

## Institutional Presentation

# Argentine Chamber of the Chemical and Petrochemical Industry

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# I.- Who we are

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# 1.-Institutional Profile and Members

**The Argentine Chamber of the Chemical and Petrochemical Industry (CIQyP) is a nonprofit civil association, created in 1949 for the collective representation of chemical and petrochemical companies.**

The companies associated to **CIQyP** represent more than 68% of the production value of the Argentine chemical industry; they include large, medium and small-sized companies, of national and international capital, with activities limited to specific subsectors or belonging to highly-integrated corporate groups.

The thousands of products manufactured by our members include organic and inorganic chemical products, basic, intermediate and final petrochemical products such as polymers, synthetic rubbers, artificial fibers, solvents, as well as fine chemicals, dyes, agrochemicals, surfactants and other chemical specialties essential to the production of chemicals intended for consumer use (cleaning products, personal care products, cosmetics, drugs) and numerous industrial products and services crucial to any activity of modern life, e.g. education, health, housing, information systems, transport, communications, clothing, food, etc.

Also, some of our members are companies engaged in chemical product transportation and others specialized in the treatment of hazardous wastes.

## 2.-Mission and Goals

**Our mission, as a representative of the companies of the sector is to promote the growth of the chemical and petrochemical industry in Argentina and the development of our members.**

For this purpose, CIQyP pursues the following goals:

- To achieve a business environment with clear, trustworthy and foreseeable rules, and a profitability compatible with the risks undertaken and which, as such, is distinguished and preferred for its competitiveness and regional and international insertion.
- To promote an adequate basis for creating competitive conditions for the chemical and petrochemical industry, bearing in mind the current situation of the industry and the evolution of the economic context of the country.
- To broadcast the quality, quantity and other characteristics of the goods and services produced by our members, so that their products are preferred to others, even on equal terms.
- To develop synergies with chemical and petrochemical industry suppliers and contribute to creating conditions for increasing a competitive offer of goods and services required by our members on the basis of volume, continuity, reliability and other characteristics of the sector demand.
- To improve the quality of work and life of all those involved in the chemical and petrochemical industry, by increasing their training and personal development, whatever their level or position in the sector.
- To facilitate the insertion of our members in the communities where they act, whether these are local, national or regional, causing the sector to stand out for their contributions to these communities, for their concern about the environment and their commitment to a sustainable development of the Argentine industry.

## 3. - Authorities

### **CIQyP BOARD of DIRECTORS 2013 – 2014**

**President:** Alberto Cancio (Solvay Indupa)

**1st Vice President:** Jorge La Roza (Dow Química)

**2nd Vice President:** Marcos Sabelli (YPF)

**3rd Vice President:** María Buzzetti (Petrobras)

**Treasurer:** Carlos Reguera (Faisan)

**Secretary:** Jorge Sampietro (Petroquímica Cuyo)

**1st. Deputy Treasurer:** Daniel Pettarin (Profertil) - **2nd. Deputy Treasurer:** Alejandro Gómez Boero (Atanor)

**1st. Pro-Secretary:** Alberto Freijo (Lestar) - **2nd. Pro-Secretary :** Carlos Reguera (Faisan)

#### **Members:**

Daniel Orjales (Bunge) - José Marinosci (Rousselot) - Héctor Camberos (Dak Américas) - Rodolfo Pérez Wertheim (Meranol) - Carlos de Juana (Carbochlor) - Enrique Rossi (DuPont) - Carlos Schmid (Huntsman) - Ricardo Fernández Pancelli (BASF) - Ricardo Hirsch (Indur) - Héctor Tamargo (Monsanto) - Mario Mariuzzi (Akzonobel) - Pedro Balcarce (Valentín Balcarce) - Ramón Torres (Clariant)

#### **Alternate members**

Edgardo Suide (Crilen) - Santiago Saralegui (Anaeróbicos) - Eduardo Donaldson (Alto Paraná) - Domingo Gatto (Química True) - Carlos Cellini (Agrofina) - Diego García Touza (Varteco Química Puntana) - Ricardo Rabini (Poliresinas San Luis) - José Luis Silvestre (Sudamfos)

#### **2013 Audit Committee**

Account Reviewers: Eduardo Mariani (Arquimex) - Guillermo De Simone (Pentre)

Deputy Account Reviewer: Alejandro Cia (Química y Energía)

**Executive Director:** José María Fumagalli

## 4. - Organization and staff

The CIQyP organizes the bulk of its activities by allocating responsibilities to staff members based on the various issues the Chamber deals with regularly, most of which coincide with the different Advisory Commissions of our organization: Trade, Labor Issues, Hydrocarbons and Energy, Environment and the Responsible Care Initiative, Tax Affairs, Small and Medium Chemical Industry.

Other areas of work are those related to general services such as: Communications and Administration.

When unusual issues arise, the Executive Director will promptly assign the responsibilities each case requires.

### **STAFF**

**Executive Director:** José María Fumagalli

**Executive Director Advisor:** Mauricio van den Broeck

**Trade and Regional Integration :** Cecilia Miani, Federico Sperber and Ángel Caruso

**Labor Issues:** Jorge Clarke and Cecilia Miani

**Hydrocarbons and Energy:** Rolando García Valverde

**Environment and PCRMA (Responsible Care Program for the Environment):** Héctor Benavídez and Noelia Canelas

**Tax Affairs:** Rolando García Valverde

**Small and Medium Chemical Industry and SME Desk:** Rolando García Valverde

**Communications and Pro Química:** Florencia Valletta

**Administration:** Aldo Sueldo, María Leonor Sar, Mariana Fumbarg

## II. What we do and what we don't do

1. What we can do
2. What we do
3. What we don't do

# 1.- What we can do (Statute)

- a) Negotiate with public authorities the enactment of laws, regulations and ordinances of general interest that favor the activity of the chemical and petrochemical industry, in collaboration with government agencies and colleague organizations on issues of public welfare which eventually exceed strictly sectoral issues.
- b) Cooperate with national, provincial and municipal governments in amending effective laws, regulations and ordinances for a better development of the chemical and petrochemical industry.
- c) Ensure through collaboration with members and/or similar local or foreign entities, that the chemical and petrochemical industry improves the quality and quantity of its products, while achieving the conditions required to conquer foreign markets.
- d) Collaborate with national authorities and/or similar local or regional organizations to optimize the results of regional integration processes, as well as to improve the conditions to access third markets, and the applicable commercial disciplines based on international trade negotiations held at national, regional or multilateral levels; for this purpose, the chamber will promote the participation in regional or international agencies of the industry.
- e) Integrate second- and third-tier industrial agencies to promote the progress of the Argentine industry and defend the interests common to all industrial activity, with whom we may agree to, or hire the provision of all or part of the administrative and/or technical services required by members.
- f) Carry out studies aimed at improving the knowledge of members and/or third parties interested in the sector, perform activities to disseminate the characteristics of the industry and the usefulness of the products, as well as to offer useful services to members.
- g) Perform interest-specific activities for a group of members, to the extent that the goals of these activities are consistent with the general goals stated in Section N°1, fall within the description of activities in this section, are not contradictory to the interests of other members, and the costs involved are borne by interested parties.
- h) Favor any public or private initiative fostering the development of schools of professional learning and orientation, factory schools, institutes of technical education or the like, that may contribute to training personnel to qualify for employment in the chemical and petrochemical industry.
- i) Enter into collective labor agreements on behalf of our members and take part in Government agencies or commissions on behalf of the industry.
- j) Perform all kinds of legal acts aimed at meeting our goals, buy, sell, exchange, tax or, otherwise, acquire or transfer ownership over real estate, movable property, carry out all kinds of credit and banking transactions with any official or private entity, whether existing or to be created, especially with Banco de la Nación Argentina, Banco Hipotecario Nacional, Banco de la Provincia de Buenos Aires and Banco de Inversión y Comercio Exterior, accept donations and legacies.
- k) Administer the Responsible Care Program for the Environment, aimed at improving the benefits of members as regards health, environment and safety, thus advocating the support of all our members.

## 2-What we do

- a) Relations with public agencies
- b) Information and assistance to our members
- c) Negotiation of Collective Labor Agreements
- d) Coordination with colleague organizations
- e) Management of the PCRMA (Responsible Care) in Argentina
- f) Information on the Chemical Industry

## 2. - a) Relations with public agencies

CIQyP maintains regular cooperative relationships with the Governmental Agencies, including its participation in the elaboration of the Industrial Strategic Plan 2020, and handles administrative processes with a large number of national and provincial public agencies and intergovernmental organizations:

### **National public agencies:**

- Ministries of Industry; Economy and Public Finance; Labor, Employment and Social Security; Health; Education; Foreign Affairs and Cult; Science and Technology; their Secretaries, Undersecretariats, National Directions and dependent agencies.
- Agencies reporting to the Office of the President: Secretariat of Environment and Sustainable Development, Secretariat for the Prevention of Drug Addiction and Drug Trafficking.
- Other Public Agencies: AFIP, DGA, INTI, INV, SENASA, among others.
- Commissions of the Chambers of Deputies and Senators of the Congress related to our business.

### **Provincial public agencies:**

Analogue ministries and bodies in the provinces in which the activities of our members take place.

### **International Governmental Organizations:**

UN, ILO, UNEP, WTO, WHO, OPCW systems, among others

## 2.- b) Information and assistance to members

- CIQyP provides regular and timely information on regulations or any situation that may influence the industrial or trade operations of our members (See Communications to Members in "How we do it")
- Assistance to members is carried out by:
  - The analysis and exchange of views and experiences that regularly take place at the meetings of the Advisory Commissions (see Advisory Commissions in "How we do it")
  - Help Desks to address and help solve specific problems (see Help Desks in "How we do it")

## 2.- c) Labor negotiations

- CIQyP acts on behalf of Argentine chemical employers in the negotiations of Collective Labor Agreements of national scope N°77/89 (FATIQyP) and N° 564/09 (FESTIQyPRA)
- Under CIQyP's Labor Negotiation Procedure, negotiations are conducted by a Labor Negotiation Commission appointed by the Board of Directors, in consultation with the Members and with the legal advice of the JP O'Farrell Lawyers' office.
- When the results of negotiations are approved by the Ministry of Labor, Employment and Social Security (MTEySS), they become binding on all chemical employers in Argentina.
- CIQyP provides legal advice to its Members on any interpretation of Collective Labor Agreements

## 2. - d) Coordination with colleague organizations

To better meet its goals, CIQyP cooperates and coordinates its activities with numerous local, regional and international corporate organizations (in *italics* we have highlighted the ones we belong to).

- At national level:  
***Unión Industrial Argentina (UIA); Cámara de Exportadores de la República Argentina (CERA); Instituto Petroquímico Argentino (IPA);*** Cámara Argentina de la Industria Plástica (CAIP); Cámara de la Industria de Procesos de la República Argentina (CIPRA); Cámara Industrial Argentina de Fertilizantes (CASAFE); Cámara Industrial Argentina de Fertilizante y Agroquímicos (CIAFA), Asociación de Artículos de Limpieza para el Hogar y Afines (ALPHA), Cámara Argentina de Transporte Automotor de Mercancías Peligrosas (CATAMP) Cámara Argentina de Industrias de Tratamiento para la protección ambiental (CAITPA), among others.
- At the regional level:  
***Consejo de la Industria Química del Mercosur (CIQUIM); Asociación Petroquímica Latinoamericana (APLA);*** ABIQUIM from Brazil; ASIQR from Uruguay; ASIQUIM from Chile; ANIQ from México, ASOQUIM from Venezuela; among others.
- At the international level:  
***International Council of Chemical Associations (ICCA);*** ACC (USA); CEFIC (EU); CCPA (Canada), JCIA (Japan), among others.

## 2. - e) Administration of the PCRMA

Since 1992, CIQyP is in charge of administering the Responsible Care Program for the Environment<sup>©</sup> (PCRMA) in Argentina, the national version of the Responsible Care<sup>©</sup> international program of the industry which is currently applied in 54 countries under the supervision of the International Council of Chemical Associations (ICCA).

The PCRMA aims to achieve continuous improvement as regards Health, Occupational Safety and Environment in companies that produce, store and/or transport chemicals, as well as chemical waste management companies.

Today PCRMA is applied by 112 manufacturers of chemical substances and products, chemical transporters and chemical and special waste treatment facilities.

The program is based on corporate involvement, which is reflected by rules of conduct and ongoing advice for continuous improvement of the industry.

This follow-up is recorded via self-assessments, performance indicators and external audit systems.

In July 2007, a Mutual Cooperation Agreement was entered into with the former Secretariat of Environmental Policy of the Province of Buenos Aires for which the Province of Buenos Aires recognizes PCRMA as its Cleaner Production Program for the chemical industry (Decree 1564/07).

## 2.-f Information about the Chemical Industry

CIQyP regularly issues public access information and dissemination material on the chemical industry. The most relevant examples include:

- **Sistema de Información Económica Sectorial (SIES-CIQyP) (Economic information system for the sector):** since 2000, it is a monthly report on the evolution of indicators of the physical level of production, domestic sales, exports for the industry as a whole and subsectors, rate of utilization of installed capacity, and the value and amount of total imports and exports of chemical products in Argentina.
- **"The Argentine Chemical Industry - Current situation and potential to 2020"** (*a study carried out by CIQyP*)
- ***Chemical Emergency:*** who to resort to and what to do in case of an emergency during the transport of chemical products, or accidents in plants or homes.
- ***Collective Labor Agreements and Labor Agreements in force***
- ***Educational/ Informational Material:*** The Bicentennial Year and the Evolution of the Chemical Industry in Argentina 1810-2010; Educational CD Rom "Hand in hand with Chemistry"; Handbooks for enhanced environmental responsibility; Control of Emergencies with Chemical Products - Handbook for action groups; among others

## 3.-What we don't do

- Exchange or allow the exchange of information on prices, customers and other commercial or financial conditions for domestic market sales, or any another information that contravenes Competition Defense or Consumer Protection laws.
- Address or manage any issue which, directly or indirectly, means a non-compliance or circumvention of the Argentine laws or legal provisions.
- Carry out any procedures that in any way affects the interests of any of our members.

## III. How we do it

1. Activities of the Advisory Commissions and Working Groups
  - a) Trade Commission
  - b) Labor Affairs Commission
  - c) Hydrocarbons and Energy Commission
  - d) Environment Commission
  - e) Tax Affairs Commission
  - f) Small and Medium Chemical Industry Commission
  - g) Working Groups
2. Member Help Desks
3. Communications to Members
4. Web site

# 1.- Activities of Advisory Commissions

In general terms, the 6 commissions of CIQyP give advice to the Board of Directors Committee on issues of its competence and, at the same time, they represent the most relevant mechanism of both participation for members and organization of CIQyP activities.

Each Commission has authorities appointed by the Board of Directors; its members are nominated by the companies interested in taking part of the activities; they meet once a month, with a pre-established and previously informed agenda; when necessary, they hold a special meeting.

At meetings, each commission analyzes the issues that may influence members' operation, they exchange views and experiences (see limitations in "What we don't do") and establish positions and raise proposals to the Board of Directors, which are then carried out by the Chamber staff.

# 1.- a) Trade Commission

## **Authorities:**

President: Cecilia Miani (CIQyP)

Secretary: Federico Sperber (CIQyP)

The major goals of the Trade Commission include giving advice to the Board of Directors on all issues related to trade, both on exports and imports and with any trade and integration negotiations that may develop within the framework of the MERCOSUR, WTO, and with other blocs, such as the European Union, or with other countries: Canada, Israel, Japan, China, Cuba, etc; it also deals with international trade disciplines (Rules of Origin, Dumping, Safeguard, Competition Defense, Consumer Protection, etc.).

As regards trade operations, the Commission permanently monitors regulations on export and import of chemicals and petrochemical products; it also keeps track of the activities carried out by different government agencies related to international trade negotiations, including Mercosur-UE Biregional Negotiation Committee and its Working Groups; WTO and its Working Groups and Technical Commissions; the MERCOSUR Trade Commission and its Working Groups. Through its representatives, the Commission takes part in the Departments of Trade and International Negotiations of the UIA (Argentine Industrial Union).

From a Help Desk, it provides advice and support to its member companies on all issues related to internal and external trade. When specific issues arise requiring special analysis, it sets up ad hoc Working Groups.

The Commission meets every third Wednesday of each month at 9.30 am, at CIQyP offices.

# 1. - b) Labor Affairs Commission

## **Authorities**

President: Jorge Clarke (CIQyP)

Coordinator: Cecilia Miani (CIQyP)

The Labor Affairs Commission has the purpose of advising the Board of Directors on labor matters, including negotiations of Collective Labor Agreements in which our organization is involved.

With the support of the law office that advises the Chamber on these issues, the Commission keeps members informed about any news on labor laws, including new projects, newly published standards, etc.

This Commission discusses the employment situation of member companies, and also, at each monthly meeting, the representatives of the advisory Law Office provides us with an update on the general employment situation.

The Commission analyzes, in consultation with member companies, all the aspects related with those negotiations conducted on Collective Labor Agreements in which our entity is involved, according to the procedures established by CIQyP to carry out those negotiations.

Labor negotiations are conducted by a Labor Negotiation Commission appointed by the Board of Directors and composed of members of the Labor Affairs Commission.

The Commission meets every second Wednesday of each month at 2.30 pm

# 1. - c) Hydrocarbon and Energy Commission

## **Authorities:**

President: Jorge Zabaleta (Dow Chemical)

Coordinator: Rolando Garcia Valverde (CIQyP)

The purposes of the Commission include maintaining updated diagnoses on the supply of hydrocarbon and electric power at the different locations of the chemical and petrochemical industry, including available supply, demand, prices, regulations, etc.; implementing and maintaining appropriate "benchmarking" of this problem with the countries competing with our industry; estimating the likely evolution of the problem in the short, medium and long term; recommending to the Board of Directors any possible actions to help improve the conditions of availability and price of hydrocarbons and energy required by our industry.

The Commission meets every second and fourth Tuesday of each month at 11 am.

# 1.- d) Environment Commission

Authorities:

President: Carlos Schmid (Huntsman)

Coordinator: Eng. Hector Benavidez (CIQyP)

The Environment Commission deals with issues related to Safety, Health and Environment, and particularly, it manages the Responsible Care Program for the Environment. The Commission monitors any changes in the legislation and enactment of new laws or regulations by the Parliament or the government concerning the above issues, for the purpose of advising members about potential effects and solutions.

Also, the Commission gives advice and submits proposals on matters of its competence to CIQyP Board of Directors.

The Commission has a representative at the Environment Commission of the UIA (the Argentine Industrial Union) and participates, through its members, in symposia, meetings and commissions consistent with its purposes.

The Environment Commission meets every third Tuesday of each month at 2.30 pm, at CIQyP offices.

# 1.- e) Tax Affairs Commission

## **Authorities:**

President: María del Rosario Vázquez Melendi (Dow Chemical)

Coordinator: Rolando Garcia Valverde (CIQyP)

The main purpose of the Tax Affairs Commission is to advise the Board of Directors on all issues related to laws, decrees, rules and resolutions enacted or proposed on tax matters.

To this effect, it permanently monitors all publications related to these issues, analyzes them, and, when necessary, submits any observations or requests for amendment to the relevant authority.

It is open to consultation by members on issues related with its purposes.

The Commission meets every last Friday of each month at 9.30 am, at CIQyP offices.

# 1. - f) Small and Medium Chemical Industry Commission

## **Authorities:**

President: Carlos Reguera (Faisan)

Coordinator: Rolando Garcia Valverde (CIQyP)

The Small and Medium Chemical Industry represents an important segment of companies associated to the Chamber. This Commission has two main objectives. The first is to convey the problems of this segment of companies to CIQyP Board of Directors. The second is to conduct ongoing monitoring and analysis of the factors that influence the development of the corporate segment, by advising Member Companies.

The Commission represents the Chamber before the SME Department (Small and Medium Enterprises) of the UIA (Argentine Industrial Union) and Fundación Observatorio PyMe, and before government agencies involved in any issues of interest to SME companies (Secretariat of Small and Medium Enterprises of the Ministry of Industry, and Undersecretariat of Production of the Province of Buenos Aires). In turn, it acts in the various forums, bringing the voice of Small and Medium Chemical Industry businesses and raising their needs.

The Commission supports the development of projects to improve competitiveness, as it permanently looks for opportunities for its Members. In this regard, it acts as an SME Window of the Access to Credit and Competitiveness Program or "PACC" (see Help Desk "How we do it")

The commission meets every third Wednesday of each month at 1 pm, at CIQyP offices.

## 1.- g) Working Groups

In order to solve problems inherent to the sector or concerns raised by members, and which, because of their nature, are not included in the competencies of the Advisory Commissions, the CIQyP resorts to the formation of ad hoc Working Groups (WG).

These WGs, composed by member representatives and coordinated by a member of our staff, meet on a regular basis until they achieve the results that caused their formation; once these are achieved, the WG ceases to exist.

In general, WGs are formed to solve technical issues that respond to particular features of some branches of industry, such as the analysis and monitoring of standards and regulations related to factors that may affect costs (energy costs, prices of raw materials, supplies and services), including the enactment of national and provincial provisions of technical nature that affect industrial competitiveness of the chemical and petrochemical sector in general, or of any productions affected, in particular.

Typical examples of WGs are those concerned with Polymers, Thermal Insulation Standards, Gas Cylinders, among others.

## 2.- Help Desks

In order to help solve specific operational problems raised by members, CIQyP offers the following Help Desks:

- ✓ Trade Operations. Coordinator: Cecilia Miani ( [cmiani@ciqyp.org.ar](mailto:cmiani@ciqyp.org.ar) )
- ✓ Collective Labor Agreements. Coordinator: Cecilia Miani ( [cmiani@ciqyp.org.ar](mailto:cmiani@ciqyp.org.ar) )
- ✓ SME Desk PACC by SEPyme (SME Undersecretariat). Coordinador: Rolando García Valverde ( [rgarciavalverde@ciqyp.org.ar](mailto:rgarciavalverde@ciqyp.org.ar) )
- ✓ Tax Affairs: Coordinador Rolando García Valverde ( [rgarciavalverde@ciqyp.org.ar](mailto:rgarciavalverde@ciqyp.org.ar) )

To seek the assistance of a Help Desk, Members should e-mail their requests to the coordinator, who will indicate the recommended actions, including those of our organization, and follow-up modalities.

Each Help Desk keeps a record of requests, responses and pending responses (total and subtotals by related topics) as well as the results of our management (successes, failures and unknown results, in totals and subtotals by related topic) and the degree of member satisfaction.

## 3. - Communications to Members

Communication with members is key to the smooth running of CIQyP. To this effect, we have the following tools:

- Circulars to member representatives and members of Advisory Commissions, describing any news of their interest, warnings, data requirements, general arrangements, etc.
- Fortnightly newsletter summarizing key developments.
- Within the website (see general characteristics below), members have a "Space for Members" where they can find the minutes of all the meetings of the Board of Directors and Advisory Commissions, as well as other reports and papers on topics of interest we reserve for the exclusive use of our members.

## 4.- Website

Our website ([www.ciqyp.org.ar](http://www.ciqyp.org.ar)) represents a tool for public awareness of the characteristics of the chemical and petrochemical industry, the products and producers of our business, as well as of our activities and services. Conversely, it is a method to contact us, for those interested in the activities of our industry.

This way, interested public can access the information we publish periodically about economic indicators, general studies, and educational and dissemination material on the chemical and petrochemical industry.

Also, companies that are not yet members of CIQyP can see our activities and services.

As mentioned above, the website has a space reserved for the exclusive use of our members.

We are currently working to redesign the look and improve the performance of our website.

To measure the effectiveness of this means of communication, over 540,000 hits have been recorded to date.

## IV. What we need from our Members

- Prompt payment of membership fees, the only source of funding for our organization and activities
- Appointment of a Representative before CIQyP, capable of conveying the views of the company to our entity; in general, representatives are the Presidents, Directors or General Managers of member companies.
- Appointment and active participation of company members that can act on behalf of it at any Commissions or Working Groups at which they may wish to participate.
- Collaboration by responding to our information requests and surveys (all data received is treated as confidential)
- That they join the PCRMA, by appointing a Coordinator that meets the requirements and carries out the activities.
- That they promote intensive use of existing benefits and suggest new topics of interest for the sector
- That they send us their comments, observations and any input they deem convenient.

**All of this contributes to our possibility to improve what we do for the benefit of our Members and for the whole Chemical and Petrochemical Industry in Argentina**