policy Strategy and the Global Plan of Action.

The engagement of all stakeholders and sectors of society is a key feature of the Strategic Approach. Enhancing chemical safety must take account of a wide variety of different factors -- safety and health, the environment, agriculture, labour, industry, and social and economic development as a whole. Policy coordination across sectors at national and international levels is essential to ensure effective management of chemical risks.

It is worthwhile mentioning that the chemical industry is an active member of the preparatory committee of the Strategic Approach, which reflects the commitment of the chemical industry to promoting the safe and sound management of chemicals. Given the inherent risks, the chemical industry has realized that good safety and health is good business and OSH performance affects the bottom line of companies.

Accordingly, the industry has initiated voluntary programmes, such as a systems approach to health, safety and the environment (known as HSE) and Responsible Care, to address the performance of enterprises in respect of safety, health and the environment as well as other issues. Recently, we see more and more

multinationals and national corporations paying attention to their corporate social responsibility, and this serves to reinforce their good efforts and highlight good business practices in this area, as well as others. The ILO supports these initiatives.

Ladies and gentlemen,

You have much to discuss during the next few days. Over the last three decades, many essential elements of good chemical safety policy have been developed through international cooperation and applied by many countries. This has included reducing emissions of hazardous chemicals during production, keeping unsafe new chemicals from entering the market, developing the globally harmonized system for classification and labeling of chemicals, etc. However, the ever increasing pace in scientific and technical progress, global growth of chemicals production, changes in the organization of work and transport growth require matching efforts in assessing the hazards of chemicals and developing the necessary preventive and protective measures and regulatory tools to avoid or minimize adverse effects to humans and the environment.

Universal access to hazard identification and prevention information is an essential element in any strategy for the sound management of chemicals. Both governments and the industry have the responsibility and an important stake in ensuring that the benefits of chemicals far outweigh their harmful effects. But this goal cannot be achieved without the full involvement of the social partners through effective mechanisms of consultation and dialogue.

China is an important country in terms of both production and consumption of chemicals globally. The Chinese government has paid attention to chemical safety. Recently, the State Council has established a Ministerial Consultation Mechanism on Safety Management of Hazardous Chemicals and is revising its Regulations on Safety Management of Hazardous Chemicals. The ILO and State Administration of Work Safety will organize a national workshop to discuss and promote the Globally Harmonized System and two national standards on labeling and Chemical Safety Data Sheet on the occasion of Fourth China International Forum on Work Safety to be co-sponsored by the SAWS and ILO on 17-20 November 2008.

To conclude my speech, I would like to point out that the OHSE journey never ends as the nature of work is constantly evolving, and we need to ensure our safety, health and environment standards and practices remain relevant and constantly improving. I urge you to keep up the good work that you are going to introduce and share in this Forum. After all, maintaining a safe and healthy workplace is a win-win proposition - companies remain productive and competitive, while workers are protected and remain healthy.

Finally I wish the Forum a success. Thank you.