



EUROPEAN ASSOCIATION OF CHEMICAL DISTRIBUTORS



# Fecc governance and compliance policy



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The European Association of Chemical Distributors (Fecc) is the European voice of the chemical distribution industry. With a growing membership of companies and national associations, Fecc represents around 1700 companies many of which are small and medium sized enterprises. Fecc members create value in the supply chain by meeting the demands of over one million downstream users ranging over all branches of industry, with their specific needs and diverse purchase volumes.

Fecc has three types of members:

- \* Company members: chemical distribution companies
- \* National associations: represent chemical distribution companies at national level
- \* Associate members: companies or associations engaged in producing chemicals

## Introduction

Internally, and with regard to its Members and Stakeholders, it is essential that Fecc uses transparency in the way it is organised and it works. Transparency can be found in Fecc's Statutes and By-laws, which describe the fundamental rules of operation of its statutory bodies and related structures. These documents are not just a "private association contract", but have formal approval from the highest level of the Belgian authorities (the Minister of Justice and the King), giving Fecc the status of a Belgian "Association Internationale sans but lucratif".

In order to support this status and the values and related perceptions of our industry, it is essential that Fecc not only complies with statutory provisions and legal requirements regarding the essential features of the association (e.g. conduct of non-profit activities, fulfilment of the financial / taxes obligations), but also operates to the highest behavioural ethical standards.

Therefore, recognising the legitimate public interest in corporate social responsibility, governance and institutional transparency, this document formally records the Governance and Compliance Policy and Values which apply to all activities conducted by Fecc.

This Policy applies to all Fecc staff and Member representatives who are managing its issues, as well as all participants in Fecc activities. It does not apply to individual companies for their own operations outside Fecc activities.

## Governance in Fecc

For a non-profit organisation such as Fecc, governance is a vital component of its internal support and cohesion and of its external recognition by public and private Stakeholders.

It is a set and combination of fundamental driving values, regulations, processes, internal disciplines and codes of conduct which enable Fecc to achieve its objectives and fulfil its mission, while:

- ✦ Meeting both legal obligations and social expectations
- ✦ Spelling its key references and values
- ✦ Providing a solid umbrella to Fecc activities with clear recognised identity, bringing added value to their work

## Who does it concern?

Governance values and disciplines should be shared by all. Within Fecc, this particularly implies:

- ✦ Clear ownership of Fecc governance by its leading bodies: the General Assembly, the Board and the Executive Committee
- ✦ Understanding and compliance with regard to all activities, and by all representatives of the membership
- ✦ Full awareness and active compliance of the management and staff of Fecc, under the supervision, guidance and co-ordination of the Fecc Competition Law Counsel



# Fundamental driving values

# Processes and implementation

## EFFECTIVE AND TRANSPARENT RULES FOR FECC'S STATUTORY BODIES AND RELATED STRUCTURES

- \* This will apply to any structure of Fecc so that effective and transparent rules of operation are established and followed when managing those structures.

## RESPECT THE LAW

- \* All relevant national, European and International laws will be respected. Special focus is given to practical guidance regarding compliance with competition law in Appendix 1 of this Document.

## MAINTENANCE OF HIGH CREDIBILITY VIS-À-VIS INSTITUTIONS

*(The details of this are found in Appendix 2 of this Document)*

- \* The organisation should always be represented in a non equivocal manner, on the basis of clear definition of aims and issues to be discussed
- \* Members will work together to encourage consistency and cohesion of advocacy. Ensuring a clear distinction between Fecc positions and any diverging opinions which they may hold on behalf of their company / association they represent
- \* Fecc representatives must behave with full integrity and the highest behavioural ethical standards

- \* Information required by the organisation must be obtained by lawful means
- \* Any form of active or passive corruption (such as blackmail, offers of influence, promises and gifts) are strictly forbidden
- \* Institutions' codes of conduct, or recommendations on dealing with Institutions, civil servants, MEPs and others, when existing, will be complied with. Members must declare their Fecc representation in all such dealings
- \* Requirements governing the protection of private life will be strictly complied with
- \* Statistics regarding the industry will be used in a strictly honest and transparent way
- \* Behavioural ethical principles will be strictly followed when making "environmental" advertising

## PROTECTION OF CONFIDENTIAL INFORMATION

- \* Confidential information and Intellectual Property rights of third parties, including Members, will be fully respected by Fecc staff and Members acting on Fecc's behalf.

The Fecc Secretariat is empowered to promulgate and amend from time to time the processes, the internal disciplines and codes of conduct covering the implementation of these Fundamental Driving Values.

## COMPLIANCE PROCESSES ARE CORE VALUES OF FECC / OVERALL CONSISTENCY

The implementation of Compliance Programmes is part of the general policy of Fecc and will be applied and respected with regard to all Fecc activities.

This is also done in support of other Fecc services and constituencies, and in turn, staff at all levels is are responsible for the effective appropriation and application of the Compliance Programmes by the Members of their teams.

## EDUCATION, REPORTING, OPEN DISCUSSIONS AND CONSULTATION

Fecc has put in place the necessary structures and responsibilities (including documentary and operational), to achieve this widespread compliance and practice.

# Appendix 1: Respect of competition law

## PRACTICALITIES

### Guidance for staff and members involved in Fecc activities

Respect of competition law has for many years been a core value applying to all Fecc activities. It is developed through the effective management of the following tools:

### Staff and Members' responsibility

Any infringement will be considered as professional misconduct, and ignorance will not be accepted.

### This brochure is distributed to Fecc staff and Fecc Members.

All staff and members attending Fecc Meetings are expected to read and be familiar with the content of this brochure.

### Awareness and Education

All staff will be required to attend an annual compliance training session, as well as some more targeted information platforms.

### Keeping records

Organising the necessary keeping of the documents, including minutes, agendas, and other important documents necessary to reflect the discussions and matters discussed during the meetings.

### Advice

The Fecc Competition Law Counsel is available to advice on all matters pertaining to EU competition compliance.

### Co-operation in inquiries and Inspection

In addition to maintaining compliance, Fecc has always pursued a policy of transparency with competition authorities involved.

### Do and Don't Checklist

The attached list is designated for Fecc staff and Member Representatives who are responsible for the management of meetings. It is also intended to be read and followed by attendees of these meetings.

These rules do not relieve individuals of their responsibility to use their own judgement in appropriate situations.



## COMPETITION LAW CHECKLIST FOR MEETINGS

This checklist is for the conduct of Fecc-sponsored meetings. Prohibited discussion topics apply equally to social gatherings incidental to those meetings.

The checklist is not exhaustive.

# DO

## ENSURE STRICT PERFORMANCE IN AREAS OF:



### Oversight / supervision

- \* Each meeting of the Fecc should have a representative of the secretariat attending
- \* Consult with appropriate counsel on all questions which might be related to competition law.
- \* Limit meeting discussions to agenda topics
- \* Provide each attendee with a copy of this checklist, and have a copy available for reference at all meetings

### Recordkeeping

- \* Have an agenda and minutes which accurately reflect the matters which occur
- \* Ensure the review of agendas, minutes and other important documents by appropriate staff or counsel, in advance of distribution
- \* Fully describe the purposes, structures and authorities of the groups

### Vigilance

- \* Protest any discussion or meeting activities which appear to violate this checklist; ask for those activities to be stopped so that appropriate legal check can be made by counsel. Disassociate yourself from any such discussion or activities and from the attendees, leave any meeting in which they continue (and have it minuted)

# DON'T

## DO NOT, IN FACT OR APPEARANCE, DISCUSS OR EXCHANGE INFORMATION NOT IN CONFORMITY WITH COMPETITION LAW, INCLUDING FOR EXAMPLE:



### Prices

- \* Individual company / industry prices, price changes, price differentials, discounts, allowances, credit terms, etc.
- \* Individual company data on costs, production, capacity, inventories, sales, etc.

### Production

- \* Plans of individual companies concerning the design, production, distribution or marketing of particular products, including proposed territories or customers
- \* Changes in the industry production capacity or inventories, etc.

### Transportation rates

- \* Rates or rate policies for individual shipments, including basing point systems, zone prices, freight, etc.

### Market procedures

- \* Company bids on contracts for particular products; company procedures for responding to bid invitations
- \* Matters relating to actual or potential individual suppliers or customers that might have the effect of excluding them from any market or influencing the business conduct of firms toward them, etc.
- \* Blacklist or boycott customers or suppliers

# Appendix 2: Maintenance of high credibility vis-à-vis institutions and stakeholders

## PRACTICALITIES

### Guidance for staff and members involved in Fecc activities

The organisation should always be represented in a non equivocal manner, on basis of clear definition of aims and issues to be discussed. The objective is to ensure that different audiences receive the same messages from all Fecc representatives. Fecc is represented by its own staff or authorized delegates (members of national associations, individual companies, consultants etc.).

All refer to agreed common objectives and guidelines to speak in the name of Fecc:

- When working in an advocacy team, individuals should refrain from acting in isolation, retaining information which may be useful to everyone.
- There is a need for a networking system to act in a collegial and coherent manner (Fecc/national associations).

Members will work together to encourage consistency and cohesion of advocacy. They are expected to support Fecc positions as adopted in accordance with its Statutes and By-Laws. In case of disagreement Members are expected not to use the Fecc name when holding diverging opinions.

Conflicts of interest between the personal interests of staff and the interests of Fecc must be avoided. Staff and Member Representatives must act purely in the interests of Fecc, and not be influenced by their personal interests. Requirements governing the protection of private life must be strictly complied with. This is especially important in relation to data banks, electronic networks, etc.

Any forms of active or passive corruption (such as blackmail, offers of influence, promises and gifts) are strictly forbidden. Gifts and invitations which may be interpreted as an attempt to corrupt must not be offered. Similarly, any behavior which may be interpreted as soliciting third parties with the intention to receive gifts or invitations must be avoided.

In case of doubt or questions, please contact

Fecc Secretariat  
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