

**Verification Protocol – March 2020
 (“Protocol”)**

**Pertaining to the 2020–2025 Environmental
Performance Agreement Respecting the Use of Tin
Stabilizers in the Vinyl Industry**

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1.0 OBJECTIVE AND APPROACH

This Protocol establishes verification procedures for the planning and performance of verification of the requirements of the *2020–2025 Environmental Performance Agreement Respecting the Use of Tin Stabilizers in the Vinyl Industry* (hereinafter referred to as the “Agreement”) between Environment and Climate Change Canada (ECCC), the Vinyl Institute of Canada (VIC), and the Participating Companies with vinyl compounding facilities. This Protocol is considered a “living document” that will be open for modification upon agreement between ECCC and the VIC if changes would improve the efficiency or effectiveness of verifications.

The objective of the verification program is to confirm that the Guideline is being fully implemented by Participating Facilities in order to prevent the release of tin stabilizers into the environment.

2.0 DEFINITIONS AND ABBREVIATIONS

Definitions

The following definitions apply in this Protocol:

“**Former Agreement**” means the *Environmental Performance Agreement Respecting the Use of Tin Stabilizers in the Vinyl Industry* that was in place from March 17, 2015 to March 16, 2020.

“**Agreement**” means the *Environmental Performance Agreement Respecting the Use of Tin Stabilizers in the Vinyl Industry* that is in place from May 15, 2020 to May 14, 2025.

“**New Facility**” means a vinyl compounding facility that started using tin stabilizers and that was not verified under the Former Agreement, or a facility that has relocated its compounding facility at a new address.

“**Participating Company**” means a company that owns one or more vinyl compounding facilities using tin stabilizers, agrees to participate in the agreement, agrees to have each of its facilities fulfill the requirements of the agreement that are applicable to facilities, and has signed the commitment form.

“**Participating Facility**” means a vinyl compounding facility using tin stabilizers that is owned by a company participating in this Agreement.

“**Significant Change**” is when one or both of the following situations arise:

- The type of containers/packages (the mode of supply) in which the tin stabilizers are received at the facility has changed since the end of the Former Agreement, or the current agreement); or

- A facility has expanded or relocated its tin stabilizer related infrastructure since the end of the Former Agreement, or the current agreement.

For examples of Significant and Non-Significant Changes, see Appendix A of this document.

“**Verification**” means a verification process to confirm that the commitment made by each company under the Agreement or by its facilities (as outlined in the Participating Company Commitment Form in Annex 2 of the Agreement) is being met. Verification can include a documentation review, a site visit and follow-up activities.

“**Guideline**” is a document that was developed by a group of vinyl processing facilities, manufacturers of tin stabilizers and vinyl compounding facilities to prevent the release of tin stabilizers into the environment by ensuring that these substances and their packaging materials are handled, stored, used and disposed of in a responsible manner.

3.0 VERIFICATION TEAM

The verifications will be conducted by a “**verification team**” consisting of representatives from the VIC or its designate and ECCC.

Other members of the VIC or ECCC may participate in the verifications as observers, with the prior consent from the Participating Facility.

The verification team will:

1. Conduct facility onsite verifications and participate in related preparatory activities as defined in the section 5.4 of this document;
2. Verify through documentation and other evidence, such as interviews and observations, how the facility is implementing the Guideline for New Facilities, Participating Facilities that will be verified as defined in the Agreement, and Participating Facilities that have undergone a Significant Change;
3. Document the results of verifications (New Facilities, Participating Facilities that will be verified as defined in the Agreement, and Participating Facilities that have undergone a Significant Change, if any);
4. Provide recommendations on areas where the Participating Facility should focus its attention;
5. Identify areas where the verification team is of the opinion that the Guideline has not been fully implemented, as well as continuous improvement opportunities of alternative practices and

procedures that are not identified in the Guideline, but that are linked to the overall goal¹ of the Guideline.

4.0 ROLES AND RESPONSIBILITIES

All verification team members must respect any facility/company requests for confidentiality (including, but not limited to, process and manufacturing information), have a thorough understanding of the Agreement and the verification process, and be qualified to conduct the verifications (i.e. have appropriate work experience and/or knowledge).

4.1 ECCC

ECCC will select one verifier who will be part of the verification team and who will follow up with the VIC representative on the status of the results of the verification at the facility. Once selected, ECCC will provide VIC with the name and background of the verifier.

4.2 VIC

The VIC's representative will be the lead verifier. Once selected, the VIC will provide ECCC with the name and background of the verifier.

Orientation and training will be provided to newly appointed verifiers.

4.3 Participating Facilities

Each Participating Facility will designate a representative who is familiar with the everyday operations of the facility to cooperate with the ECCC and VIC verifiers. The appropriate manager and any operational staff involved in the activities being verified should also be present during the verification, including the facility staff member who completes the Annual Report on Compliance form (Appendix G of the Guideline).

A Participating Facility, after discussion with its tin stabilizer supplier, may decide that it wants to have a representative of the supplier attend the verification.

The Participating Facility will take all necessary actions to implement, or continue implementing all sections of the Guideline that pertain to its operation, and will put in place and implement follow-up actions to address areas identified by the verification team for which they are of the opinion that the

¹ The goal of the Guideline is to prevent the release of tin stabilizers to the environment by ensuring that these substances and their packaging materials are handled, stored, used and disposed of in a responsible manner.

Guideline has not been fully implemented . As well, the Participating Facilities will consider the continuous improvement opportunities identified by the verification team.

5.0 VERIFICATION PROCESS

The verifiers will use the Verification Guidance Document to conduct the verification of the Participating Facility. This Verification Guidance Document is a form that details the activities identified in the Guideline and provides a space next to each of these activities for the verifiers to write down their assessment. It helps the verifiers ensure the complete implementation of the Guideline using a streamlined verification process. This Verification Guidance Document will be provided to each Participating Facility in preparation for the verification.

5.1 *New Facilities*

New Facilities will be given up to 12 months to implement the Guideline. To determine whether the Guideline has been implemented, a site visit will be conducted at all New Facilities within 24 months following the date when the facilities started to use tin stabilizers, and all of the facilities will need to demonstrate that they have fully implemented the Guideline before the expiry of this Agreement.

5.2 *Re-verifications*

Three facilities will continue to be drawn on a random basis for re-verification each year. All facilities that were not verified or re-verified during the term of the Former Agreement will be included for selection in this Agreement. Once a facility has been re-verified it will be removed from the pool of facilities to be selected from. Once all Participating Facilities have been re-verified, facilities that were verified or re-verified during the term of the Former Agreement will be added into the pool for future potential selection (expected during year 5 of this Agreement). Participating companies with multiple facilities can be drawn in more than one location in any given year; example: Company “A” may have 5 facilities and up to 3 of those 5 can be drawn and re-verified in the same year.

ECCC and VIC will select these three facilities during the first week of April each year this agreement is in effect (last selection in April 2024). Two ECCC and two VIC representatives will participate in the draw to select these facilities. ECCC will organize and coordinate the logistics of the draw in collaboration with VIC.

Based on Participating Company's Commitment Forms and on the Consolidated Annual Report on Compliance with the Guideline received from VIC before each year's draw, ECCC will update the list of Participating Facilities in this Agreement. This list will be the tool to determine which facilities will be part of the annual draw. Facilities that stop using tin stabilizers permanently will be removed from the selection process. Facilities that restart using tin stabilizers and that have not been re-verified in this Agreement will be put back into the selection process for re-verification.

The tentative schedule for site visits would be planned as follows:

- The first selected facility would be verified between July - September
- The second selected facility would be verified between September - November
- The third selected facility would be verified between November - February.

Note that the schedule is flexible and will be agreed upon by VIC, ECCC and concerned facilities. For example, if site locations are in close proximity, the site visits could be combined.

The goal is to complete the three final site visit verification reports before the end of March of each year.

5.3 Facilities that have undergone a Significant Change

At the time of signing of the Agreement or before, Participating Companies will need to indicate whether any of their facilities have undergone a Significant Change since they were verified under the Former Agreement. In addition, Participating Facilities will need to identify any new Significant Changes in their Annual Report on Compliance (Appendix G of the Guideline).

A Participating Facility that has undergone a Significant Change will have three months after the date of signature of this Agreement or the submission of the Annual Report on Compliance, as the case may be, to provide the ECCC and VIC verifiers with documentation demonstrating how the facility is implementing the Guideline as it relates to the Significant Change. The ECCC and VIC verifiers will determine the information to be provided, depending of the nature of the change. The ECCC and VIC verifiers will review the submitted documentation and may decide to conduct a site visit, if the verifiers determine in consensus that:

- the facility did not provide all required documentation in the three-month timeframe;
- the documentation provided is unclear or missing elements; **or**
- the measures put in place by the facility may not be sufficient to prevent any release of tin stabilizers to the environment.

If the facility that underwent a Significant Change requires a site visit and has already been re-verified under the Former Agreement or the current Agreement, the site visit would focus only on the Significant Change(s).

NOTE: For a Participating Facility that has undergone changes that are non-significant, even though the Participating Facility would not be required to submit documentation and would not undergo verification as a result of the changes (except if selected as part of the re-verification), it should nonetheless apply

the relevant requirements of the Guideline (e.g. proper storage, spill prevention, disposal, handling procedures, etc.).

5.4 Pre-onsite verification interaction

Once it is determined that a Participating Facility will be verified via a site visit, a site visit date that provides the facility with at least three months' notice and that is mutually agreed to between the verification team and the facility will be chosen. Two months prior to the verification, a conference call will be held to allow the facility's staff to ask the verification team questions and to inform the verification team which of the facility's staff will be present for the verification. At this time, the logistics of the verification will be confirmed.

5.4.1 Verification of New Facilities

In addition to the above, the conference call for the first verification of a New Facility will provide an opportunity for the verification team and the facility to discuss the documentation referred to in the Guideline that will be reviewed during the verification. The facility should provide the relevant documentation to the ECCC and VIC verifiers at least one week before the site visit. It is recognized that the absence of documentation does not necessarily indicate a lack of implementation of the Guideline.

5.4.2 Re-verification and verification for Participating Facilities that have undergone a Significant Change

In addition to the above, the conference call for a re-verification will provide the verification team an opportunity to discuss what changes, if any, have been made to the process or employees involved in the storage, handling or disposal of waste related to tin stabilizers at the Participating Facility. Any related changes in documentation should be provided to the verification team one week before the site visit.

The ECCC and VIC verifiers will try to find the documentation that was previously submitted under the Former Agreement in their files. However, if it is not readily available, the ECCC and VIC verifiers will ask the Participating Facility to provide the relevant documentation, which should be submitted to the ECCC and VIC verifiers one week before the site visit.

For facilities that have undergone a Significant Change, the above will apply only if a site visit is required.

5.5 Typical onsite verification activities

The verification team will have an opportunity to interact with the operators, supervisors of the Participating Facility who deal with the storage, handling and compounding of tin stabilizers and the processing of waste materials or empty containers that contained tin stabilizers.

A typical first onsite verification of a New Facility will include:

1. Meeting with senior staff of the facility to have a general discussion about the facility, its processes related to tin stabilizers, and the verification process
2. Tour, with facility staff, of the receiving, storage, compounding and waste areas and processes where tin stabilizers are handled or used
3. Verification team assessment of the facility to determine whether the practices and procedures identified in the Guideline have been implemented
4. Verification team review in private to reflect on findings
5. Verbal presentation of the preliminary findings by the verification team to the facility staff that participated in the verification process
6. Verbal response from facility staff to the verification team based on the preliminary findings presented to them
7. Conclusion and discussion of next steps

A typical re-verification would include:

1. Open discussion with the facility representative to confirm whether there have been any changes to the process or employees involved in the storage, handling or disposal of waste related to tin stabilizers at the facility
2. Brief physical tour of the receiving, storage, handling and waste areas with facility staff to confirm previous observations
3. Meeting of the verifiers in private to review the continuation of the implementation of the practices and procedures identified in the Guideline
4. Closing meeting with the facility to discuss findings

5.6 Typical verification activities for Participating Facilities that have undergone a Significant Change

A typical verification of the documentation for a Participating Facility that has undergone a Significant Change would include:

1. Assessment of the documentation to determine whether the practices and procedures identified in the Guideline related to the nature of the change have been implemented
2. A review in private via a conference call and/or by email to reflect on findings, if any
3. Verbal presentation of preliminary findings by the verification team to facility staff via a conference call
4. Verbal response from facility staff to preliminary findings of the verification team during the above noted conference call
5. Verifiers' conclusion and discussion of next steps with facility staff during the conference call

The verifiers will provide recommendations, if any, on where the facility should focus its attention in the future and may identify areas where they are of the opinion that the Guideline has not been fully

implemented, as well as areas of continuous improvement opportunities. The verifiers will take into account that the Guideline was written in general terms to provide some flexibility for facilities to apply measures that are more appropriate to their operations. The verifiers will make reference to specific sections of the Guideline when presenting their preliminary findings to the staff that participated in the verification process to show how their findings are linked to the overall goal of the Guideline. The verifiers will let the facility choose the best measures to meet the overall objective of preventing the release of tin stabilizers to the aquatic environment.

Some continuous improvement opportunities of alternative practices and procedures that are not identified in the Guideline, but that are linked to the goal of the Guideline may be provided as suggestions by the verifiers in a document separate from the re-verification report for consideration by the facility.

Following the verification, the facility will have the opportunity to submit additional information to the verification team to clarify and/or correct factual errors for the preparation of the interim verification report.

6.0 VERIFICATION REPORTS

6.1 Content of the verification reports

The content of the verification reports will reflect whether the practices and procedures identified in the Guideline has been implemented based on interviews, documentation, observations and other evidence obtained during the verification. Each operational component of the Guideline is expected to be addressed, including storage, handling and dispensing, rinsing, reusable packaging, spills, waste disposal, materials, non-reusable packaging, management system and documentation. The structure of the verification reports used in the Former Agreement will be used as a model in this Agreement and will be adapted for New Facilities, re-verifications and facilities that have undergone a Significant Change (see Appendix B of this Protocol).

When drafting the verification report, the section of the Guideline to which a particular item or recommendation pertains will be identified in the report to ensure that the link to the overall goal of the Guideline is clear.

6.2 Report issuing process

Following the verification visit or the completion of the documentation verification by the verifiers for Participating Facilities that have undergone a Significant Change, the lead verifier will prepare a written interim report within four weeks and share it with the other members of the verification team for review.

The other members of the verification team will have two weeks to complete their review and submit comments to the lead verifier. The interim verification report will then be sent to the facility representative who participated in the verification for internal distribution, review and comment. The Participating Facility will have four weeks following the receipt of the interim report to submit comments to the verification team and to propose actions to remedy shortfalls identified in the interim report. During its review of the interim verification report, the facility should also take the opportunity to request the correction of inaccuracies and the deletion of proprietary or confidential process and manufacturing information. The facility should also inform the verification team of corrective actions that have already taken place so that these can be noted in the final verification report.

The lead verifier will review the comments received from the facility and modify the verification report as appropriate. The final verification report will be submitted to the other members of the verification team for approval. The final report will be submitted to the facility representative within 16 weeks of the onsite verification or the completion of the documentation verification by the verifiers for Participating Facilities that have undergone a Significant Change. If necessary, within a further four weeks following the issuance of the final report, the facility and the verification team will agree on a corrective action plan and timeline, which the facility will provide in writing to the VIC who will forward a copy of the corrective action plan and timeline to ECCC.

ECCC will prepare annual progress reports summarizing the results of the verifications. VIC will review and validate the annual progress reports prior to publication. The reports will then be posted on the Government Canada's (GC's) website (www.canada.ca/en/environment-climate-change/services/environmental-performance-agreements/list.html).

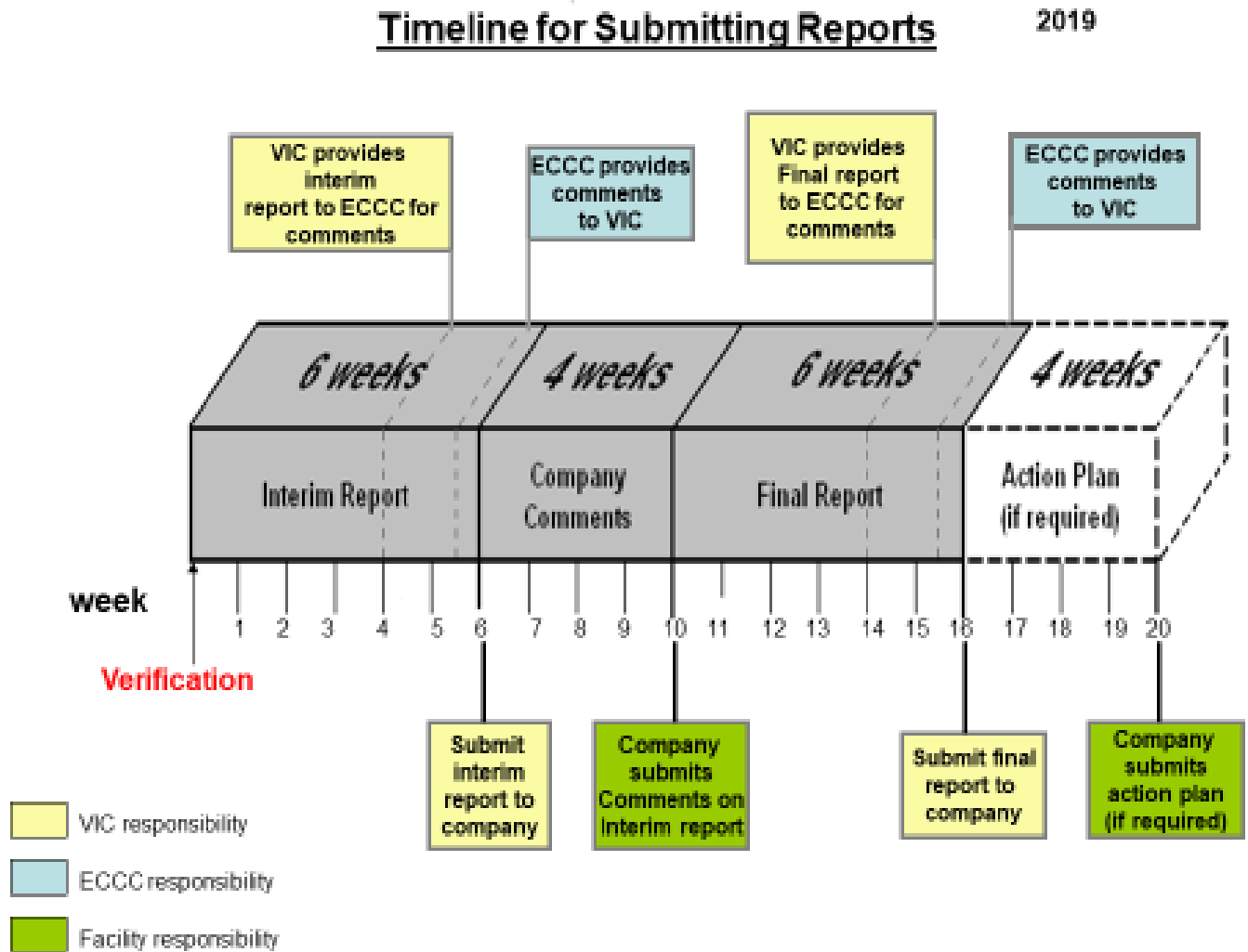
6.3 *Corrective actions*

It is expected that, in most cases, the visit dialogue and subsequent interim report will yield a consensus on the shortfalls and appropriate action plans, ensuring that the Participating Facility and the verification team agree on action plans, including timelines, to address any deficiencies noted in the final verification report. For action plans that are not considered timely or sufficient by the verification team, a conference call will be set up between the facility and the verification team to gain consensus prior to finalizing the final verification report. If a consensus cannot be reached, the facility will be asked to outline its concerns in a letter that will be attached to the verification team's final verification report.

The facility will complete the corrective actions agreed upon with the verification team and will confirm this completion in writing and by providing supporting documentation to the VIC within the agreed timeline per the action plan. The VIC will retain a copy of the final verification report, including follow-up corrective action reports, and will advise the verification team of the progress of the corrective action. The

VIC will forward a copy of the follow-up corrective action reports, the written confirmation of completion and the corresponding supporting documentation to ECCC.

Below is a diagram illustrating the timeline for submitting reports



APPENDIX A

Examples of Significant Changes (note that this is not an exhaustive list)

1. A facility that was using totes or drums when last verified (under the former or current agreement) is now receiving tin stabilizers in tanker trucks.
2. A facility that was using bulk trucks when last verified (under the former or current agreement) is now receiving tin stabilizers in totes or drums.
3. A facility that had a bulk storage tank when last verified (under the former or current agreement) is now increasing its number of storage tanks.
4. A facility opens an additional building on its property for receiving, storage and operations involving tin stabilizers.
5. A facility moves storage of tin stabilizers within its existing building to a new area that is near floor drains or an outside door.

Examples of non-significant changes (note that this is not an exhaustive list)

1. A facility that was using both bulk and totes when last verified (under the former or current agreement) is now using only one or the other.
2. A facility orders tin stabilizers in another type of container or packaging under exceptional circumstances (e.g. a small pail to conduct a test).
3. A facility adds another compounding line in an existing building on its property in which tin stabilizers were already being handled when last verified (under the former or current agreement).
4. Any other change that does not relate to how tin stabilizers are received, stored or handled at the facility.

APPENDIX B

MODEL VERIFICATION REPORT STRUCTURE

Assessment of the Implementation of the
Guideline for the Environmental Management of Tin Stabilizers by [Company Name],
as required under the 2020–2025 Tin Stabilizer Environmental Performance Agreement

Verification date:

Verifiers

[Company Name] staff present

Observers

General summary

Timelines

General approach

Background

Specific observations

Documentation

Improvements required

Verification report notice

This verification report has been written in accordance with the *2020-2025 Environmental Performance Agreement Respecting the Use of Tin Stabilizers in the Vinyl Industry* (the “Agreement”). The verification report has been produced by a verification team consisting of a representative of the Vinyl Institute of Canada (VIC) and a representative from Environment and Climate Change Canada (ECCC), or their designate, as needed. The verification report is to be used to provide guidance to the participating vinyl compounding facility identified in this verification report. It may also be used by ECCC to evaluate and review the performance of the Agreement and of the facilities subject to the Agreement. The content of the verification report reflects the verification team’s best judgment in light of the information that was available to it at the time of the verification and at the time of the preparation of the verification report. It is the responsibility of the facility that is being verified to interpret the findings and recommendations in this verification report.

Neither this verification report nor any ensuing reports in any way endorse the facility or any of its activities that may be the subject of the verification report.

The verification team members and any other participants involved in the preparation of the verification report accept no responsibility should any damages be caused to a person, directly or indirectly, by the participation of the verification team members in the verification of the facility, or as a result of the use that is made of information provided in, or taken from, this verification report, or as a result of reliance on the information available in this verification report.

THE VERIFICATION TEAM MEMBERS DO NOT WARRANT THE CURRENCY, QUALITY, ACCURACY, RELIABILITY OR COMPLETENESS OF ANY INFORMATION IN THIS VERIFICATION REPORT, FOR ANY PURPOSE OTHER THAN THE ONE FOR WHICH IT WAS PREPARED. IT IS UNDERSTOOD BY THE USER OF THIS VERIFICATION REPORT (THE "USER") THAT THIS VERIFICATION REPORT AND THE INFORMATION WITHIN IT ARE PROVIDED "AS IS" WITHOUT WARRANTY OR CONDITION OF ANY NATURE, INCLUDING FITNESS FOR A PURPOSE OTHER THAN THE ONE FOR WHICH THIS VERIFICATION REPORT WAS PREPARED OR NON-INFRINGEMENT OF PROPRIETARY RIGHTS REGARDING ANY INFORMATION, MATERIALS OR OTHER DOCUMENTS THAT ARE REFERENCED BY AND INCLUDED WITHIN THIS VERIFICATION REPORT.